Form 49
[Rule 13.19]

COURT FILE NUMBER	2303 06543	Clerk's Stamp JUDICIAL CENTRE OF EDMONTON FILED DIGITALLY 2303 06543 Feb 22, 2024 2:45 PM CLERK OF THE COURT
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	EDMONTON	
	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 J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. and 627612 ALBERTA LTD.	
DOCUMENT	**CONFIDENTIAL AFFIDAVIT**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT Aikins LLP 2200, 10235 – 101st Street Edmonton, Alberta T5J 3G1 **Attention: Jeffrey M. Lee, K.C./ Mandi Deren-Dubé** Phone: (306) 975-7136/ (780) 969-3518 Fax: (306) 975-7145/ (780) 969-3549 Email: jmlee@mltaikins.com/mderendube@mltaikins.com File No.: 0159371.00008	

THIRD CONFIDENTIAL AFFIDAVIT OF MARJORIE CARR

Sworn on June 19, 2023

I, Marjorie Carr, of Sherwood Park, Alberta, SWEAR AND SAY THAT:

1. I am the sole director of the Applicants, J.W. Carr Holdings Ltd. (the "**Carr Holdings**"), Spruce Grove Industrial Park Inc., 272649 Alberta Ltd., 279896 Alberta Ltd., Grande Prairie Place Enterprises (1996) Inc., 1170292 Alberta Ltd. and 627612 Alberta Ltd. (collectively, the "**Carr Group**"), and as such I have personal knowledge of the matters herein deposed to, except where stated to be sworn based on information and belief, in which case I verily believe those matters to be true.

2. This Affidavit (the "**3rd Confidential Carr Affidavit**") is the third confidential Affidavit I have sworn in these proceedings, and should be read in conjunction with the third Affidavit I swore contemporaneously with this Affidavit in the within proceedings, dated June 19, 2023 (the "**3rd Carr Affidavit**"), and all definitions contained therein are adopted and restated.

3. I am swearing this Affidavit in support of an application by the Applicant Corporations for relief under the Companies' Creditors Arrangement Act, RSC 1985, c C-36 (the "**CCAA**"), seeking, amongst other things, the approval of the transaction for the purchase and sale of the Shares, as defined herein, amendments to the SISP Order (as defined in the 2nd Confidential Carr Affidavit), and a sealing Order with respect to the 3rd Confidential Carr Affidavit (collectively, the "**June 29 Application**").

4. Carr Holdings and GIG have executed a form of share purchase agreement which contemplates the terms of the Share Purchase (the "**SPA**"). Attached hereto as **Exhibit "A"** is a copy of the SPA.

5. On or about April 14, 2023, Carr Holdings retained Sequeira Partners to provide an independent valuation of the R'Ohan Shares, including a calculation value report with respect to the fair market value of the total equity of R'ohan and the fair market value of the Shares (the "**Valuation Report**"). Attached hereto as **Exhibit "B"** is a copy of the Valuation Report.

6. I swear this Affidavit in support of the June 29 Application and for no improper purpose.

SWORN BEFORE ME at Edmonton, Alberta this 19th day of June, 2023.	)))	
Mandi D	))	M Carr
A Commissioner for Oaths in and for the Province of Alberta	)	MARJORIE CARR

Mandi Deren-Dubé
A Commissioner for Oaths
in and for Alberta
Barrister and Solicitor

This is Exhibit "A" referred to in the Affidavit of Marjorie Carr Sworn before me this 19th day of June A.D., 2023

A Commissioner for Oaths in and for Alberta

Mandi Deren-Dubé
A Commissioner for Oaths
in and for Alberta
Barrister and Solicitor

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT dated as of June 16, 2023 (the "**Effective Date**).

BETWEEN:

JW CARR HOLDINGS LTD., a corporation incorporated pursuant to the laws of the Province of Alberta
(herein the "**Vendor**")

\- and -

GONDOR INVESTMENT GROUP INC., a corporation incorporated pursuant to the laws of the Province of Alberta
(herein "**GGI**" or the "**Purchaser**")

\- and -

R'OHAN WELL SERVICES LTD., a corporation incorporated pursuant to the laws of the Province of Alberta
(herein the "**Corporation**")

WHEREAS:

A. The Vendor is the registered and beneficial owner of 4,215 Class "A" common voting shares, representing approximately 42.15% of the issued and outstanding shares in the capital of the Corporation; and

B. The Vendor wishes to sell and transfer to the Purchaser, and the Purchaser wishes to purchase from the Vendor, the Purchased Shares upon the terms and conditions set forth herein.

NOW THEREFORE in consideration of the respective covenants, agreements, representations, warranties and indemnities of the Parties herein contained and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party, the Parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 <u>Definitions</u>

(a) "**Accounting Standards**" means the Canadian accounting standards for private enterprises from time to time prescribed, recommended or promulgated by CPA Canada, or any predecessor or successor institute, as presently contained in the CPA Canadian Handbook, applicable as at the date such calculation is made or required to be made or as at the date of any financial statements referred to herein, as the case may be, and in the absence of a specific recommendation contained in the CPA Canadian Handbook, or equivalent, such accounting principles as are generally accepted practice in Canada, in each case applied on a basis consistent with preceding years;

(b) "**Accounts Receivable**" means all accounts receivable of the Corporation;

(c) "**Act**" means the *Business Corporations Act* (Alberta) as in effect on the date hereof;

(d) "**Affiliate**" has the meaning given to that term in the Act;

(e) "**Agreement**" means this Share Purchase Agreement and all amendments made in writing by the Parties, "herein" and similar expressions mean and refer to this Agreement and not to any particular Article, Section or Schedule;

(f) "**Applicable Law**" or "**Law**" means any statute, code, ordinance, decree, rule, regulation, municipal by-law, judicial or arbitral or administrative or ministerial or departmental or regulatory judgment, order, decision, ruling or award or any provision of the foregoing, and a principle of common law, civil law or equity, binding on or affecting the person referred to in the context in which such word is used;

(g) "**Approved Form**" means the form of agreement, document, instrument or assurance contemplated for delivery in connection with the Closing herein, which has been approved of by the applicable Parties, or by Purchaser's Counsel and Vendor's Counsel on behalf of their respective clients;

(h) "**Base Purchase Price**" has the meaning set out in Section 2.2;

(i) "**Business**" means rig and coil tubing services in the oil and gas industry in the Province of Alberta;

(j) "**Business Day**" means any day exclusive of Saturdays, Sundays or statutory holidays in Alberta, and also excluding any day on which the principal chartered banks located in the City of Edmonton are closed for business during normal banking hours;

(k) "**CCAA Court**" means the Court of King's Bench of Alberta, Judicial Centre of Edmonton;

(l) "**Claims**" means, in respect of any matter and howsoever arising, all claims, liabilities, demands, costs, damages, assessments, expenses, losses, suits, orders, actions, proceedings (governmental, administrative or otherwise), judgments, reviews, inquiries, investigations, audits, obligations and debts, including interest, penalties, fines, court costs and legal and other professional fees and disbursements, arising directly as a consequence of such matter, and includes Indemnity Claims;

(m) "**Closing**" means the completion of the sale to, and purchase by, the Purchaser of the Purchased Shares;

(n) "**Closing Agenda**" means the closing agenda used by Vendor's Counsel and Purchaser's Counsel in connection with the Closing of the transactions contemplated by this Agreement;

(o) "**Closing Date**" means June 30, 2023, or such other date as the Parties shall agree to in writing;

(p) "**Closing Document**" means any document delivered at the Closing as provided in or pursuant to this Agreement;

(q) "**Closing Financial Statements**" means the review engagement financial statements for the Corporation, being a balance sheet, statement of cash flow, statement of earnings and statement of retained earnings, done in accordance with the Accounting Standards, and consistent with the past practice of the Year-End Financial Statements, for the period beginning on October 1, 2022, and ending as at the end of the day immediately preceding the Closing Date;

(r) "**Closing Time**" means 12:01 a.m. (Edmonton time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing shall take place;

(s) "**Condition of the Corporation**" means the condition of the Corporation including the assets, operations, activities, liabilities, capital, condition (financial or otherwise) or results of operation of the Corporation;

(t) "**Constating Documents**" means, with respect to any Person, (i) if such Person is a corporation or company, the certificate and articles of incorporation (or equivalent), the by-laws (or equivalent) and any other governing documents; (ii) if such Person is a partnership, the partnership agreement and any declaration or statement of partnership required to be filed with any Governmental Authority in order to form the partnership or maintain the limited liability of any partners and any other governing documents; or (iii) if such Person is a trust, the trust agreement, deed of trust and deed of settlement, as applicable, and any other declaration, statement or instrument required to form or maintain such trust.

(u) "**Contract**" means any agreement, indenture, contract, lease, deed of trust, licence, option, instrument or other commitment, whether written or oral;

(v) "**Corporation**" means R'Ohan Well Services Ltd.;

(w) "**Current Assets**" means the assets of the Corporation which, in accordance with the Accounting Standards, are shown, or should be shown, on a non-consolidated basis, on the balance sheet of the Corporation as "current assets", including all Accounts Receivable, inventory, prepaid expenses, cash, and Tax instalments and other prepaid Taxes, if any;

(x) "**Current Liabilities**" means the liabilities of the Corporation which, in accordance with Accounting Standards, are shown, or should be shown, on a non-consolidated basis, on the balance sheet of the Corporation as "current liabilities", including accounts payable and accrued liabilities in respect of any goods purchased by or services performed for the Corporation prior to the Closing Time, deferred revenue, rent and other amounts payable under property leases, GST payable, capital Taxes, other Taxes payable, and accruals for any and all obligations in respect of employees, provided that Current Liabilities shall exclude future income tax liability (i.e., deferred tax liabilities that reflect timing differences between book and tax accounting) and the current portion of long term debt;

(y) "**Damages**" means a loss, liability, claim, damage, penalty, fine, cost or expense (whether or not involving a third-party claim), including reasonable professional fees and reasonable costs incurred investigating, defending or pursuing any of the foregoing, but excluding except in respect of Third Party Claims, punitive, aggravated or exemplary damages.

(z) "**ETA**" means Part IX of the *Excise Tax Act* (Canada), as amended from time to time;

(aa) "**Employees**" means those employees of the Corporation who are employed by the Corporation on a full-time, part-time or temporary basis including those employees, if any, otherwise employed by the Corporation but on lay-off with rights to recall, vacation, short term disability, long term disability, workers' compensation-related leave, pregnancy, parental or other leave;

(bb) "**Encumbrances**" means mortgages, charges, pledges, security interests, liens, encumbrances, actions, rights and claims, adverse interests, acquisition rights of Third Parties, demands and equities of any nature, whatsoever or howsoever arising, and any rights or privileges capable of becoming any of the foregoing;

(cc) "**Estimated Purchase Price**" has the meaning set forth in Section 2.5;

(dd) "**Existing USA**" means the unanimous shareholders agreement dated September 15, 2017 among the Corporation, the Vendor, James W. Carr, C.S. Cross Holdings Ltd., Cory James Cross, Lincoln Smith, the Minority Shareholders, and Harry Huysmans, as amended from time to time;

(ee) "**Firm**" has the meaning set out in Section 2.7;

(ff) "**Governmental Authority**" means (i) any court, judicial body or arbitral body, (ii) any domestic or foreign government whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever, (iii) any subdivision or authority of any of the foregoing;

(gg) "**GST**" means all taxes payable under the ETA and any reference to a specific provision of the ETA shall refer to any successor provision thereto of like or similar effect;

(hh) "**Holdback Agent**" has the meaning set out in Section 2.4;

(ii) "**Holdback Agreement**" means the Holdback Agreement to be entered into among the Vendor, the Purchaser and Purchaser's Counsel, concurrent with Closing, in the Approved Form;

(jj) "**Holdback Amount**" has the meaning set out in Section 2.4;

(kk) "**including**" means including but without limiting the generality of the foregoing, unless the context otherwise expressly provides, such as "including only", and "**includes**" has a corresponding meaning;

(ll) "**Indebtedness**" means, in relation to the Corporation:

(i) all indebtedness and non-trade related debt for borrowed money or in respect of loans or advances of any kind or for the deferred purchase price of property or services, including operating loans, revolving debt, term debt and line of credit drawdowns reported as negative cash in the internal financial statements;

(ii) the amount of all Liabilities pursuant to capital leases or other title retention instruments listed as such on the Year-End Financial Statements or the Year-to-Date Financial Statements;

(iii) all Liabilities evidenced by bonds, debentures, notes or similar instruments or debt securities;

(iv) all guarantees of the debt of other Persons

(v) all Liabilities in respect of letters of credit (but only to the extent drawn upon) or bankers' acceptances;

(vi) all fees, accrued and unpaid interest, premiums or penalties (including prepayment penalties) or other obligations related to any of the foregoing;

(vii) any accrued and unpaid income Taxes payable (less any income Taxes receivable);

(viii) all Liabilities for, or with respect to, any "success fees" or bonuses, change in control payments, retention payments, severance payments or similar Liabilities arising from or that otherwise may be triggered by the transactions contemplated by this Agreement or the other Closing Documents (including all transaction-related bonuses or accelerated benefits payable to any officer, director, Employee or independent Contractor of the Group); and

(ix) any outstanding amounts payable by the Corporation to a Related Party, inclusive of loans or advances and any unpaid management fees.

(mm) "**Liabilities**" means any debt, liability, loss, obligation, cost, expense, damage duty and responsibility of any kind and description, whether absolute or contingent, monetary or non-monetary, direct or indirect, known or unknown or matured, unmatured, or of any other nature;

(nn) "**Licence**" means any licence, permit, approval, right, privilege, concession or franchise issued, granted, conferred or otherwise created by a Governmental Authority;

(oo) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to any event, matter or circumstance, any change or effect that:

(i) individually or when taken together with all other changes or effects that have occurred during any relevant period of time before the determination of the occurrence of that change or effect, is or would reasonably be expected to be material and adverse to the operations, liabilities, capital, condition (financial or otherwise) or results of operation of the Corporation, or

(ii) materially and adversely affects the ability of the Corporation to conduct the Business after the Closing Time substantially as the Business has been conducted to the Effective Date of this Agreement,

provided, however, that a Material Adverse Change or Material Adverse Effect does not include a change or effect caused by the execution or announcement of the execution of this Agreement;

(pp) "**Material Contracts**" means Contracts relating to the Corporation:

(i) which generated revenues of at least $50,000, or resulted in incurring an expense of at least $25,000, in the twelve (12) month period ended April 30, 2023;

(ii) pursuant to which the Corporation has granted any Encumbrance (other than Permitted Encumbrances) against any of its property or assets;

(iii) pursuant to which the Corporation has any obligation to guarantee the obligations of any Person;

(iv) which cannot be terminated by the Corporation on one hundred and twenty (120) days' notice or less without payment of any damages, penalty or other amount;

(v) for which a consent is required or desirable, including in respect of the change of control of the Corporation; or

(vi) which are unique and necessary (and not generally substitutable) in order to carry on the day-to-day Business of the Corporation in the ordinary course as carried out by the Corporation immediately prior to Closing;

(qq) "**Minority Shareholders**" means, collectively, Robert Wells and Huysmans Trucking Alberta Ltd.;

(rr) "**Minority Shareholders Purchase Agreements**" means the share purchase agreements to be entered into between GGI and each of the Minority Shareholders on or about the date hereof, wherein GGI will purchase from the Minority Shareholders an additional 750 Class A Common Shares of the Corporation representing 7.5% of the issued and outstanding shares in the capital of the Corporation;

(ss) "**Net Indebtedness**" means an amount (which may be positive or negative) equal to (i) the Indebtedness of the Corporation, minus (ii) the cash of the Corporation;

(tt) "**Non-Cash Working Capital**" means an amount (which may be positive or negative) equal to (i) the Current Assets of the Corporation, <u>minus</u> (ii) the Current Liabilities of the Corporation; provided, however, that any item that is included in the calculation of Net Indebtedness for the purposes of this Agreement shall be excluded from the determination of Non-Cash Working Capital;

(uu) "**Objection Notice**" has the meaning set out in Section 2.7;

(vv) "**Order**" means any order, judgment, injunction, decree, stipulation, determination, award, decision, ruling or writ of any Governmental Authority or other Person;

(ww) "**Parties**" means the Vendor and the Purchaser and "**Party**" means any one of them;

(xx) "**Person**" shall be broadly interpreted and includes an individual, a body corporate, a partnership, a trust, an association, an unincorporated organization, a Governmental Authority, the executors, administrators or other legal representatives of an individual in such capacity and any other entity recognized by law, and pronouns have a similarly extended meaning;

(yy) "**Purchase Price**" has the meaning set out in Section 2.2;

(zz) "**Purchased Shares**" means those shares as more particularly set out in Schedule 1.1(zz);

(aaa) "**Purchaser's Counsel**" means Erin D. Oor c/o Bryan & Company LLP, 2900 Manulife Place, 10180 – 101 Street, Edmonton, Alberta, T5J 3V5;

(bbb) "**Related Party**" means, with respect to the Vendor, any Person or Persons who, for purposes of the Tax Act, does not deal at arm's-length with the Vendor, including;

(i) any individual connected by blood relationships to a director of the Vendor;

(ii) a corporation which is controlled by the Vendor or individuals described in subsections (i) above; and

(iii) an Affiliate of a corporation which is described in subsection (ii) above;

(ccc) "**Required Consents**" means the consents set forth in Schedule 3.1(l);

(ddd) "**Sale Approval and Vesting Order**" means an Order of the CCAA Court (in form and content satisfactory to the Vendor) authorizing the Vendor to enter into and perform its obligations under this Agreement and the transactions contemplated thereby and vesting title to the Purchased Shares in the Purchaser, free and clear of all Encumbrances;

(eee) "**Schedules**" means the schedules attached to and forming part of this Agreement including the schedules described in Section 1.7 and any updates that may be made thereto pursuant to Section 5.1;

(fff) "**Subsidiary**" has the meaning given to that term in the Section 2(4) of the Act;

(ggg) "**Target Non-Cash Working Capital**" means $2,125,000.00 on a non-consolidated basis;

(hhh) "**Tax**" or "**Taxes**" or "**Governmental Charges**" means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof (including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, gains, capital stock, production, gift, wealth, environment, net worth, utility, sales, withholding, premium, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, surtaxes, customs duties and import and export taxes, development, occupancy, social services, licence, franchise and registration fees and employment insurance, health insurance and Canada and other government pension plan premiums or contributions);

(iii) "**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

(jjj) "**Tax Returns**" means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding tax returns and reports, and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any governmental entity with respect to Taxes, together with all amendments and supplements thereto;

(kkk) "**Third Parties**" means any Person, other than a Party or the Corporation;

(lll) "**Transaction Documents**" means any other agreements or documents required to be executed and delivered by the Vendor, the Corporation or the Purchaser under this Agreement, or in connection with the closing of this Agreement or contemplated by the Closing Agenda used in respect of the Closing;

(mmm) "**Unanimous Shareholders Agreement**" means the unanimous shareholders agreement to be entered into among the Purchaser and the remaining shareholders, concurrently with the Closing;

(nnn) "**Vendor Shareholder Loans**" means any loans made by the Vendor to the Corporation which, as at the Closing Date, remain outstanding;

(ooo) "**Vendor's Counsel**" means Joe Brennan c/o Linmac LLP, 1400, 350 – 7th Avenue SW, Calgary, Alberta, Canada T2P 3N9;

(ppp) "**Vendor's Proportionate Share**" means the proportion that the Vendor's share ownership bears to the total shares issued, being 42.15%.

(qqq) "**Warranty Period**" means eighteen months calculated from the Closing Date;

(rrr) "**Year-End Financial Statements**" means the review engagement financial statements of the Corporation for the years ended September 30, 2021 and September 30, 2022, copies of which are attached hereto as Schedule 1.1(rrr); and

(sss) "**Year-to-Date Financial Statements**" means the internally prepared financial statements of the Corporation for the fiscal year commencing October 1, 2022 and ending on April 30, 2023, copies of which are attached hereto as Schedule 1.1(sss).

Definitions contained in this paragraph are not exhaustive of the defined terms or expressions used in this Agreement, and other terms or expressions may be defined throughout this Agreement.

1.2 Sections and Headings

The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

1.3 Number, Gender and Persons

In this Agreement, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal or business entities of any kind whatsoever.

1.4 Currency

All references in this Agreement to dollars, unless otherwise specifically indicated, are expressed in Canadian currency.

1.5 Knowledge

Any reference herein to:

(a) the Vendor's "knowledge", the "knowledge of the Vendor" or any similar phrases shall mean the actual knowledge of Marjorie Carr, or the knowledge that Marjorie Carr would have known had a reasonably diligent inquiry into the relevant subject matter been conducted;

(b) the Vendor's "actual knowledge", the "actual knowledge of the Vendor" or similar phrases shall mean the current actual knowledge of Marjorie Carr without a duty to inquire;

(c) the Corporation's "knowledge", the "knowledge of the Corporation" or any similar phrases shall mean the actual knowledge of its executive officers, or the knowledge that such executive officers would have known had a reasonably diligent inquiry into the relevant subject matter been conducted;

(d) the Corporation's "actual knowledge", the "actual knowledge of the Corporation" or similar phrases shall mean the current actual knowledge of the executive officers without a duty to inquire.

1.6 Recitals

The Recitals are incorporated into and form part of this Agreement.

1.7 Schedules

The following Schedules are attached to and form part of this Agreement:

Schedule 1.1(zz)	Purchased Shares
Schedule 1.1(rrr)	Year-End Financial Statements
Schedule 1.1(sss)	Year-to-Date Financial Statements
Schedule 2.2	December 31, 2022 financial statement balances and agreed upon values
Schedule 2.3	Purchase Price Allocation
Schedule 3.1(f)	Authorized and Issued Share Capital
Schedule 3.1(k)	Partnerships or Joint Ventures
Schedule 3.1(j)	Subsidiaries and Affiliates
Schedule 3.1(l)	Consents
Schedule 3.1(n)	Commitments for Capital Expenditures
Schedule 3.1(o)	Dividends and Distributions
Schedule 3.1(p)	Accounts Receivable
Schedule 3.1(r)	Tax Matters
Schedule 3.1(s)	Bank Accounts
Schedule 3.1(u)	Litigation (Corporation)
Schedule 3.1(v)	Leases of Real Property
Schedule 3.1(w)	Leases of Personal Property

Schedule 3.1(z)	Customers
Schedule 3.1(aa)	Guarantees
Schedule 3.1(dd)	Environmental Liabilities

ARTICLE 2 PURCHASE AND SALE OF PURCHASED SHARES

2.1 Purchase and Sale

Subject to the terms and conditions hereof and subject to all adjustments as provided for herein, the Vendor covenants and agrees to sell, assign and transfer the Purchased Shares and all rights and benefits attaching thereto to the Purchaser, and the Purchaser shall purchase the Purchased Shares from the Vendor, as of the Closing Date, free and clear of all Encumbrances.

2.2 Purchase Price

Subject to the adjustments set out below, the total aggregate consideration payable by the Purchaser to the Vendor for the Purchased Shares shall be equal to the following (the "**Purchase Price**"):

(a) $4,101,592.00 (the "**Base Purchase Price**") based on the December 31, 2022 financial statement balances and agreed upon values as set out in Schedule 2.2;

(b) plus or minus the Vendor's Proportionate Share of the amount that the Non-Cash Working Capital exceeds or is less than (as the case may be) the Target Non-Cash Working Capital;

(c) plus or minus the Vendor's Proportionate Share of the difference between the Closing Date balances of the financial statement items identified in Schedule 2.2 and the December 31, 2022 balances outlined on Schedule 2.2 used in determining the Base Purchase Price, with the following exceptions:

(i) the enterprise value for the non-consolidated Well Service business including non-cash working capital, equipment and goodwill shall be fixed at $5,454,960);

(ii) the value of equipment in R'Ohan Well and Rig Services Ltd. will be fixed at $1,395,000;

(iii) the value of equipment in R'Ohan Rig Services Ltd. will be fixed at $5,952,100; and

(iv) the value of the Real Estate in Lethbridge and Drumheller will be fixed at $7,700,000.

(d) For greater clarity, with the exception of the items noted in (c) and based upon the Vendor's Proportionate Share, any increases in assets or decrease in liabilities noted on Schedule 2.2 will result in an increase in the Base Purchase Price. With the exception of the items noted in (c) and based upon the Vendor's Proportionate Share, any decreases in assets or increase in liabilities noted on Schedule 2.2 will result in a decrease in the Base Purchase Price.

2.3 Purchase Price Allocation

The allocation of the Purchase Price to the Purchased Shares shall be in accordance with Schedule 2.3. The Vendor and the Purchaser shall report the sale for all purposes in a manner consistent with this allocation.

2.4 Holdback Amount

(a) The Purchaser shall be entitled to hold back from the Purchase Price the following amounts:

(i) $250,000.00 (the "**Purchase Price Holdback Amount**"); and

(ii) $500,000.00 (the "**Additional Holdback Amount**" and, together with the Purchase Price Holdback Amount, the "**Holdback Amount**");

which Holdback Amount shall be paid to Purchaser's Counsel (the "**Holdback Agent**") by the Purchaser on the Closing Date. The Holdback Amount shall be used, if applicable, to satisfy any amounts owing by the Vendor to the Purchaser in accordance with Section 2.8 and 2.9.

(b) The Holdback Agent will invest the Holdback Amount in an interest-bearing trust account and otherwise hold and deal with the Holdback Amount and any interest thereon in accordance with the Holdback Agreement. Any interest earned on the Holdback Amount shall accrue to the benefit of the Vendor and shall be paid to the Vendor upon the release of the Holdback Amounts, subject to and in accordance with the provisions of the Holdback Agreement and in accordance with Sections 2.8 and 2.9 herein.

(c) The Purchaser and the Vendor shall execute and deliver all such documents as may be required under the Holdback Agreement to cause the Holdback Agent to release the Holdback Amount, or any portion thereof, in accordance with the terms of this Agreement and the Holdback Agreement.

(d) For greater certainty, if the transactions of purchase and sale contemplated herein are not completed for any reason other than by default by the Purchaser after all the Purchaser's Conditions have been waived, the Holdback Amount shall be refunded to the Purchaser without deduction.

2.5 Estimated Purchase Price

The Parties acknowledge that it is not possible to determine the definitive Purchase Price until the Closing Financial Statements are available. Accordingly, the Vendor using the Corporation's existing accountants and at the Corporation's cost, shall deliver to the Purchaser no later than three (3) Business Days prior to the Closing Date a statement that will be comprised of:

(a) estimated financial statement balances and agreed upon values as set out in Schedule 2.2, updated as at the end of the day immediately preceding the Closing Date and prepared in accordance with the Accounting Standards (the "**Estimated Balance Sheet**"); and

(b) an estimate of the Purchase Price based on (a) above (the "**Estimated Purchase Price**").

2.6 Payment of Purchase Price on Closing

(a) Within two business days of execution of this Agreement, the Purchaser shall pay a deposit of $250,000 to the Vendor's Counsel, which deposit will be applied to the Purchase Price at Closing and releasable to the Vendor on the Closing Date.

(b) On the Closing Date, the Purchaser shall pay the balance of the Estimated Purchase Price, minus the Holdback Amount, to Vendor's Counsel for release to the Vendor, by:

(i) the assumption of all shareholder loans owing by the Vendor to the Corporation, R'Ohan Well and Rig Services Ltd. and R'Ohan Rig Services Ltd. as at the Closing; and

(ii) the balance by wire transfer of immediately available funds.

(c) On the Closing Date, the Purchaser shall pay the Holdback Amount to the Holdback Agent, such Holdback Amount to be releasable in accordance with the terms of the Holdback Agreement.

2.7 Closing Reconciliation

As soon as practical, and, in any event, no later than ninety (90) days after the Closing Date, the Vendor, using the Corporation's existing accountants and at the Corporation's cost, shall prepare and deliver to the Purchaser the Closing Financial Statements, which shall be prepared in accordance with the Accounting Standards on a basis consistent with the Year-End Financial Statements. In addition to the Closing Financial Statements, the Vendor, using the Corporation's existing accountants and at the Corporation's cost, shall prepare a closing reconciliation (the "**Closing Reconciliation**") which shall be based on the Closing Financial Statements and which shall calculate the Purchase Price after adjustments pursuant to paragraphs 2.2(a) to 2.2(c) of Section 2.2 (the "**Closing Purchase Price**"). The Vendor shall deliver the Closing Financial Statements and Closing Reconciliation to the Purchaser and the Purchaser shall have thirty (30) Business Days from the date the Purchaser receives the Closing Financial Statements and Closing Reconciliation to review the Closing Financial Statements and Closing Reconciliation and inform the Vendor in writing of the Purchaser's disagreement and objection, if any, to the Closing Financial Statements and Closing Reconciliation. If the Vendor receives no objection within such thirty (30) Business Day period, the Closing Reconciliation shall be deemed to have been accepted by the Purchaser and shall be binding upon the Purchaser and the Vendor. If the Purchaser deliver an objection to the Vendor (the "**Objection Notice**") within such thirty (30) Business Day period, then the Vendor and the Purchaser shall forthwith meet and use commercially reasonable efforts, in good faith, to resolve all objections.

If the Vendor and the Purchaser are unable to resolve their disagreements within a period of fifteen (15) Business Days from the date of the Objection Notice, all unresolved issues shall be submitted for resolution in writing to KPMG or, in the event that KPMG cannot be engaged, such other firm of chartered professional accountants in Alberta, Canada as the Vendor and the Purchaser may agree upon (the "**Firm**"). The Vendor and the Purchaser shall and shall cause their respective advisors to make available to the Firm all relevant information as deemed necessary for the resolution of such issues. The Firm shall be requested to render its decision as expeditiously as possible. Fees and expenses of the Firm shall be shared equally by the Purchaser on the one hand and the Corporation on the other hand.

The Closing Financial Statements and Closing Reconciliation shall be deemed to be final and binding upon the Purchaser and the Vendor upon the earliest of the following to occur:

(a) the Purchaser does not deliver an Objection Notice to the Vendor in the time prescribed by this Section 2.7 (in which case the Closing Financial Statements and Closing Reconciliation shall become final and binding upon the Purchaser and the Vendor);

(b) the Purchaser and the Vendor mutually resolve the issues raised by the Objection Notice that was properly delivered by the Purchaser (in which case the Closing Financial Statements and Closing Reconciliation as revised by such mutual agreement shall become final and binding upon the Purchaser and the Vendor); and

(c) the issues raised by the Objection Notice which remain unresolved between the Purchaser and the Vendor are submitted to the Firm for resolution as provided above (in which case the Closing Financial Statements and Closing Reconciliation as revised in accordance with the decision of the Firm, shall be final and binding upon the Purchaser and Vendor). For greater certainty, the Firm shall be deemed to be acting as an expert and not as an arbitrator;

(the "**Post Closing Adjustment Date**")

Based upon the Closing Reconciliation (as revised where applicable) the Purchaser and the Vendor agree to forthwith pay or cause to be paid, in accordance with Section 2.8, any adjustments to the Purchase Price as may be applicable.

2.8 Payment of the Post-Closing Purchase Price Adjustments

Within ten (10) Business Days of the Post-Closing Adjustment Date:

(a) if a net amount, based on the Closing Reconciliation (the "**Final Net Adjustment Amount**"), is owed by the Purchaser to the Vendor, then the Purchaser shall pay such amount by wire transfer of immediately available funds to an account specified by the Vendor and shall deliver written instructions to the Holdback Agent to release the Purchase Price Holdback Amount to the Vendor;

(b) if the Final Net Adjustment Amount is owed by the Vendor to the Purchaser, then the Purchaser shall set-off by way of compensation all or part of the Final Net Adjustment Amount against the Purchase Price Holdback Amount and the balance of the Purchase Price Holdback Amount, if any shall be paid by wire transfer of immediately available funds to an account specified by the Vendor, or, if the Final Net Adjustment Amount exceeds the Purchase Price Holdback Amount, the Vendor shall deliver written instructions to the Holdback Agent to release such excess amount to Purchaser.

Any adjustment made pursuant to this Section shall constitute a dollar-for-dollar adjustment to the Purchase Price.

2.9 Release of Holdback Amount

On the first Business Day following the expiry of the Warranty Period (the "**Holdback Release Date**"), the Vendor and Purchaser shall submit a joint written instruction to the Holdback Agent providing for the release to the Vendor of the then-remaining portion of the Holdback Amount (with such funds to be released in accordance with the terms of the Holdback Agreement); provided, however, if, on the Holdback Release Date, there are any pending Claims made by the Purchaser as a result of an alleged breach of this Agreement by the Vendor, Vendor and Purchaser shall submit a joint written instruction to the Holdback Agent providing for the release to the Vendor of an amount equal to the then-remaining Holdback Amount *minus* the aggregate amounts that are claimed by the Purchaser as a result of an alleged breach of this Agreement by the Vendor (the "**Pending Claims**"). Prior to the Holdback Release Date, no such amounts shall be released by the Holdback Agent unless either (i) required pursuant to a final non-appealable order of a court of competent jurisdiction or (ii) pursuant to a joint written instruction of the Vendor and the Purchaser. The amounts retained by the Holdback Agent in respect of any Pending Claims shall be released by the Holdback Agent upon a final non-appealable order of a court of competent jurisdiction or pursuant to a joint written instruction of the Vendor and the Purchaser in accordance with the terms of the Holdback Agreement. Upon the resolution of any Pending Claim, by settlement or by a final non-appealable order of a court of competent jurisdiction, each of the Vendor and Purchaser shall promptly submit joint written instructions to the Holdback Agent instructing the Holdback Agent to distribute funds from the Holdback Amount to the party entitled to such payment pursuant to such settlement or order. Any amounts so released shall be made by wire transfer to the account designated by the recipient of such amounts.

Notwithstanding anything contained herein to the contrary, the Vendor shall only be liable up to the amount of the Additional Holdback Amount. Further, with respect to Claims for misrepresentations by the Vendor related to the Corporation's business, assets and affairs, the Vendor shall only be liable for such Claims based on the Vendor's Proportionate Share.

2.10 Calculations

All post-closing calculations, adjustments, accounting and financial determinations, redeterminations, statements or restatements made or to be made in connection with, in respect of or arising out of this Agreement or the Holdback Agreement, shall be done in accordance with the Accounting Standards in effect on and as applied by the Corporation in respect of its Year-End Financial Statements, whether or not the Accounting Standards change thereafter or any Accounting Standards for private enterprise in effect thereafter would require the application of a different principle or methodology.

2.11 Tax Returns

The preparation and the filing of Tax Returns required as a result of the Closing of the transactions contemplated by this Agreement ("**Closing Tax Returns**") shall be completed by the Vendor, using the Corporation's existing accountants and at the Corporation's cost, and, for greater certainty, the Taxes of the Corporation arising as a result of the fiscal year end occurring as a result of the Closing of the transactions contemplated hereby shall be accounted for in the Closing Financial Statements.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE VENDOR AND THE CORPORATION

3.1 Vendor and Corporation's Representations and Warranties

Unless a representation or warranty is specifically limited to the Corporation, the Vendor and the Corporation hereby jointly and severally provide the following representations and warranties with respect to the Vendor and the Corporation, and the Vendor and the Corporation each acknowledge and confirm that the Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement and completion of the transactions contemplated by this Agreement:

(a) **Legal Capacity**. Subject to the Vendor obtaining the Required Consents, including the Sale Approval and Vesting Order, (i) the Vendor and the Corporation have the corporate capacity and good and sufficient right and authority to enter into this Agreement and the other Transaction Documents to which it is a Party, and (ii) the Vendor has the corporate capacity and good and sufficient right and authority to transfer legal and beneficial title and ownership of the Purchased Shares registered in its name to the Purchaser, free and clear of all Encumbrances, and to perform all of the Vendor's obligations hereunder and thereunder.

(b) **Due Execution, Delivery and Enforceability**. Subject to the Vendor obtaining the Required Consents, including the Sale Approval and Vesting Order, Agreement and all Transaction Documents to which it is a Party have been duly authorized, executed and delivered by the Vendor and the Corporation, as applicable, and are valid and legally binding agreements, enforceable against them in accordance with their terms, subject to limitations of equitable principles and Applicable Laws regarding bankruptcy, reorganization, winding-up, insolvency, moratorium and creditors' rights generally.

(c) **No Violation**. Subject to obtaining the Required Consents from Third Parties, including the Sale Approval and Vesting Order, as contemplated by this Agreement, the execution, delivery and performance of the obligations under this Agreement and the other Transaction Documents by the Vendor and/or the Corporation, as applicable, does not:

   (i) result in a breach or violation of, material default under, or materially conflict with, or allow any other Person to exercise or accelerate any rights under, any of the terms or provisions of any Contracts to which any of the Corporation or the Vendor are a Party;

   (ii) result in a breach or violation of any term or provision of the Constating Documents of the Corporation or the Vendor; or

   (iii) result in a violation of any Applicable Laws applicable to the Corporation or the Vendor.

(d) **No Other Purchase Agreement or Commitments**. No Person has any Contract or any right or privilege (whether by Applicable Law, pre-emptive or contractual) capable of becoming an agreement, option or commitment, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of, or conversion into, any of the unissued shares in the capital of the Corporation or any other securities of the Corporation.

(e) **Corporate Authority**. Subject to obtaining the Required Consents from Third Parties, including the Sale Approval and Vesting Order, the Vendor and the Corporation have taken all necessary actions, steps and corporate and other proceedings to approve or authorize the sale and transfer of the Purchased Shares to the Purchaser and to approve or authorize the entering into and performance of this Agreement and the Transaction Documents to which it is a Party and the completion of the transactions contemplated hereby and thereby.

(f) **Authorized and Issued Share Capital**. The authorized and issued share capital, including the registered holders thereof and the class and number of issued and outstanding shares held thereby, of the Corporation is set forth in Schedule 3.1(f). No shares or other securities of the Corporation have been issued in material violation of any Applicable Laws, or the Constating Documents of the Corporation, or the pre-emptive rights of any Person or any Contract to which the Corporation is a Party or by which the Corporation is bound.

(g) **Purchased Shares**. The Purchased Shares are validly issued and outstanding as fully paid and non-assessable shares in the share capital of the Corporation.

(h) **Ownership of Purchased Shares**. The Vendor is the registered holder and the legal and beneficial owner of the Purchased Shares registered in its name, free and clear of all Encumbrances.

(i) **No Interest in Other Assets**. The Vendor has no interest, legal or beneficial, direct or indirect, in any shares or assets of the Corporation, other than the Purchased Shares registered in the Vendor's name and the Vendor Shareholder Loans, as described in the Year-End Financial Statements or the Year-to-Date Financial Statements.

(j) **Subsidiaries, Affiliates and Other Interests**. Except as disclosed in Schedule 3.1(j), the Corporation has no Subsidiaries or Affiliates and does not own any securities issued by, or any equity or ownership interest in, any other Person.

(k) **Partnerships or Joint Ventures**. Limited to being a representation of the Corporation, except as disclosed in Schedule 3.1(k), the Corporation is not a partner or participant in any partnership, joint venture, profit-sharing arrangement or other similar association of any kind or a Party to any Contract under which it agrees to carry on any part of a business or any other activity in such manner or by which it agrees to share any revenue or profit with any other Person.

(l) **Consents**. Other than the Required Consents as set forth in Schedule 3.1(l) ("**Required Consents**"), including the Vendor obtaining the Sale Approval and Vesting Order, there are no other consents, authorizations, permissions, approvals, agreements, orders or acknowledgements required to be obtained by the Vendor or the Corporation to or from any Person in connection with the sale of the Purchased Shares, including, without limitation:

   (i) in connection with the execution, delivery or performance of this Agreement or any other Transaction Document by the Vendor or the Corporation or the completion by the Vendor or the Corporation of any of the transactions contemplated herein or therein;

(ii) to avoid the material violation, breach or default of any Contract, Licence or other authorization held by the Corporation; or

(iii) in order that the Corporation has the corporate ability, corporate authority, right and qualifications to carry on the Business in the ordinary course following Closing in substantially the same manner in all material respects as the Corporation carried on the Business immediately prior to Closing.

(m) **Financial Statements**.

(i) the Year-End Financial Statements have been prepared in accordance with the Accounting Standards applied on a basis consistent with previous fiscal periods, are true, correct and complete in all material respects and present fairly the assets, liabilities and financial Condition of the Corporation as at the dates thereof and the results of operations and cash flows for the periods to which such financial statements relate.

(ii) the Year-to-Date Financial Statements are internally prepared financial statements, and are not in accordance with the Accounting Standards, but they reasonably reflect the assets, liabilities, and financial Condition of the Corporation as of the date thereof, and the results of operations and cash flow for the period to which such Year-to-Date Financial Statements relate.

(n) **Commitments for Capital Expenditures**. Limited to being a representation of the Corporation, except as disclosed in Schedule 3.1(n), since the date of the Year-to-Date Financial Statements, the Corporation has not committed to make any capital expenditures, or authorized any capital expenditures in excess of the aggregate amount of $250,000.00.

(o) **Dividends and Distributions**. Except as disclosed in Schedule 3.1(o), since the date of the Year-to-Date Financial Statements, the Corporation has not declared or paid any dividend or made any other distribution in respect of any of its capital, or redeemed or purchased or otherwise acquired any of its capital, or reduced its authorized capital or issued capital, or agreed, or otherwise committed to do any of the foregoing.

(p) **Accounts Receivable**. Except as disclosed in Schedule 3.1(p), the Accounts Receivable reflected in the Year-End Financial Statements and Year-to-Date Financial Statements arose from transactions in the ordinary course of business and are good and collectible accounts (subject to a reasonable allowance, consistent with past practice, for doubtful accounts). To the knowledge of the Vendor, no such Accounts Receivable are subject to any set-off or counterclaim.

(q) **Liabilities**. There are no liabilities (whether known or unknown, due or to become due, and whether absolute, accrued, contingent or otherwise) of the Corporation of any kind whatsoever and there is no basis for assertion against the Corporation of any liabilities of any kind, other than:

(i) liabilities disclosed or reflected in or provided for in the Year-End Financial Statements, Year-to-Date Financial Statements or the Closing Financial Statements of the Corporation;

(ii) current liabilities incurred since the date of the Year-End Financial Statements which were incurred in the ordinary course of business; or

(iii) other liabilities disclosed by the Corporation or the Vendor to the Purchaser, including in this Agreement and the Schedules.

(r) **Tax Matters**. Except as disclosed in Schedule 3.1(r):

(i) the Corporation has, on a timely basis, prepared and filed all Tax Returns, elections and other documents required to be filed by it prior to Closing in respect of all Governmental Charges and such returns and documents are complete and correct in all material respects. All such Tax Returns, elections and other Tax filings have been prepared in accordance with Applicable Laws and fairly and correctly represent or shall represent for the purposes of the law applicable to the particular return, election or other filing, the information and Tax status of the Corporation for the period reflected in such return, election or other filing;

(ii) the Corporation has paid all Governmental Charges which are due and payable by it prior to Closing. Adequate provision was made in the Year-End Financial Statements for all Governmental Charges. The Corporation has no liability for any Governmental Charges other than those provided for in the Year-End Financial Statements and those arising in the ordinary course of business since the date of the Year-End Financial Statements;

(iii) Canadian federal and provincial income Tax assessments have been issued to the Corporation covering all past periods up to and including the fiscal year ended September 30, 2022. There are no, and have not in the last three (3) years been, any audits, actions, suits, proceedings, investigations, enquiries or Claims now pending, made or threatened against the Corporation in respect of any Governmental Charges;

(iv) there are no agreements, waivers or other arrangements providing for any extension of time with respect to the filing of any Tax return or other document or the payment of any Governmental Charges by the Corporation for the period for any assessment or reassessment of Governmental Charges;

(v) the Corporation has withheld from each Person and from the amount to be paid or credited in respect of such Person the amount of Governmental Charges required to be withheld therefrom and has remitted such Governmental Charges to the proper Governmental Authorities or other receiving authorities within the time periods required by Law;

(vi) the Corporation is a Canadian controlled private corporation, as defined in the Tax Act, and has been such since its date of incorporation;

(vii) the Corporation is a GST registrant and its registration number is 85434 8232 RT0001.

(s) **Bank Accounts**. Limited to being a representation of the Corporation, all bank accounts, safety deposit boxes and credit card accounts owned by the Corporation (the "**Bank Accounts**") are listed in Schedule 3.1(s) together with the applicable addresses and/or signing officers in respect of such accounts.

(t) **Litigation (Vendor)**. The Vendor is subject to numerous actions, claims, suits, and investigations against or affecting the Vendor that could prohibit, restrict or seek to enjoin the transactions contemplated by this Agreement. Consequently, the transactions contemplated hereby cannot be completed unless the Vendor obtains the Sale Approval and Vesting Order.

(u) **Litigation (Corporation).** Except as disclosed in Schedule 3.1(u), there are no (i) claims, at Law or in equity, by any Person (including the Corporation and/or the Vendor), (ii) grievances, arbitrations or alternative dispute resolution processes, or (iii) claims by or before (or to the knowledge of the Corporation or the Vendor, any investigation by) any Governmental Authority, pending, or, to the knowledge of Corporation or the Vendor, threatened against or affecting the Corporation, the Business or any of the assets of the Corporation, and, to the knowledge of the Corporation or the Vendor, there is no valid basis for any such claim or investigation by or against the Corporation. Except as disclosed in Schedule 3.1(u), each claim or grievance listed in such Schedule is covered by the Corporation's insurance policies and no coverage has been denied or any reservation of rights imposed with respect to any such claim. The Corporation is not subject to any judgment, order or decree entered in any lawsuit or proceeding nor has the Corporation settled any claim being prosecuted in respect of it. Except as disclosed in Schedule 3.1(u), the Corporation is not the plaintiff or complainant in any claim.

(v) **Leases of Real Property**. Schedule 3.1(v) lists all leases and agreements to lease under which the Corporation leases real property ("**RP Leases**"). A true copy of each RP Lease has been provided to the Purchasers. Subject to obtaining any applicable Required Consents from the landlords, as contemplated by this Agreement, the terms and conditions of the RP Leases will not be affected by, nor will any such RP Leases be in default as a result of, the completion of the transactions contemplated hereby.

(w) **Leases of Personal Property**. Limited to being a representation of the Corporation, Schedule 3.1(w) lists all leases, licences, commitments and agreements of the Corporation respecting the use or lease of any personal property ("**PP Leases**"). A true copy of each PP Lease has been provided to the Purchasers. Subject to obtaining any applicable Required Consents from the lessors, as contemplated by this Agreement, the terms and conditions of the PP Leases will not be affected by, nor will any of such PP Leases be in default as a result of, the completion of the transactions contemplated hereby.

(x) **Restrictions on Doing Business**. Except for Contracts entered into in the ordinary course of business, the Corporation is not a Party to or bound by any agreement that would restrict or limit its right to carry on any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct the Business as the Corporation may determine or desire. The Corporation is not subject to any legislation or any judgment, order or requirement of any Governmental Authority which is not of general application to Persons carrying on a business similar to the Business.

(y) **Employee Obligations and Accruals**. Limited to being a representation of the Corporation, all employer obligations of the Corporation, including accruals for unpaid vacation pay and overtime, premiums for employment insurance, Benefit Plan premiums, Canada Pension Plan premiums, premiums and assessments payable under applicable Workers Compensation Laws, accrued wages, salaries and commissions, bonuses, profit sharing and other obligations are accurately reflected in the Year-to-Date Financial Statements, the Year-End Financial Statements and the Accounting Records, or have otherwise been paid in full.

(z) **Customers**. Limited to being a representation of the Corporation, a list of the five (5) largest current customers of the Corporation, being those customers who generated the most revenues for the Corporation during the twenty-four (24) month period ended April 30, 2023, are set forth in Schedule 3.1(z). Since the date of the Year-to-Date Financial Statements, there has been no termination or cancellation of, and no material modification or change in, any business relationship of the Corporation with such customers, and the Vendor has no actual knowledge that the benefits of any relationship with any such customers of the Corporation will not continue after the Closing Date in substantially the same manner as prior to the Closing Date.

(aa) **Guarantees**. Limited to being a representation of the Corporation, except as disclosed in Schedule 3.1(aa):

(i) the Corporation is not a Party to or bound by any agreement of guarantee, or any other like commitment of the obligations, liabilities (whether accrued, absolute, contingent or otherwise) or indebtedness of any Person;

(ii) the Corporation is currently not required to provide any letters of credit, bonds, or other financial security arrangements on behalf of any other Person;

(iii) in the two (2) years prior to the date hereof, no Claims have been made against the Corporation for breach of warranty or contract or negligence or for a price adjustment or other concession in respect of any defect in or failure to perform or deliver any services or work;

(bb) **Compliance with Laws**. The Corporation has materially complied with, and is not in material violation of, any Applicable Law or Order of any Governmental Authority.

(cc) **Residence**. The Vendor is not a non-resident of Canada within the meaning of Section 116 of the Tax Act, nor is the Vendor the agent or trustee of any such non-resident Person with respect to the subject matter of the sale contemplated herein.

(dd) **Environmental Matters**. Limited to being a representation of the Corporation, except as disclosed in Schedule 3.1(dd):

(i) the operation of the Business, the property and assets owned, leased or used by the Corporation, and the use, maintenance and operation thereof by the Corporation were and have in the last five (5) years been used, maintained and operated, and are currently being used, maintained and operated, in material compliance with all Environmental Law;

(ii) in the last five (5) years, the Corporation has not: (A) received any notice of any non-compliance with any Environmental Laws; (B) been convicted of an offence for non-compliance with any Environmental Laws; or (C) been fined or otherwise sentenced or settled such prosecution short of conviction;

(iii) in the last five (5) years, the Corporation has not received any Claim from any Person or Governmental Authority regarding a material breach of any Environmental Laws or costs of clean up or any Hazardous Substance. To the knowledge of the Vendor, there are no grounds on which any such Claim could be made with any reasonable likelihood of success; and

(iv) as applicable, the Corporation has all environmental Licences necessary to conduct the Business and to own, use and operate its properties and assets in accordance with Environmental Laws.

(ee) **Sufficiency of Assets.** The assets are sufficient to enable the Corporation to carry on its Business after Closing substantially in the same manner as the Business was conducted prior to Closing.

3.2 Survival of Representations and Warranties of the Vendor

The representations and warranties made by the Corporation and the Vendor in this Agreement, or contained in any other Transaction Document, shall survive the Closing of the purchase and sale of the Purchased Shares and the completion of any other transactions contemplated herein or therein and shall continue in full force and effect for the benefit of the Purchaser. Notwithstanding the forgoing, no Claims with respect to a breach of representation and warranty may be made or brought by the Purchaser after the expiration of the Warranty Period unless written notice in respect of such Claim is given by the Purchaser to the Vendor before the expiration of the Warranty Period.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

4.1 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to the Vendor as follows:

(a) **Legal Capacity**. The Purchaser has the capacity and good and sufficient right and authority to enter into this Agreement and the other Transaction Documents to which it is a Party and to purchase the Purchased Shares from the Vendor on the terms and conditions herein set forth and to perform all of the Purchaser's obligations hereunder and thereunder.

(b) **Status**. The Purchaser is a corporation duly incorporated and validly existing in all respects under the Laws of the Province of Alberta. The Purchaser has the capacity and good and sufficient right and authority to enter into this Agreement and the other Transaction Documents to which the Purchaser is a Party and to perform its obligations hereunder and thereunder.

(c) **Due Execution, Delivery and Enforceability**. This Agreement and all Transaction Documents to which it is a Party have been duly authorized, executed and delivered by the Purchaser, and are valid and legally binding agreements, enforceable against it in accordance with their terms, subject to limitations of equitable principles and Applicable Laws regarding bankruptcy, reorganization, winding-up, insolvency, moratorium and creditors' rights generally.

(d) **Consents**. There are no notices required to be given or Consents, permits, licences, certifications, authorizations, permissions, approvals, agreements, orders or acknowledgments required to be obtained by the Purchaser to or from any Person in connection with the purchase of the Purchased Shares.

(e) **No Violation**. The execution, delivery and performance of the obligations under this Agreement and the other Transaction Documents by the Purchaser do not:

(i) result in a material breach or violation of any term or provision of the Constating Documents of the Purchaser; or

(ii) result in a material violation of any Laws applicable to the Purchaser.

(f) **Authority**. The Purchaser has taken all necessary actions, steps and other proceedings to approve or authorize the purchase of the Purchased Shares from the Vendor and to approve or authorize the entering into and performance of this Agreement and the Transaction Documents to which it is a Party and the completion of the transactions contemplated hereby and thereby.

(g) **Residence**. The Purchaser is not non-resident of Canada within the meaning of Section 116 of the Tax Act, nor is the Purchaser the agent or trustee of any such non-resident Person with respect to the subject matter of the sale contemplated herein.

4.2 Survival of Representations and Warranties of the Purchaser

The representations and warranties made by the Purchaser in this Agreement, or contained in any other Transaction Document, shall survive the Closing of the purchase and sale of the Purchased Shares and the completion of any other transactions contemplated herein or therein and shall continue in full force and effect for the benefit of the Vendor. Notwithstanding the forgoing, no Claims with respect to a breach of representation and warranty may be made or brought by the Vendor after the expiration of the Warranty Period unless written notice in respect of such Indemnity Claim is given by the Vendor to the Vendor before the expiration of the Warranty Period.

ARTICLE 5 COVENANTS

5.1 Notice Regarding Changes and Updating Disclosure

(a) During the Interim Period (as defined in Section 5.3 below), the Corporation and the Vendor shall promptly advise the Purchaser, in writing, of: (i) any facts that come to their attention that would cause any of the representations and warranties made by them in this Agreement to be untrue in any material respect; (ii) any Material Adverse Change or any threatened occurrence of an event or circumstance that could reasonably be expected to result in a Material Adverse Change; or (iii) an occurrence of any material damage or loss to any of the material assets of the Corporation.

(b) In addition to the disclosure by the Corporation and the Vendor pursuant to the preceding subsection 5.1(a), they will, from time to time and as required, provide additional disclosure by way of new or updated Schedules to address any necessary additional disclosure to the representations, warranties or covenants to ensure the accuracy of the disclosures therein, from time to time, and in any event as of a date that is not less than one (1) Business Day prior to the Closing Date. Such additional disclosure in any new or existing Schedules will be deemed to amend or supplement the existing Schedules and the applicable representations and warranties made under this Agreement in respect thereof, but only to the extent that such additional disclosure relates to facts, matters or circumstances relating to or occurring during the Interim Period (unless otherwise agreed to by the Purchaser).

(c) During the Interim Period, the Purchaser shall promptly advise the Corporation and the Vendor, in writing, of any facts that come to its attention that would cause any of the representations and warranties made by the Purchaser to be untrue in any respect.

(d) During the Interim Period, the Purchaser shall also promptly advise the Corporation and the Vendor, in writing, of any facts that come to the Purchaser's attention that may mean that any of the Corporation's or the Vendor's representations or warranties is untrue in any material respect.

5.2 Access Corporation Records

The Corporation shall forthwith make available to the Purchaser and its respective authorized representatives and, if requested by the Purchaser, provide a copy to the Purchaser of, all title documents, Contracts, policies, plans, reports, licences, orders, permits, and all other documents, information and data relating to the Business. The Corporation shall afford the Purchaser and its authorized representatives reasonable opportunity upon reasonable request to have access to the property and assets utilized in the Business, provided that the right of access shall not be exercised in such a manner as to unreasonably interfere with the normal business operations of the Corporation.

5.3 Conduct of Business During the Interim Term

During the period from the Effective Date of this Agreement to the Closing Date ("**Interim Period**"), the Corporation agrees, and to the extent that it is within its power to do so the Vendor agrees to use its commercially reasonable efforts to cause the Corporation:

(a) to use commercially reasonable good faith efforts to preserve the Business, the goodwill of the Business and the assets of the Corporation, and to carry on the business of the Corporation in the ordinary course, and consistent with past practice;

(b) not to purchase any other business or any other material assets, or enter into any additional Material Contract, in each case outside of the ordinary course of business, or enter into any transactions outside of the ordinary course of business, without the consent of the Purchaser, not to be unreasonably withheld or delayed;

(c) not to terminate the employment of any Employees without the written consent of the Purchaser or grant any general increases in the rate of wages, salaries, bonuses or other remuneration, except increases made in the ordinary course of business, or materially amend or modify the terms of the employment or engagement of any Employees or independent contractors, except as may be required under Applicable Laws or as otherwise disclosed herein;

(d) to continue to maintain in full force and effect all policies of insurance or renewals thereof now in effect; and

(e) to not issue or sell any shares in the capital of the Corporation, or issue, grant or deliver any right, option or other commitment for the issuance of any such shares.

5.4 Commercially Reasonable Efforts

The Purchaser shall use commercially reasonable efforts to satisfy the conditions contained in Section 6.1. The Corporation and the Vendor shall use commercially reasonable efforts to satisfy the conditions contained in Section 6.2.

5.5 Insurance

Following the Closing, the Purchaser may review (and may change) the insurance carrier for the Corporation, but shall not impair rights and coverages existing prior to Closing to ensure that coverage is maintained for claims that arise in respect of the operations of the Corporation prior to Closing.

5.6 Closing Financial Statements, Closing Tax Returns, etc.

The Corporation shall provide commercially reasonable assistance to the Vendor, at the Corporation's cost, to allow the Vendor to meet its obligations contained in this Agreement including, but not limited to, those contained in Article 2 of this Agreement.

ARTICLE 6 CONDITIONS PRECEDENT TO CLOSING

6.1 Conditions Precedent to Closing in Favour of the Purchaser

The purchase and sale of the Purchased Shares is subject to the following conditions precedent for the exclusive benefit of the Purchaser to be performed or fulfilled at or prior to the Closing Date (unless otherwise specified below) (the "**Purchaser's Conditions**"):

(a) Required Consents. On or before the Closing Date, all Required Consents, including the Sale Approval and Vesting Order, shall have been obtained as are required to be obtained by the Corporation and the Vendor to permit the change of ownership of the Purchased Shares contemplated hereby, such Required Consents to be in form and substance satisfactory to the Purchaser, acting reasonably.

(b) Representations and Warranties. The representations and warranties of the Vendor contained in this Agreement, as updated in the manner contemplated in Section 5.1(b), shall be true and correct in all material respects at the Closing Date with the same force and effect as if such representations and warranties were made at and as of such time, and bring down certificates of the Corporation and the Vendor, dated the Closing Date, to that effect shall have been delivered to the Purchaser, such certificates to be in form and substance satisfactory to the Purchaser, acting reasonably.

(c) Covenants. All of the terms, covenants and conditions of this Agreement, as updated in the manner contemplated in Section 5.1(b), to be complied with or performed by the Corporation and the Vendor at or before the Closing Date shall have been complied with or performed in all material respects, and bring down certificates of the Corporation and the Vendor, dated the Closing Date, to that effect shall have been delivered to the Purchaser, such certificates to be in form and substance satisfactory to the Purchaser, acting reasonably.

(d) No Material Adverse Change. During the Interim Period there shall have been no Material Adverse Change in the Condition of the Corporation, as determined by the Purchaser acting reasonably.

(e) Unanimous Shareholder Agreement. On or before the Closing Date, the Purchaser and remaining shareholders of the Corporation enter into a Unanimous Shareholder Agreement in a form satisfactory to the Purchaser.

(f) Minority Shareholders Purchase Agreements. Contemporaneously with the closing of the transactions contemplated by this Agreement, transactions contemplated by the Minority Shareholders Purchase Agreements close.

(g) No Proceedings. There shall be no Order issued delaying, restricting or preventing, and no pending or threatened claim or judicial or administrative proceeding, or investigation against any Party to this Agreement by any Person, for the purpose of enjoining, delaying, restricting or preventing the consummation of the transactions contemplated in this Agreement or otherwise claiming that this Agreement or the consummation of such transaction is improper or would give rise to proceedings under any Applicable Laws.

(h) Other Closing Documents. All Closing Documents contemplated for delivery to the Purchaser under this Agreement or the Closing Agenda used in connection with the Closing shall be in the Approved Form, or where an Approved Form is not required, in form and substance satisfactory to the Purchaser, acting reasonably, and shall be executed and delivered by all applicable Parties thereto other than the Purchaser, concurrently with the Closing.

If any of the conditions described in this Section 6.1 shall not be performed or fulfilled at or prior to the Closing Time (or such other date or time as specified above) to the satisfaction of the Purchaser, acting in good faith and in a commercially reasonable manner, the Purchaser may, by notice to the Vendor, terminate this Agreement and the obligations of the Vendor and the Purchaser under this Agreement. For greater certainty, the Purchaser may waive in whole or in part any of the conditions contained in this Section 6.1.

6.2 Conditions Precedent to Closing in Favour of the Vendor

The sale and purchase of the Purchased Shares is subject to the following conditions precedent for the exclusive benefit of the Vendor to be performed or fulfilled at or prior to the Closing Date (unless otherwise specified below):

(a) Required Consents. On or before the Closing Date, all Required Consents, including the Sale Approval and Vesting Order, shall have been obtained as are required to be obtained by the Corporation and the Vendor to permit the change of ownership of the Purchased Shares contemplated hereby, such Required Consents to be in form and substance satisfactory to the Purchaser, acting reasonably.

(b) Representations and Warranties. The representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects at the Closing Date with the same force and effect as if such representations and warranties were made at and as of such time, and a certificate of the Purchaser, dated the Closing Date, to that effect shall have been delivered to the Vendor, such certificates to be in form and substance satisfactory to the Vendor, acting reasonably.

(c) Covenants. All of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser in all material respects, at or before the Closing Date shall have been complied with or performed, and a certificate of the Purchaser, dated the Closing Date, to that effect shall have been delivered to the Vendor, such certificates to be in form and substance satisfactory to the Vendor, acting reasonably.

(d) No Proceedings. Subject to the Vendor obtaining the Sale Approval and Vesting Order, there shall be no Order issued delaying, restricting or preventing, and no pending or threatened claim or judicial or administrative proceeding, or investigation against any Party to this Agreement by any Person, for the purpose of enjoining, delaying, restricting or preventing the consummation of the transactions contemplated in this Agreement or otherwise claiming that this Agreement or the consummation of such transaction is improper or would give rise to proceedings under any Applicable Laws.

(e) Other Closing Documents. All Closing Documents contemplated for delivery to the Vendor under this Agreement or the Closing Agenda used in connection with the Closing shall be in the Approved Form, or where an Approved Form is not required, in form and substance satisfactory to the Vendor, acting reasonably, and shall be executed and delivered by all applicable Parties thereto other than the Vendor, concurrently with the Closing.

If any of the conditions described in this Section 6.2 shall not be performed or fulfilled at or prior to the Closing Time (or such other date or time as specified above) to the satisfaction of the Vendor, acting in good faith and in a reasonable manner, the Vendor may, by notice to the Purchaser, terminate this Agreement and the obligations of the Vendor and the Purchaser under this Agreement. For greater certainty, the Vendor may waive in whole or in part any of the conditions contained in this Section 6.2.

ARTICLE 7 CLOSING DATE AND TRANSFER

7.1 Effective Date of Transfer

Subject to compliance with the terms and conditions hereof, the transfer of the Purchased Shares from the Vendor to the Purchaser shall occur and be deemed to take effect as of the Closing Time. The possession and title to the Purchased Shares shall not pass to the Purchaser until completion of the Closing on the Closing Date.

7.2 Method of Closing

The Closing of the transactions contemplated hereby shall take place at the Closing Time, by the tendering and exchanging of funds and documents (original or electronic) by and between Purchaser's Counsel and Vendor's Counsel on mutually acceptable trust conditions, and in accordance with the terms and conditions of the Closing Agenda.

7.3 Deliveries at Closing

At the Closing and subject to the removal of all conditions precedent, and to all other terms and conditions hereof being complied with:

(a) The Vendor shall duly execute and deliver, or cause to be duly executed and delivered, as the case may be, to the Purchaser or Purchaser's Counsel, all of the following Closing Documents ("**Vendor's Deliverables**"):

(i) waiver or satisfaction of any remaining of the Vendor's Conditions Precedent;

(ii) certified copies of (A) the Constating Documents of the Corporation, (B) all required resolutions of board of directors and the shareholders, if applicable, of the Corporation approving the transfer of the Purchased Shares as contemplated herein, and (C) a list of directors and officers of the Corporation with specimen signatures, in the Approved Form;

(iii) Bring Down certificates of the Corporation and the Vendor concerning the truthfulness of the covenants, warranties and representations of the Corporation and the Vendor, as at the Closing Date, in the Approved Form;

(iv) certified copies of the resolutions of the board of directors of the Vendor, in the Approved Form;

(v) share transfer forms;

(vi) new share certificates representing the Purchased Shares issued in the name of the Purchaser;

(vii) Resignation and Release of Marjorie Carr, in the Approved Form;

(viii) Required Consents, including the Sale Approval and Vesting Order;

(ix) evidence of the termination of the Existing USA;

(x) Holdback Agreement, in the Approved Form;

(xi) all other agreements, instruments or documents required by this Agreement to be delivered or caused to be delivered by the Vendor to the Purchaser in connection with the Closing of the transactions contemplated herein, and by the Closing Agenda; and

(xii) such other documents as may reasonably be requested by the Purchaser in order to complete the transactions contemplated herein; and

(b) The Purchaser shall pay, duly execute and deliver, or cause to be duly executed and delivered, as the case may be, to the Vendor's Counsel, all of the following Closing Documents ("**Purchaser's Deliverables**"):

(i) waiver or satisfaction of any of the remaining Purchaser's Conditions Precedent;

(ii) certified or true copies of authorizing resolutions of the Purchaser, in the Approved Form;

(iii) a certificate of the Purchaser concerning the truthfulness of the covenants, representations and warranties of the Purchaser as at the Closing Date, in the Approved Form;

(iv) the balance of the Estimated Purchase Price (minus the Deposit and net of the Holdback Amount) in respect of the purchase of Purchased Shares;

(v) the Holdback Amount to the Holdback Agent in accordance with the Holdback Agreement;

(vi) Holdback Agreement, in the Approved Form;

(vii) all other agreements, instruments or documents required by this Agreement to be delivered or caused to be delivered by the Purchaser to the Vendor in connection with the Closing of the transactions contemplated by this Agreement, and by the Closing Agenda; and

(viii) such other documents as may reasonably be requested by the Vendor in order to complete the transactions contemplated herein.

ARTICLE 8 ARBITRATION

8.1 Reasonable Commercial Efforts to Settle Disputes

If any controversy, dispute, Claim, question or difference (a "**Dispute**") arises with respect to this Agreement or its performance, enforcement, breach, termination or validity, the Parties shall use all reasonable commercial efforts to settle the Dispute. To this end, they shall consult and negotiate with each other in good faith and understanding of their mutual interests to reach a just and equitable solution satisfactory to both Parties.

8.2 Arbitration

The provisions of this Section 8.2 shall have no application to any Dispute arising in respect of any determination(s) made by the Firm pursuant to Section 2.7, and any such Dispute shall be dealt with in accordance with the respective provisions thereof. Except as is expressly provided in this Agreement, if the Parties do not reach a solution pursuant to Section 8.1 within a period of fifteen (15) Business Days following the first notice of the Dispute by any Party to the others, then upon written notice by any Party to the other, the Dispute shall be finally settled by arbitration in accordance with the provisions of the *Arbitration Act* (Alberta) based upon the following:

(a) the arbitration tribunal shall consist of one (1) arbitrator appointed by mutual agreement of the Parties, or in the event of failure to agree within ten (10) Business Days following delivery of the written notice to arbitrate, any Party may apply to a Court of competent jurisdiction in the Province of Alberta to appoint an arbitrator. The arbitrator shall be independent and qualified by education and training to pass upon the particular matter to be decided;

(b) the arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within thirty (30) days of the appointment of the arbitrator;

(c) after written notice is given to refer any Dispute to arbitration, the Parties will meet within fifteen (15) Business Days of delivery of the notice to arbitrate and will negotiate in good faith to agree upon the rules and procedures for the arbitration, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk, failing which, the rules and procedures for the arbitration shall be determined by the arbitrator;

(d) the arbitration shall take place in Edmonton, Alberta;

(e) except as otherwise provided in this Agreement or otherwise decided by the arbitrator, the fees and other costs associated with the arbitrator shall, be shared equally by the Parties and each Party shall be responsible for its own costs;

(f) the arbitration award shall be given in writing, shall provide reasons for the decision, and shall be final and binding on the Parties, not subject to any appeal, and shall deal with the question of costs of the arbitration and all related matters;

(g) judgment upon any award may be entered in any court having jurisdiction, or an application may be made to the court for a judicial recognition of the award, or an order of enforcement, as the case may be;

(h) all Disputes referred to arbitration (including without limitation the scope of the agreement to arbitrate, any statute of limitations, conflict of laws rules, tort claims and interest claims) shall be governed by the substantive law of the Province of Alberta and the federal laws of Canada applicable therein; and

(i) the Parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the Parties, their counsel and any Person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise.

ARTICLE 9 GENERAL PROVISIONS

9.1 Announcement

The Parties shall consult with each other before making any public announcement with respect to this Agreement or the transactions contemplated hereby and, except as required by any Applicable Law, neither of them shall make any such public announcement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed.

9.2 Further Assurances

(a) From time to time, both before and subsequent to the Closing Date, each Party to this Agreement covenants and agrees that it shall, at the expense of the requesting Party, promptly execute and deliver all such documents and do all such other acts and things as the other Party, acting reasonably, may from time to time request be executed or done in order to better evidence or perfect or effectuate any provision of this Agreement or of any agreement or other document executed pursuant to this Agreement or any of the respective obligations intended to be created hereby or thereby.

(b) Both before and subsequent to the Closing Date, the Corporation shall use its commercially reasonable efforts to obtain, and the Purchaser shall use its commercially reasonable efforts to cause the Corporation to obtain, the release of the Vendor, its shareholders and their respective associates and affiliates, from any and all guarantees they have provided to any person guaranteeing the obligations of the Corporation or any of its subsidiaries to that person. Notwithstanding the foregoing, nothing contained herein shall be construed as requiring the Purchaser, its shareholders or their respective associates or affiliates to provide a guarantee of such obligations, or any portion thereof, in place of the Vendor, its shareholders and their respective associates and affiliates.

9.3 Notices

(a) Any notice, designation, communication, request, demand or other document required or permitted to be given or sent or delivered hereunder to any Party shall be in writing and shall be sufficiently given or sent or delivered if it is:

(i) delivered personally to such Party or to an officer or director of such Party;

(ii) sent to the Party entitled to receive it by registered mail, postage prepaid, mailed in Canada; or

(iii) sent by email.

(b) Notices shall be sent to the following addresses or email addresses:

(i) if to the Vendor:

6415 75 Street NW Main Building,
Edmonton, AB
T6E 0T3
Attention of Marj Carr
E-mail: marj@jwcarrholdings.ca

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

Vendor's Counsel

Linmac LLP
1400, 350 – 7th Avenue SW
Calgary, AB, T2P 3N9
Attention: Joe Brennan
Email: jbrennan@linmac.com

(ii) if to the Purchaser:

Lindan Equities Inc.
3812 – 56 Avenue
Edmonton, Alberta, T6B 3R8
Attention: Bryn Gilbert
Email: bgilbert@lindanequities.com

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

Purchaser's Counsel

Bryan & Company LLP
2900 Manulife Place
10180 – 101 Street
Edmonton, Alberta, T5J 3V5
Attention: Erin D. Oor
Email: edoor@bryanco.com

(iii) if to the Corporation:

Box 11558
Lloydminster, AB
T9V 3B8
Attention: Graham Holmedal
graham@rohanltd.com

or to such other address or email address as the Party entitled to or receiving such notice, designation, communication, request, demand or other document shall, by a notice given in accordance with this Section, have communicated to the Party giving or sending or delivering such notice, designation, communication, request, demand or other document.

(c) Any notice, designation, communication, request, demand or other document given or sent or delivered as aforesaid shall:

(i) if delivered as aforesaid, be deemed to have been given, sent, delivered and received on the date of delivery;

(ii) if sent by mail as aforesaid, be deemed to have been given, sent, delivered and received on the fourth (4th) Business Day following the date of mailing, unless at any time between the date of mailing and the fourth (4th) Business Day thereafter there is a discontinuance or interruption of regular postal service, whether due to strike or lockout or work slowdown, affecting postal service at the point of dispatch or delivery or any intermediate point, in which case the same shall be deemed to have been given, sent, delivered and received in the ordinary course of the mail, allowing for such discontinuance or interruption of regular postal service; and

(iii) if sent by email, be deemed to have been given, sent, delivered and received on the following Business Day, so long as the notice is ultimately received at that email address.

9.4 Legal and Other Professional Fees

Each of the Parties shall be responsible for their respective legal, accounting, any broker or other professional fees in connection with the transactions contemplated hereby.

9.5 Set-Off

Subject to Applicable Law, each Party shall have the right to satisfy any amount from time to time owing by it to any other Party, including in respect of the indemnities contained herein, by way of set-off.

9.6 Assignment

Neither Party may assign any of its rights or obligations hereunder without the prior written consent of the other Party.

9.7 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on either Party unless consented to in writing by such Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided.

9.8 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective legal representatives, heirs, successors and permitted assigns. Nothing herein, express or implied, is intended to confer upon any Person, other than the Parties and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

9.9 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided.

9.10 Time of Essence

Time shall be of the essence of this Agreement.

9.11 Construction

The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments, schedules or exhibits thereto.

9.12 Severability

Any article, section or other subdivision or any other provision of this Agreement which is, is deemed to be, or becomes void, illegal, invalid or unenforceable shall be severable herefrom and ineffective to the extent of such voidability, illegality, invalidity or unenforceability, and shall not invalidate, affect or impair the remaining provisions hereof, which provisions shall be severable from any void, illegal, invalid or unenforceable article, section or other subdivision or provision.

9.13 Waiver

Any Party which is entitled to the benefits of this Agreement may, and has the right to waive any term or condition hereof at any time on or prior to Closing, provided however, that such waiver shall, be evidenced by written instrument duly executed and delivered on behalf of such Party.

9.14 Applicable Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the laws of the Province of Alberta and the federal laws of Canada applicable therein, and each Party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom except as may be otherwise agreed.

9.15 Execution and Delivery

This Agreement may be executed in any number of counterparts (and delivered by electronic transmission in any format), each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

[The remainder of this page has been intentionally left blank. Signing page to follow.]

IN WITNESS WHEREOF this Share Purchase Agreement has been executed by the Parties as of the Effective Date.

JW CARR HOLDINGS LTD.

Per: DocuSigned by: Marj Carr EEDCB609D7F94FA... ______________________
Name: Marj Carr
Title: President

GONDOR INVESTMENT GROUP INC.

Per: ______________________
Name:
Title:

R'OHAN WELL SERVICES LTD.

Per: DocuSigned by: 9868E64197974DB... ______________________
Name: Graham Holmedal
Title: general manager

IN WITNESS WHEREOF this Share Purchase Agreement has been executed by the Parties as of the Effective Date.

JW CARR HOLDINGS LTD.

Per: ______________________________
Name:
Title:

GONDOR INVESTMENT GROUP INC.

Signature: ______________________________
Jeff Suggitt (Jun 16, 2023 09:03 MDT)

Email: jsuggitt@lindanequities.com

Per: ______________________________
Name:
Title:

R'OHAN WELL SERVICES LTD.

Per: ______________________________
Name:
Title:

Schedule 1.1(zz) - Purchased Shares

4,215 Class "A" common voting shares of R'Ohan Well Services Ltd.

Schedule 1.1((rrr)) - Year-End Financial Statements

See attached.

R`OHAN WELL SERVICES LTD.

Consolidated Financial Information

September 30, 2022

Pennock Acheson Nielsen Devaney LLP

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants
Suite 2201, 10088-102 Avenue Telephone: (780) 496-7774
Edmonton, Alberta T5J 2Z1 Facsimile: (780) 423-0582

COMPILATION ENGAGEMENT REPORT

To the Shareholders of R`ohan Well Services Ltd.

On the basis of information provided by management, we have compiled the consolidated balance sheet of R`ohan Well Services Ltd. as at September 30, 2022, and the consolidated statement of earnings and retained earnings for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled consolidated financial information ("financial information").

Management is responsible for the accompanying consolidated financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the consolidated financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the consolidated financial information.

Readers are cautioned that the consolidated financial information may not be appropriate for their purposes.

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants

December 20, 2022

R`OHAN WELL SERVICES LTD.

Consolidated Balance Sheet

As at September 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	$ 89,844	$ 618,543
Accounts receivable	3,541,659	2,755,696
Income taxes recoverable	79,373	117,038
Inventory	588,945	515,265
Prepaid expenses	138,510	49,010
	4,438,331	4,055,552
PROPERTY AND EQUIPMENT	12,106,129	11,565,521
DUE FROM CORPORATE SHAREHOLDERS	1,185,169	1,135,484
	$ 17,729,629	$ 16,756,557
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 1,036,988	$ 1,242,286
Income taxes payable	-	165,503
Current portion of long-term debt	858,970	530,906
	1,895,958	1,938,695
Demand debt due beyond one year	2,196,710	2,341,134
	4,092,668	4,279,829
LONG-TERM DEBT	5,250,803	3,812,606
FUTURE INCOME TAXES	837,000	704,000
	10,180,471	8,796,435
SHAREHOLDERS' EQUITY		
Share capital	338	338
Retained earnings	7,172,146	7,311,202
Non-controlling interest	376,674	648,582
	7,549,158	7,960,122
	$ 17,729,629	$ 16,756,557

R`OHAN WELL SERVICES LTD.

Consolidated Statement of Earnings and Retained Earnings

Year Ended September 30, 2022

	2022	2021
REVENUE	$ 19,300,647	$ 14,355,489
COST OF SALES	13,431,153	9,688,750
GROSS PROFIT *(30%; 2021 - 33%)*	5,869,494	4,666,739
EXPENSES (Schedule 1)	2,818,838	1,840,374
EARNINGS BEFORE THE FOLLOWING	3,050,656	2,826,365
OTHER EXPENSES (INCOME)		
Depreciation	1,125,977	1,244,002
Consulting and management fees	450,000	470,000
Interest on long-term debt	199,598	229,563
Rental income	(330,802)	(396,543)
Interest income	(49,685)	(13,075)
Loss on disposal of property and equipment	-	5,370
	1,395,088	1,539,317
EARNINGS BEFORE INCOME TAXES	1,655,568	1,287,048
INCOME TAXES (RECOVERED)		
Current	253,532	347,241
Future	133,000	(43,000)
	386,532	304,241
EARNINGS BEFORE NON-CONTROLLING INTEREST	1,269,036	982,807
NON-CONTROLLING INTEREST	(8,092)	(80,197)
NET EARNINGS	1,260,944	902,610
RETAINED EARNINGS - BEGINNING OF YEAR	7,311,202	7,021,926
DIVIDENDS	(1,400,000)	(613,334)
RETAINED EARNINGS - END OF YEAR	$ 7,172,146	$ 7,311,202

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the consolidated balance sheet of R`ohan Well Services Ltd. as at September 30, 2022, and the consolidated statement of earnings and retained earnings for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- inventory valued at cost
- equipment amortized over their useful lives
- accounts payable and accrued liabilities
- current income taxes payable as at the reporting date

R`OHAN WELL SERVICES LTD.

Consolidated Expenses **(Schedule 1)**

Year Ended September 30, 2022

	2022	2021
Salaries and wages	$ 1,009,822	$ 502,300
Employee benefits	709,334	588,733
Office	309,579	165,567
Insurance	197,962	189,095
Vehicle	122,458	87,813
Supplies	98,499	49,997
Advertising and promotion	79,603	47,116
Professional fees	67,124	30,496
Property taxes	62,631	63,518
Repairs and maintenance	47,781	30,541
Bank charges	35,074	28,741
Training and other	34,427	23,701
Travel	28,539	19,218
Telephone	16,005	13,538
	$ 2,818,838	$ 1,840,374

R'OHAN WELL SERVICES LTD.

Non-Consolidated Financial Statements

September 30, 2022

Pennock Acheson Nielsen Devaney LLP

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants
Suite 2201, 10088-102 Avenue Telephone: (780) 496-7774
Edmonton, Alberta T5J 2Z1 Facsimile: (780) 423-0582

INDEPENDENT ACCOUNTANT'S REVIEW ENGAGEMENT REPORT

To the Shareholders of R'ohan Well Services Ltd.

We have reviewed the accompanying non-consolidated financial statements of R'ohan Well Services Ltd. (the Company) that comprise the non-consolidated balance sheet as at September 30, 2022, and the non-consolidated statements of earnings and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with Canadian accounting standards for private enterprises (ASPE), and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying non-consolidated financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of non-consolidated financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these non-consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the non-consolidated financial statements do not present fairly, in all material respects, the non-consolidated financial position of R'ohan Well Services Ltd. as at September 30, 2022, and the non-consolidated results of its operations and its non-consolidated cash flows for the year then ended in accordance with ASPE.

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants

December 20, 2022

R'OHAN WELL SERVICES LTD.

Non-Consolidated Balance Sheet

As at September 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	$ -	$ 533,486
Accounts receivable	2,166,186	1,474,092
Inventory	251,275	241,955
Income taxes recoverable	18,300	-
Prepaid expense and deposit	104,500	15,000
	2,540,261	2,264,533
PROPERTY AND EQUIPMENT (Note 3)	2,431,871	1,866,770
LONG TERM INVESTMENTS (Note 4)	175	175
DUE FROM RELATED PARTIES (Note 5)	934,548	657,723
DUE FROM SHAREHOLDERS (Note 6)	35,472	35,472
	$ 5,942,327	$ 4,824,673
LIABILITIES		
CURRENT		
Short-term borrowings (Note 7)	$ 192,531	$ -
Accounts payable and accrued liabilities (Note 8)	254,159	520,071
Income taxes payable	-	89,132
Current portion of long-term debt (Note 9)	137,826	37,628
	584,516	646,831
LONG-TERM DEBT (Note 9)	631,747	63,717
FUTURE INCOME TAXES (Note 10)	351,000	176,000
	1,567,263	886,548
CONTINGENCIES (Note 11)		
SHAREHOLDERS' EQUITY		
Share capital (Note 12)	300	300
Retained earnings	4,374,764	3,937,825
	4,375,064	3,938,125
	$ 5,942,327	$ 4,824,673

ON BEHALF OF THE BOARD

_____________________________ *Director*

_____________________________ *Director*

R'OHAN WELL SERVICES LTD.

Non-Consolidated Statement of Earnings and Retained Earnings

Year Ended September 30, 2022

	2022	2021
REVENUE	$ 9,270,168	$ 6,536,803
COST OF SALES	5,877,725	4,169,041
GROSS PROFIT *(37%; 2021 - 36%)*	3,392,443	2,367,762
EXPENSES		
Salaries and wages	351,853	226,674
Employee benefits	279,150	192,190
Supplies	98,499	49,997
Office	82,502	57,197
Insurance	65,493	58,457
Advertising and promotion	64,323	42,600
Professional fees	56,564	19,782
Repairs and maintenance	47,781	30,541
Property taxes	15,913	15,690
Travel	10,055	2,518
Bank charges and interest	7,635	8,357
	1,079,768	704,003
EARNINGS BEFORE THE FOLLOWING	2,312,675	1,663,759
OTHER EXPENSES (INCOME)		
Depreciation	379,088	353,716
Consulting and management fees (Note 6)	258,000	278,000
Interest on long-term debt	9,636	2,793
Dividend income	(560,000)	(213,333)
Gain on disposal of property and equipment	-	(3,867)
	86,724	417,309
EARNINGS BEFORE INCOME TAXES	2,225,951	1,246,450
INCOME TAXES		
Current	214,012	235,998
Future	175,000	7,000
	389,012	242,998
NET EARNINGS	1,836,939	1,003,452
RETAINED EARNINGS - BEGINNING OF YEAR	3,937,825	3,547,706
DIVIDENDS	(1,400,000)	(613,333)
RETAINED EARNINGS - END OF YEAR	$ 4,374,764	$ 3,937,825

R'OHAN WELL SERVICES LTD.

Non-Consolidated Statement of Cash Flows

Year Ended September 30, 2022

	2022	2021
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Net earnings	$ 1,836,939	$ 1,003,452
Items not affecting cash:		
Depreciation	379,088	353,716
Future income taxes	175,000	7,000
Gain on disposal of property and equipment	-	(3,867)
	2,391,027	1,360,301
Changes in non-cash working capital:		
Accounts receivable	(692,094)	(741,592)
Inventory	(9,320)	(16,706)
Accounts payable and accrued liabilities	(265,912)	113,290
Income taxes payable	(107,432)	(1,620)
Prepaid expense and deposit	(89,500)	(15,000)
	(1,164,258)	(661,628)
Cash flow from operating activities	1,226,769	698,673
INVESTING ACTIVITIES		
Purchase of property and equipment	(944,189)	(109,426)
Proceeds on disposal of property and equipment	-	6,667
Cash flow used by investing activities	(944,189)	(102,759)
FINANCING ACTIVITIES		
Dividends paid	(1,400,000)	(613,333)
Advances from (to) related parties	(276,825)	4,025
Proceeds from long term financing	732,928	80,273
Repayment of long term debt	(64,700)	(52,719)
Cash flow used by financing activities	(1,008,597)	(581,754)
(DECREASE) INCREASE IN CASH	(726,017)	14,160
CASH - BEGINNING OF YEAR	533,486	519,326
(SHORT-TERM BORROWINGS) CASH - END OF YEAR	$ (192,531)	$ 533,486

1. DESCRIPTION OF OPERATIONS

R'ohan Well Services Ltd. (the "Company") is incorporated provincially under the Business Corporations Act of Alberta. The Company's principal business activity is providing coil tubing and other related services to the oil and gas industry.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises, and contain the following significant accounting policies:

Measurement uncertainty

The preparation of financial statements, in conformity with Canadian accounting standards for private enterprises require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and cash equivalents

The Company considers all highly liquid investments with maturity of three months or less as short-term borrowings. Cash consists primarily of amounts on deposit at banks less outstanding items.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling costs.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment are depreciated over their estimated useful lives at the following rates and methods:

Coil tubing units	15%	declining balance method
Automotive	30%	declining balance method
Catch tanks	15%	declining balance method
Furniture and equipment	20%	declining balance method
Computer equipment and software	45%	declining balance method

Long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when an asset's carrying value exceeds the fair value being the total undiscounted cash flow expected from its use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the assets over its fair value.

Long-term investments

The Company's investments in R'ohan Rig Services Ltd. and R'ohan Well and Rig Services (2009) Ltd. are accounted for using the cost basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

The liability method of tax allocation is used in accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities, and measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Revenue recognition

Revenue is recognized as services are provided or products are delivered to customers, the amounts are fixed or can be determined, and the ability to collect is reasonably assured.

Financial instruments

The Company's financial instruments consist of cash, accounts receivable, income taxes recoverable, amounts due from related parties, accounts payable and accrued liabilities, income taxes payable, long-term debt and shareholders' loans. Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs are expensed as incurred.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

Government programs

In response to the COVID-19 pandemic, Governments within Canada enacted multiple programs to help people and businesses manage their way through the pandemic. The following program had an impact on the Company:

The federal government's Canada Emergency Wage Subsidy ("CEWS") is a wage subsidy program administered through employers with the goals of keeping employees on company payrolls and avoiding layoffs and terminations, helping to ensure that government run benefit programs were not overwhelmed and getting workers income in a timely fashion. The Company received $nil (2021 $172,719) through the CEWS program which has been recorded as a reduction of cost of sales in the income statement. $Nil (2021 $nil) related to this program is recorded in accounts receivable at year-end.

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated Depreciation	2022 Net Book Value	2021 Net Book Value
Coil tubing units	$ 7,736,688	$ 5,458,966	$ 2,277,722	$ 1,652,292
Automotive	627,270	510,024	117,246	167,493
Catch tanks	181,420	157,760	23,660	29,011
Furniture and equipment	218,886	208,412	10,474	13,092
Computer equipment and software	19,282	16,513	2,769	4,882
	$ 8,783,546	$ 6,351,675	$ 2,431,871	$ 1,866,770

4. LONG-TERM INVESTMENTS

		2022		2021
R'ohan Rig Services Ltd. - owns 66.67% of the company's outstanding voting common shares	$	75	$	75
R'ohan Well & Rig Services (2009) Ltd. - 100% owned subsidiary		100		100
	$	175	$	175

5. DUE FROM (TO) RELATED PARTIES

R'ohan Rig Services Ltd. - company under common control	$	1,634,861	$	1,358,036
R'ohan Well & Rig Services (2009) Ltd. - company under common control		(700,313)		(700,313)
	$	934,548	$	657,723

Amounts due from (to) related parties are unsecured, non-interest bearing and have no fixed terms for repayment.

6. DUE FROM (TO) SHAREHOLDERS

		2022		2021
J.W. Carr Holdings Ltd.	$	(13,434)	$	(13,434)
C.S. Cross Holdings Ltd.		48,906		48,906
	$	35,472	$	35,472

Amounts due to shareholders are unsecured, non-interest bearing and have no set repayment terms.

The Company paid corporate shareholder J.W. Carr Holdings Ltd. $110,000 (2021 - $130,000) and corporate shareholder C.S. Cross Holdings Ltd. $130,000 (2021 - $130,000) in consulting and management fees during the year. These transactions are in the normal course of operations and are measured at the exchange amount, which is the consideration established and agreed to by the related parties.

7. SHORT-TERM BORROWINGS

The Company has a demand operating line of credit available to a maximum of $1,000,000, subject to margining of accounts receivable. The line of credit bears interest at prime plus 1.25% and is secured by guarantees from the Company's majority shareholders and from the Company' subsidiaries: R'ohan Rig Services Ltd. and R'Ohan Well & Rig Services (2009) Ltd. The Company has certain financial covenants with respect to their borrowings.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of $32,601 (2022 - $114,704).

9. LONG-TERM DEBT

	2022	2021
Mitsubishi HC Capital Canada loan repayable in monthly installments of $9,426 including interest at 7.74% per annum, and maturing September 2, 2027. The loan is secured by equipment with a net book value of $1,131,183 and by corporate guarantees from the Company's subsidiaries R'Ohan Rig Services Ltd. and R'Ohan Well & Rig Services (2009) Ltd.	$ **467,740**	$ -
Mitsubishi HC Capital Canada loan repayable in monthly installments of $4,912 including interest at 6.24% per annum, and maturing May 1, 2027. The loan is secured as per above.	**238,116**	-
Scotiabank loan repayable in monthly installments of $1,319 including interest at 5.69% per annum, and maturing April 28, 2027. The loan is secured by equipment with a net book value of $47,920.	**63,717**	75,549
Ford Credit loans repaid during the year.	**-**	25,796
	769,573	101,345
Amounts payable within one year	**(137,826)**	(37,628)
	$ **631,747**	$ 63,717

Principal repayment terms are approximately:

2023	$ 137,826
2024	147,879
2025	158,674
2026	170,268
2027	154,926
	$ 769,573

10. FUTURE INCOME TAXES

	2022	2021
The components of the future tax liabilities are as follows:		
Property and equipment	$ **351,000**	$ 176,000

11. CONTINGENCIES

Guarantees

i) The Company is contingently liable as the guarantor of the bank debt from the Bank of Montreal for R'ohan Rig Services Ltd to a maximum of $8,951,000. As at September 30, 2022 the balance of the bank debt totaled $5,962,005. The Company would be required to perform under this guarantee in the event that R'ohan Rig Services Ltd. defaults on repayment terms. The lenders hold certain assets of R'ohan Rig Services Ltd. as security.

ii) The Company is named as borrower of the Mitsubishi HC Capital Canada loan in R'ohan Rig Services Ltd. As at September 30, 2022 the balance of the loan is $1,451,677. The Company would be required to perform in the event that R'ohan Rig Services Ltd. defaults on repayment terms. The lenders hold certain assets of R'ohan Rig Services Ltd. as security.

12. SHARE CAPITAL

Authorized:

10,000	Class A - Common voting shares
10,000	Class B - Common non-voting shares
5,000	Class C - Common voting shares
5,000	Class D - Common voting shares
5,000	Class E - Common non-voting shares
5,000	Class F - Non-cumulative redeemable preferred non-voting shares

		2022	2021
Issued:			
300	Class A shares	$ 300	$ 300

13. RISK MANAGEMENT

Credit risk

The Company assesses the credit worthiness of its customers on an on-going basis as well as monitors the amount and age of balances outstanding. Accordingly, the Company views the credit risk associated with these amounts as normal for the industry. At year-end three customers accounted for 89% of the balance of trade receivábles at 53%, 25% and 11%. The Company's customers are exposed to fluctuations in commodity prices for natural gas, crude oil and natural gas liquids. The financial well being of these customers is affected by the the price of these commodities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through its floating interest rate on short-term borrowings and credit facilities.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Company's cash requirements. Additional cash requirements are met with the use of short-term borrowings on the available operating line.

Insurance

The Company purchases discretionary insurance to cover property damage, business interruption and liability risk of loss exposure.

R'OHAN WELL & RIG SERVICES (2009) LTD.

Financial Statements

September 30, 2022

Pennock Acheson Nielsen Devaney LLP

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants
Suite 2201, 10088-102 Avenue Telephone: (780) 496-7774
Edmonton, Alberta T5J 2Z1 Facsimile: (780) 423-0582

INDEPENDENT ACCOUNTANT'S REVIEW ENGAGEMENT REPORT

To the Shareholder of R'ohan Well & Rig Services (2009) Ltd.

We have reviewed the accompanying financial statements of R'ohan Well & Rig Services (2009) Ltd. (the Company) that comprise the balance sheet as at September 30, 2022, and the statements of operations and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises (ASPE), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of R'ohan Well & Rig Services (2009) Ltd. as at September 30, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASPE.

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants

December 20, 2022

R'OHAN WELL & RIG SERVICES (2009) LTD.

Balance Sheet

As at September 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	$ -	$ 466,955
Income taxes recoverable	27,344	117,038
	27,344	583,993
EQUIPMENT (Note 3)	985,776	263,381
DUE FROM RELATED PARTIES (Note 4)	1,104,936	1,231,684
	$ 2,118,056	$ 2,079,058
LIABILITIES		
CURRENT		
Short-term borrowings (Note 5)	$ 170,672	$ -
Accounts payable and accrued liabilities (Note 6)	62,034	168,529
	232,706	168,529
FUTURE INCOME TAXES (Note 7)	20,000	13,000
	252,706	181,529
CONTINGENCIES (Note 8)		
SHAREHOLDER'S EQUITY		
Share capital (Note 9)	100	100
Retained earnings	1,865,250	1,897,429
	1,865,350	1,897,529
	$ 2,118,056	$ 2,079,058

ON BEHALF OF THE BOARD

_______________________ *Director*

_______________________ *Director*

R'OHAN WELL & RIG SERVICES (2009) LTD.
Statement of Operations and Retained Earnings
Year Ended September 30, 2022

	2022	2021
REVENUE	$ -	$ 371,532
COST OF SALES	-	278,500
GROSS PROFIT	-	93,032
EXPENSES		
Insurance and licenses	8,502	8,502
Professional fees	3,780	3,500
Office	2,128	76
Bank charges and interest	1,269	653
Employee benefits	-	7,413
	15,679	20,144
(LOSS) EARNINGS BEFORE THE FOLLOWING	(15,679)	72,888
OTHER EXPENSES		
Management fees (Note 4)	29,500	99,000
Depreciation (Note 3)	-	35,793
	29,500	134,793
LOSS BEFORE INCOME TAXES	(45,179)	(61,905)
INCOME TAXES (RECOVERED)		
Current	(20,000)	-
Future	7,000	(14,000)
	(13,000)	(14,000)
NET LOSS	(32,179)	(47,905)
RETAINED EARNINGS - BEGINNING OF YEAR	1,897,429	1,945,334
RETAINED EARNINGS - END OF YEAR	$ 1,865,250	$ 1,897,429

	2022	2021
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Net loss	$ (32,179)	$ (47,905)
Items not affecting cash:		
Future income taxes	7,000	(14,000)
Depreciation	-	35,793
	(25,179)	(26,112)
Changes in non-cash working capital:		
Accounts receivable	-	239,306
Accounts payable and accrued liabilities	(106,495)	97,683
Income taxes recoverable	89,694	(91,494)
	(16,801)	245,495
	(41,980)	219,383
INVESTING ACTIVITY		
Purchase of equipment	(722,395)	(140,000)
FINANCING ACTIVITY		
Advances from related parties	126,748	120,016
(DECREASE) INCREASE IN CASH	(637,627)	199,399
CASH - BEGINNING OF YEAR	466,955	267,556
(SHORT-TERM BORROWINGS) CASH - END OF YEAR	$ (170,672)	$ 466,955

1. DESCRIPTION OF OPERATIONS

R'Ohan Well & Rig Services (2009) Ltd. (the "Company") is incorporated provincially under the Business Corporations Act of Alberta. The Company's principal business activity is operating an oil and gas service rig.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises, and contain the following significant accounting policies:

Measurement uncertainty

The preparation of financial statements, in conformity with Canadian accounting standards for private enterprises require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and cash equivalents

The Company considers all highly liquid investments with maturity of three months or less as cash. Cash consists primarily of amounts on deposit at banks and short-term borrowings.

Equipment

Equipment is stated at cost less accumulated depreciation. Equipment is depreciated over their estimated useful lives at the following rates and methods:

Service rigs	15%	declining balance method
Equipment	20%	declining balance method
Support units	30%	declining balance method

Long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when an asset's carrying value exceeds the fair value being the total undiscounted cash flow expected from its use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the assets over its fair value.

Income taxes

The liability method of tax allocation is used in accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities, and measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Revenue recognition

Revenue is recognized as services are provided or products are delivered to customers, the amounts are fixed or can be determined, and the ability to collect is reasonably assured.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

The Company's financial instruments recognized in the balance sheet consist of cash, accounts receivable, income taxes recoverable, due from related parties, accounts payable and accrued liabilities. Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

3. EQUIPMENT

	Cost	Accumulated Depreciation	2022 Net Book Value	2021 Net Book Value
Service rigs	$ 1,717,395	$ 776,264	$ 941,131	$ 245,520
Equipment	274,552	231,888	42,664	15,880
Support units	168,635	166,654	1,981	1,981
	$ 2,160,582	$ 1,174,806	$ 985,776	$ 263,381

Depreciation was not recorded during the year as equipment was being modified to enhance capacity.

4. DUE FROM (TO) RELATED PARTIES

	2022	2021
R'ohan Well Services Ltd. - parent company	$ 700,313	$ 700,313
J.W. Carr Holdings Ltd. - shareholder of parent company	300,000	300,000
C.S. Cross Holdings Ltd. - shareholder of parent company	200,000	200,000
R'ohan Rig Services Ltd - company under common control	(95,377)	31,371
	$ 1,104,936	$ 1,231,684

Amounts due from related parties are unsecured, non-interest bearing and have no fixed terms for repayment.

The Company paid R'ohan Rig Services Ltd. $5,500 (2021 - $75,000) in management fees during the year. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

5. SHORT-TERM BORROWINGS

The Company has an operating line of credit available to a maximum of $250,000, subject to margining of accounts receivable. The operating line bears interest at prime plus 3% and is secured by guarantees from J.W. Carr Holdings Ltd. and C.S. Cross Holdings Ltd.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable are government remittances receivable of $3,329 (2021 - $2,860).

7. FUTURE INCOME TAXES

		2022		2021
The components of the future tax liabilities are as follows:				
Equipment	$	**43,000**	$	36,000
Non-capital losses		**(23,000)**		(23,000)
Total future income tax liability	$	**20,000**	$	13,000

8. CONTINGENCIES

Guarantees

i) The Company is contingently liable as a co guarantor of the bank debt from the Bank Montreal for R'ohan Rig Services Ltd to a maximum of $8,955,000. As at September 30, 2022, the bank debt totaled $5,947,441. The Company would be required to perform under this guarantee in the event that R'ohan Rig Services Ltd. defaults on repayment terms. The lenders hold certain assets of R'ohan Rig Services Ltd. as security

ii) The Company has a corporate guarantee to the Bank of Montreal to a maximum of $2,300,000 for all of the short-term borrowings and loans of R'ohan Well Services Ltd. As at September 30, 2022 the balance of R'Ohan Well Services Ltd.' short-term borrowings was $192,531 (2021 - $nil).

iii) The Company has a corporate guarantee to Mitsubishi HC Capital Canada Leasing Inc. (MHCCL) for all of the loans of R'ohan Well Services Ltd. owing to MHCCL. As at September 30, 2022 the balance of R'Ohan Well Services Ltd.' loan payable to MHCCL was $705,856 (2021 - $nil).

iv) The Company is named as borrower of the Mitsubishi HC Capital Canada loan in R'ohan Rig Services Ltd. As at September 30, 2022 the balance of the loan is $1,451,677. The Company would be required to perform in the event that R'ohan Rig Services Ltd. defaults on repayment terms. The lenders hold certain assets of R'ohan Rig Services Ltd. as security.

9. SHARE CAPITAL

Authorized:

10,000	Class A - Common voting shares
10,000	Class B - Common non-voting shares
5,000	Class C - Common voting shares
5,000	Class D - Common voting shares
5,000	Class E - Common non-voting shares
5,000	Class F - Non-cumulative redeemable preferred voting shares

			2022		2021
Issued:					
100	Class A shares	$	**100**	$	100

10. RISK MANAGEMENT

Credit risk

The Company assesses the credit worthiness of its customers on an on-going basis as well as monitors the amount and age of balances outstanding. Accordingly, the Company views the credit risk associated with these amounts as normal for the industry. The entire accounts receivable balance outstanding at year-end is due from one customer however given the collection history experienced by related parties, the risk of not collecting this receivable is considered to be minimal. The Company's customers are exposed to fluctuations in commodity prices for natural gas, crude oil and natural gas liquids. The financial well being of these customers is affected by the price of these commodities.

Interest rate

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through its floating interest rate on short-term borrowings.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Company's cash requirements. Additional cash requirements are met with the use of short-term borrowings on the available operating line.

Insurance

The Company purchases discretionary insurance to cover property damage, business interruption and liability risk of loss exposure.

R'OHAN RIG SERVICES LTD.

Financial Statements

September 30, 2022

Pennock Acheson Nielsen Devaney LLP

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants
Suite 2201, 10088-102 Avenue Telephone: (780) 496-7774
Edmonton, Alberta T5J 2Z1 Facsimile: (780) 423-0582

INDEPENDENT ACCOUNTANT'S REVIEW ENGAGEMENT REPORT

To the Shareholders of R'ohan Rig Services Ltd.

We have reviewed the accompanying financial statements of R'ohan Rig Services Ltd. (the Company) that comprise the balance sheet as at September 30, 2022, and the statements of earnings and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises (ASPE), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of R'ohan Rig Services Ltd. as at September 30, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASPE.

Pennock Acheson Nielsen Devaney LLP

Chartered Professional Accountants

December 20, 2022

R'OHAN RIG SERVICES LTD.

Balance Sheet

As at September 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	$ 453,047	$ -
Accounts receivable	1,375,472	1,281,604
Inventory	337,671	273,311
Income taxes recoverable	33,729	-
Prepaid expenses	34,010	34,010
	2,233,929	1,588,925
DUE FROM J.W. CARR HOLDINGS LTD. (Note 3)	649,685	600,000
PROPERTY AND EQUIPMENT (Note 4)	8,688,484	9,435,373
	$ 11,572,098	$ 11,624,298
LIABILITIES		
CURRENT		
Short-term borrowings (Note 6)	$ -	$ 381,899
Income taxes payable	-	76,371
Accounts payable and accrued liabilities (Note 5)	720,802	553,691
Current portion of long-term and demand debt (Note 6)	721,144	493,278
	1,441,946	1,505,239
Callable debt due thereafter (Note 6)	2,196,710	2,341,134
Due to related parties (Note 7)	1,539,471	1,389,394
	5,178,127	5,235,767
LONG-TERM AND DEMAND DEBT (Note 6)	4,619,054	3,748,890
FUTURE INCOME TAXES (Note 8)	466,000	515,000
	10,263,181	9,499,657
CONTINGENCIES (Note 9)		
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	113	113
Retained earnings	1,308,804	2,124,528
	1,308,917	2,124,641
	$ 11,572,098	$ 11,624,298

ON BEHALF OF THE BOARD

_____________________________ *Director*

_____________________________ *Director*

R'OHAN RIG SERVICES LTD.

Statement of Earnings and Retained Earnings

Year Ended September 30, 2022

	2022	2021
REVENUE	$ 10,030,479	$ 7,447,154
COST OF SALES	7,553,428	5,241,208
GROSS PROFIT *(25%; 2021 - 30%)*	2,477,051	2,205,946
EXPENSES		
Salaries and wages	657,970	275,626
Employee benefits	430,184	389,130
Office	224,948	108,296
Insurance	123,967	122,136
Vehicle	122,458	87,813
Property taxes	46,718	47,828
Training and other	34,427	23,701
Interest and bank charges	26,170	19,731
Travel	18,485	16,700
Telephone	16,005	13,538
Advertising, promotion, and marketing	15,280	4,516
Professional fees	6,780	7,214
	1,723,392	1,116,229
EARNINGS BEFORE THE FOLLOWING	753,659	1,089,717
OTHER EXPENSES (INCOME)		
Depreciation	746,889	854,493
Interest on long-term debt	189,961	226,769
Management fees (Note 7)	168,000	168,000
Rental income	(330,802)	(396,543)
Interest income (Note 7)	(49,685)	(13,075)
Management fee income (Note 7)	(5,500)	(75,000)
Loss on disposal of property and equipment	-	9,237
	718,863	773,881
EARNINGS BEFORE INCOME TAXES	34,796	315,836
INCOME TAXES (RECOVERED)		
Current	59,520	111,243
Future	(49,000)	(36,000)
	10,520	75,243
NET EARNINGS	24,276	240,593
RETAINED EARNINGS - BEGINNING OF YEAR	2,124,528	2,203,935
DIVIDENDS	(840,000)	(320,000)
RETAINED EARNINGS - END OF YEAR	$ 1,308,804	$ 2,124,528

R'OHAN RIG SERVICES LTD.

Statement of Cash Flows

Year Ended September 30, 2022

	2022	2021
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Net earnings	$ 24,276	$ 240,593
Items not affecting cash:		
Depreciation	746,889	854,493
Future income taxes	(49,000)	(36,000)
Loss on disposal of property and equipment	-	9,237
	722,165	1,068,323
Changes in non-cash working capital:		
Accounts receivable	(93,868)	(435,940)
Inventory	(64,360)	(25,851)
Accounts payable and accrued liabilities	167,111	60,782
Income taxes payable	(110,100)	185,513
Prepaid expenses	-	2,330
	(101,217)	(213,166)
	620,948	855,157
INVESTING ACTIVITY		
Purchase of property and equipment	-	(148,981)
FINANCING ACTIVITIES		
Dividends paid	(746,667)	(320,000)
Advances from (to) from related parties	56,744	(124,042)
Advances to shareholders	(49,685)	-
(Repayment of) proceeds from short-term borrowings	(381,899)	227,007
Proceeds from long term financing	1,505,775	-
Repayment of long term debt	(552,169)	(489,141)
	(167,901)	(706,176)
INCREASE IN CASH BEING ENDING CASH	$ 453,047	$ -

1. DESCRIPTION OF OPERATIONS

R'ohan Rig Services Ltd. (the "Company") is incorporated provincially under the Business Corporations Act of Alberta. The Company's principal business activity is operating oil and gas service rigs and providing related services to the oil and gas industry.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises, and contain the following significant accounting policies:

Measurement uncertainty

The preparation of financial statements, in conformity with Canadian accounting standards for private enterprises require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and cash equivalents

The Company considers all highly liquid investments with maturity of three months or less as cash. Cash consists primarily of amounts on deposit at banks and short-term borrowings.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling costs.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment are depreciated over their estimated useful lives at the following rates and methods:

Buildings	4%	declining balance method
Service rigs	15%	declining balance method
Equipment	20%	declining balance method
Support units	30%	declining balance method
Vehicles	30%	declining balance method
Parking area	8%	declining balance method
Water well equipment	20%	declining balance method
Furniture and fixtures	20%	declining balance method
Computer equipment and software	45%	declining balance method

Long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when an asset's carrying value exceeds the fair value being the total undiscounted cash flow expected from its use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the assets over its fair value.

Income taxes

The liability method of tax allocation is used in accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities, and measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

Revenue is recognized as services are provided or products are delivered to customers, the amounts are fixed or can be determined and the ability to collect is reasonably assured.

Financial instruments policy

The Company's financial instruments recognized in the balance sheet consist of accounts receivable, due from J.W. Carr Holdings Ltd., short-term borrowings, accounts payable and accrued liabilities, income taxes payable (recoverable), long-term debt, and amounts due to related companies. Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

Government programs

In response to the COVID-19 pandemic, Governments within Canada enacted multiple programs to help people and businesses manage their way through the pandemic. The following program had an impact on the Company:

The federal government's Canada Emergency Wage Subsidy ("CEWS") is a wage subsidy program administered through employers with the goals of keeping employees on company payrolls and avoiding layoffs and terminations, helping to ensure that government run benefit programs were not overwhelmed and getting workers income in a timely fashion. The Company received $Nil (2021 $310,046) through the CEWS program which has been recorded as a reduction of wage expense in the income statement. $Nil (2021 $Nil) related to this program is recorded in accounts receivable at year-end.

3. DUE FROM J.W. CARR HOLDINGS LTD.

The amount due from J.W. Carr Holdings Ltd., a corporate shareholder, is payable on demand and is unsecured. Monthly interest only payments are due bearing interest at 5.23% per annum.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated Depreciation	2022 Net Book Value	2021 Net Book Value
Land	$ 848,366	$ -	$ 848,366	$ 848,366
Buildings	6,839,015	1,944,448	4,894,567	5,089,139
Service rigs	12,571,923	10,098,732	2,473,191	2,909,637
Equipment	1,948,195	1,731,459	216,736	270,919
Support units	1,837,769	1,791,015	46,754	66,791
Vehicles	740,793	676,876	63,917	91,310
Parking area	202,759	67,130	135,629	147,423
Water well equipment	29,221	23,706	5,515	6,894
Furniture and fixtures	22,019	18,443	3,576	4,470
Computer equipment and software	18,531	18,298	233	424
	$ 25,058,591	$ 16,370,107	$ 8,688,484	$ 9,435,373

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of $78,129 (2021 - $61,622).

6. LONG-TERM AND DEMAND DEBT

		2022		2021
Loan payable to the Bank of Montreal is payable in monthly instalments of $25,945 including interest at 2.53% per annum maturing December 2025.	$	**3,726,262**	$	3,940,613
Demand loan payable to the Bank of Montreal is payable in monthly instalments of $10,723 including interest of prime plus 0.75% per annum, with an option to convert to a fixed rate term loan maturing June 2023.		**1,483,215**		1,545,547
Mitsubishi HC Capital Canada loan repayable in monthly instalments of $36,450 bearing interest at 7.56% interest per annum, and maturing July 2026. The loan is secured by specific equipment with fair market value of $1,190,000. R'Ohan Well & Rig Services (2009) Ltd. and R'Ohan Well Services Ltd. are also named as borrower of this loan.		**1,451,678**		-
Demand loan payable to the Bank of Montreal is payable in monthly instalments of $5,631 including interest at prime plus 0.75% with an option to convert to a fixed rate term loan maturing December 2025.		**752,528**		786,403
Demand finance contract payable to LBC Capital in monthly instalments of $15,751 bearing interest at 5.99% interest per annum. The finance contract matures April 5, 2023 and is secured by specific automotive equipment with a net book value of $316,904.		**123,225**		299,100
Ford Credit finance contract repaid during the year.		**-**		11,639
		7,536,908		6,583,302
Amounts payable within one year		**(721,144)**		(493,278)
		6,815,764		6,090,024
Less demand debt due beyond one year		**(2,196,710)**		(2,341,134)
	$	**4,619,054**	$	3,748,890

The Bank of Montreal loans are secured by a first charge on land and building with a net book value of $5,742,932, full liability guarantees from R'ohan Well Services Ltd. and R'ohan Well & Rig Services (2009) Ltd., and limited guarantees of directors and corporate shareholders.

Assuming similar renewal terms, principal repayment terms are approximately:

2023	$	721,144
2024		630,431
2025		667,762
2026		634,413
2027		291,789
Thereafter		4,591,369
	$	7,536,908

The Company has a demand operating line of credit available to a maximum of $1,500,000, subject to margining of accounts receivable. The operating line bears interest at prime plus 0.75% and is secured by a general security agreement and specified property, and guarantees from R'ohan Well Services Ltd., the Company's corporate shareholders and certain directors of R'ohan Well Services Ltd.

7. DUE TO (FROM) RELATED PARTIES

		2022		2021
R'ohan Well Services Ltd. - corporate shareholder	$	**1,634,861**	$	1,358,036
1276783 Alberta Ltd - corporate shareholder		**(13)**		(13)
R'ohan Well & Rig Services (2009) Ltd. - company under common control		**(95,377)**		31,371
	$	**1,539,471**	$	1,389,394

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms for repayment.

The following is a summary of the Company's related party transactions with companies under common control or management:

		2022		2021
Management fee expense - 1276783 Alberta Ltd.	$	**168,000**	$	168,000
Management fee income - R'ohan Well & Rig Services (2009) Ltd.		**(5,500)**		(75,000)
Interest income - J.W. Carr Holdings Ltd.		**-**		(13,075)

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. FUTURE INCOME TAXES

		2022		2021
The components of the future tax liabilities are as follows:				
Property and equipment	$	**466,000**	$	515,000

9. CONTINGENCIES

i) Guarantees

The Company has a corporate guarantee to the Bank of Montreal to a maximum of $2,300,000 for all of the short-term borrowings and loans of R'ohan Well Services Ltd. As at September 30, 2022 the balance of R'Ohan Well Services Ltd. short-term borrowings was $192,531 (2021 - $nil).

The Company has a corporate guarantee to Mitsubishi HC Capital Canada Leasing Inc. (MHCCL) for all of the loans of R'ohan Well Services Ltd. owing to MHCCL. As at September 30, 2022 the balance of R'Ohan Well Services Ltd.' loan payable to MHCCL was $705,856 (2021 - $nil).

10. SHARE CAPITAL

Authorized:

10,000	Class A - Common voting shares
10,000	Class B - Common non-voting shares
5,000	Class C - Common voting shares
5,000	Class D - Common voting shares
5,000	Class E - Common non-voting shares
5,000	Class F - Non-cumulative redeemable preferred non-voting shares.

		2022	2021
Issued:			
100	Class A shares	$ 113	$ 113

11. RISK MANAGEMENT

Credit risk

The Company assesses the credit worthiness of its customers on an on-going basis as well as monitors the amount and age of balances outstanding. Accordingly, the Company views the credit risk associated with these amounts as normal for the industry. At year-end one customer accounts for 94% of the balance of trade receivables. The Company's customers are exposed to fluctuations in commodity prices for natural gas, crude oil and natural gas liquids. The financial well being of this customer is affected by the price of these commodities.

Interest rate

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through its floating interest rate on short-term borrowings and credit facilities.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Company's cash requirements. Additional cash requirements are met is the use of short-term borrowings on the available operating line.

Insurance

The Company purchases discretionary insurance to cover property damage, business interruption and liability risk of loss exposure.

Schedule 1.1(sss) - Year-to-Date Financial Statements

See attached.

R'ohan Well Services Ltd.

Balance Sheet As at 30/04/2023

ASSET

Current Assets		
Petty Cash		110.10
Bank of Montreal Chequing Account		-26,081.54
TD Chequing Bank Account		0.00
Royal Bank Operating Account	0.00	
RBC Line of Credit	0.00	
RBC Bank Balance		0.00
CW Operating Account		0.00
Cash Term Deposit		0.00
Accounts Receivable		1,465,833.74
Accounts Receivable Overpayments		-1,869.07
Prepaid Expenses & Deposits		114,500.00
Prepaid Property Tax		0.00
Tubing Inventory		251,274.62
Total Current Assets		1,803,767.85
Investments		
Investment ~ R'ohan Rentals		0.00
R'ohan Rentals writeoff		0.00
Investment -Rohan Rig & Well		100.00
Investment ~ R'ohan Rig Services		75.00
Total Investments		175.00
Capital Assets		
Future tax asset		0.00
Stettler Land	0.00	
Stettler Buildings	0.00	
Accum Amort Stettler buildings	0.00	
Furniture & Equipment	218,886.19	
Accum. Amort. -Furn. & Equip.	-209,203.24	
Net - Furniture & Equipment		9,682.95
Coil Tubing Unit 21	1,247,502.75	
2005 Peterbilt 378 Tri-Dr Coil Unit	0.00	
Coil Truck Unit 14	609,760.00	
Coil Truck Unit #17	1,185,478.86	
Coil Tubing Unit - R'ohan 1	720,781.12	
Accum. Amort. -Coil Tubing Unit- R1	0.00	
Coil Tubing Unit - R'ohan 5	801,406.97	
Accum Amort. Coil Tubing Unit - R5	0.00	
Coil Tubing Unit - R'ohan 9	803,939.61	

Accum Amort. Coil Tubing Unit - R9	0.00	
Accum Amort - Coil Tubing Unit	-5,580,458.41	
Coil Truck Unit #8	630,000.00	
Coil Unit # 16	1,032,220.63	
Net - Coil Tubing Units		1,450,631.53
Flushby Unit - R'ohan 2	0.00	
Accum. Amort. -Flushby Unit- R2	0.00	
Unused account	0.00	
Net - Flushby Units		0.00
Catch Tanks	181,419.64	
Accum. Amort. -Catch Tanks	-160,593.05	
Net - Catch Tanks		20,826.59
Support Units	325,424.91	
Accum. Amort. - Support Units	-258,171.08	
Net - Support Units		67,253.83
Other Vehicles & Equipment	220,775.95	
Accum. Amort. - Other Equipment	-139,568.97	
Net - Other Equipment		81,206.98
Amortization Gooseneck Trailer	-13,719.28	
Gooseneck Trailer	14,079.00	
Spooler Trailer	123,643.93	
Accum Amort Spooler Trailer	-112,024.91	
Net - Spooler Trailer		11,978.74
Acc. Amort - picker truck		0.00
Picker truck		0.00
BOP Units		94,584.00
Coil Tubing Shear		2,000.00
BOP Rod, Morgan, Scott		51,450.00
Rental Equipment		557,564.40
Computer Equipment	19,172.71	
Computer Software	109.00	
Accumulated Amortization - Computer	-17,076.30	
Net - Computer Equipment		2,205.41
Shop Property - Buildings	0.00	
Shop Property - Land	0.00	
Accum. Amort - Shop Property	0.00	
Net - Shop Property		0.00
Brubon-40 ton picker		0.00
1996 & 2004 Trailers - Brubon		0.00
Stettler property sale to Mosioner		0.00
Gain or Loss on Sale		0.00
Total Capital Assets		2,349,384.43
TOTAL ASSET		4,153,327.28

LIABILITY

Current Liabilities		
Accounts Payable		125,428.07
Other payables		31,329.05
BOP Payable		0.00
Accrued Liabilities		0.00
Brubon Oilfied - Inter Company		0.00
Due to Rohan Well and Rig		415,312.33
R'ohan Rig ~ Inter-company Account		345,140.00
R'ohan Well & Rig Services		185,000.00
Accrued Interest		0.00
Accrued Accounting		10,000.00
TD Visa - Carr		0.00
TD Visa - Cross		-3,941.48
TD Visa - Dow		0.00
Corporate Taxes payable		-99,130.00
Provincial Income tax		-46,075.00
EI Payable		0.00
CPP Payable		0.00
Federal Income Tax Payable		0.00
overpayment Income tax		0.00
Future Income Tax Payable		351,000.00
Vacation Pay Payable		9,007.63
RRSP Payable		1,050.00
Bonus Payable		0.00
GST Charged on Sales	29,996.15	
GST Paid on Purchases	-13,585.05	
GST Owing (refund)		16,411.10
Note Payable - Craig Darby		0.00
Residence (House) Damge Deposit		0.00
Total Current liabilities		1,340,531.70
Long Term liabilities		
Bank of Montreal Loan		0.00
Line of credit extension		0.00
Scotia Bank-Support Unit #4		56,588.94
Royal Bank-Coil Unit #14		0.00
Mitsubishi Capital-Coil Unit #21		210,794.19
Boundary Ford-Support Unit #3		0.00
Boundary Ford-Support Unit #2		0.00
GE Capital Coil Truck # 16		0.00
CDN Western Bank - Coil Unit # 14		0.00
Mitsubishi Unit 21 Part 2		422,124.21
Capital Equipment - R'ohan 11		0.00
Capital Equipment - R'ohan 12		0.00
Property Loan 004		0.00
Ford Unit		0.00

GE Capital Loan	0.00
Stetler property - mortgage payment	0.00
Drumheller property - mortgage paym	0.00
GE Loan - picker truck	0.00
Ford Loan Unit #15	0.00
current portion of loans	47,993.00
Contra-current portion of loans	-47,993.00
Capital Equipment - Rig 1 Crew Truc	0.00
R'ohan Rig Services Ltd.	0.00
R'ohan Rental & Oilfield Services	0.00
J.W. Carr Holdings Ltd.	13,434.57
C.S. Cross Holdings Ltd.	-48,906.40
S.J. Dow Holdings Ltd.	0.00
ESOP Loan CS Cross Holdings Ltd	-1,142,114.00
ESOP Loan 1276783 AB Ltd.	-1,057,886.00
Lincoln Smith's shareholders loan	0.00
Brubon Oilfield Hauling	0.00
Bank of Hong Kong Debt - Prairie	0.00
Total Long Term liabilities	-1,545,964.49
TOTAL LIABILITY	-205,432.79
EQUITY	
Share Capital	
Common Shares	300.00
Dividends M. Carr	0.00
Dividends J.W. Carr Hlds	-1,141,703.40
Dividends C.S. Cross Hlds	-807,033.40
1276783 AB Ltd.	-26,593.20
Dividends Lincoln Smith	-55,416.54
Dividends Rob Wells	-110,833.27
Dividends Huysmans Trucking	-55,416.54
Total Share Capital	-2,196,696.35
Retained Earnings	
Retained Earnings - Previous Year	5,763,520.04
Current Earnings	811,606.38
Dividends paid	-19,670.00
Total Retained Earnings	6,555,456.42
TOTAL EQUITY	4,358,760.07
LIABILITIES AND EQUITY	4,153,327.28

Generated On: 17/05/2023

R'ohan Well Services Ltd.

Income Statement 01/10/2022 to 30/04/2023

REVENUE

Revenue		
Coil Tubing Unit Revenue	5,573,873.20	
R'ohan Rig & Rental Ltd.	0.00	
R'ohan Well & Rig 2009 Ltd.	0.00	
Flushby Unit Revenue	0.00	
Catch Tank Unit Revenue	0.00	
Drumheller Picker Revenue	0.00	
Support Unit Revenue	0.00	
P-Tank Revenue	0.00	
40 Ton picker Revenue	0.00	
Subsistance Revenue	0.00	
Total Well Servicing Revenue		5,573,873.20
Rental Revenue		0.00
Spooler Trailer Revenue		0.00
BOP Revenue		0.00
BOP Rod, Scott etc		800.00
BOP Expense (Scott, Morgan, Rod)		0.00
Tubing Sale Revenue		0.00
Interest Earned		0.00
Other Revenue - House & Office Rent		0.00
GIC Interest Revenue		0.00
Miscellaneous Revenue		0.00
Dividend Income		419,999.85
Proceeds on Sale of Assets		0.00
Provision for write down of Rental		0.00
Total Revenue		5,994,673.05
TOTAL REVENUE		5,994,673.05

EXPENSE

Coil Tubing Unit Expenses		
Coil Tubing Drying Cleaning	23,371.20	
Coil Tubing Fuel	203,788.54	
Coil Tubing Repairs & Maint.	527,693.25	
Coil Tubing Ins, Licenses & Permits	18,023.20	
Coil Tubing - Tubing	103,720.40	
Coil Tubing-Telephone/Office Supply	11,603.03	
Coil Tubing Supplies	853,267.40	
Coil Tubing Equipment Rental	38,214.33	

Coil Tubing Tool Trailer	0.00	
Total Coil Tubing Truck Expenses		1,779,681.35
Coil Tubing Employee Wages	1,934,666.14	
Coil Tubing Employee Benefit-CPP/EI	0.00	
Coil Tubing Employee Benefits-GIP	0.00	
Coil Tubing Employee Benefit-VacPay	0.00	
Coil Tubing Employee Benefits-BOP	1,500.00	
Total Coil Tubing Wages & Benefits		1,936,166.14
Coil Tubing Contract Labour		0.00
Coil Tubing - Freight & Hot Shot		214.80
Coil Tubing Rental		0.00
Coil Tubing Hotel Rooms		-1,748.66
Total Coil Tubing Unit Expenses		3,714,313.63
Flushby Unit Expenses		
Flushby Drycleaning	0.00	
Flushby - Equipment Rent	0.00	
Flushby Fuel	0.00	
Flushby Repairs & Maint.	168.94	
Flushby Ins, Licenses & Permits	0.00	
Flushby - Telephone & Office Supply	0.00	
Flushby Supplies	677.66	
Flushby Miscellaneous	0.00	
Flushby - Shop Rent	0.00	
Total Flushby Truck Expenses		846.60
Flushby Employee Wages	0.00	
Flushby Employee Benefit-CPP/EI	0.00	
Flushby Employee Benefits-GIP	0.00	
Flushby Employee Benefit-VacPay	0.00	
Flushby Employee Benefits-WCB	0.00	
Total Flushby Wages & Benefits		0.00
Flushby Contract Labour		0.00
Total Flushby Unit Expenses		846.60
Catch Tank Unit Expenses		
Catch Tank Repairs & Maint.	966.56	
Catch Tank Insurance	0.00	
Catch Tank Supplies	0.00	
Catch Tank Miscellaneous	0.00	
Total Catch Tank Expenses		966.56
Total Catch Tank Unit Expenses		966.56
Support Units Expenses		
Support Units - Mileage		0.00
Support Units - Fuel		120,186.92
Support Units - Repairs & Maint.		91,964.04
Support Units - Insurance & Reg.		0.00

Support Units - Lease	0.00
Support Units - Mileage	0.00
Support Units - Auto Benefits	111,428.50
Total Support Units Expenses	323,579.46
Debt Bank of Hong Kong	
Outstanding Debt - Bank of Hong Kon	0.00
TOTAL OUTSTANDING DEBT	0.00
Drumheller picker	
Wages & Salaries - picker	0.00
Migrunner - Brubon	0.00
Drumheller picker - fuel	0.00
Ironworker - Brubon	0.00
Picker truck - repairs & Maintenanc	0.00
Picker Truck - Misc expenses	0.00
GMAC Edmonton Flushby Brubon	0.00
2006 Ford F350 Brubon	0.00
Bandsaw-Welding - Brubon	0.00
TOTAL DRUMHELLER PICKER EXPENSES	0.00
BOP & SPOOLER EXPENSE	
BOP Expenses	459.02
BOPS-Rod,Kyle,Scott	0.00
Spooler Expenses	0.00
TOTAL BOP & SPOOLER EXPENSES	459.02
40 TON PICKER	
40 Ton expenses- veh reg, fuel etc	0.00
Wages & Salaries-40 ton picker	0.00
TOTAL 40 TON PICKER EXPENSES	0.00
Payroll Expenses	
Wages & Salaries	274,768.70
EI Expense	33,038.62
CPP Expense	83,397.07
GIP Expense	43,368.56
RRSP Expense	0.00
Vacation Pay Expense	5,166.74
Contract Labour	0.00
Total Payroll Expense	439,739.69
General & Administrative Expenses	
Accounting & Legal	73,825.80
Advertising & Promotions	13,326.00
Administrative Wages	0.00
Bad Debts	0.00

Courier & postage		884.43
Freight		2,863.49
New Account		0.00
Visa Service Charge/Interest		0.00
R'ohan Rental - expenses		0.00
Brubon Oilfield - expenses -		0.00
Amort.Expense-Coil Tubing Unit	0.00	
Amort.Expense-Flushby Unit	0.00	
Amort.Expense-Catch Tank Unit	0.00	
Amortization Other	139,139.70	
Total Amortization Expense		139,139.70
Corporate Income Tax		0.00
IFTA expenses		773.00
Insurance - Vehicles		39,968.45
Insurance - shop property		0.00
Non-Deductable GST on Meals		0.00
Interest & Bank Charges		7,662.55
Non-deductible interest & penalties		0.00
Interest on Long -Term Debt		29,530.71
Interest on Line of Credit		0.00
Office Expenses		3,543.71
Office Supplies-picker service		0.00
Coffee Room Supplies		0.00
Office ~ Computer Consultant		0.00
Professional Fees		31,250.00
Consult Fees #1		0.00
Consult Fees #2		0.00
Consultant Fees		-15,400.00
Consultant Fees-J.W. Carr Holdings		70,000.00
Consultant Fees-C.S. Cross Holdings		70,000.00
Consultant Fees-M. Carr		5,400.00
Management Fees ~ S.J. Dow Holdings		0.00
Management Fees~C.S. Cross Holdings		0.00
1276783 Alberta Ltd. - Management F		10,500.00
Management Fees ~JW Carr Holdings		0.00
1276783 Alberta Ltd Consulting Fees		0.00
Memberships, Fees & Licenses		11,779.98
Miscellaneous		0.00
Rec. General/Support Payments		-17,250.00
Property Tax		0.00
Rent		59,800.00
Repair & Maintenance		7,965.76
Safety Supplies		28,461.91
Safety Supervision		0.00
Safety - Audit		0.00
Sales Expense		23,001.32
Shop Management Expense		0.00

Shop Supplies	51,597.71
Special Events & Promotions	500.00
Subsistence	0.00
Telephone	0.00
Shop Tractor - R & M	0.00
Shareholder Expense	0.00
Training	-734.08
Travel & Hotels	27,367.63
Meals & Entertainment	5,811.06
Utilities	1,883.22
Utilities - Septic & Trash Pick Up	12,422.21
WCB - Alberta	15,363.16
WCB - Saskatchewan	5,753.75
Cleaning & Janitorial	7,191.24
Prairie Rentals	0.00
Future income taxes-	0.00
Current income tax	0.00
Current Income Tax Prov	0.00
Provision for Future Income Tax	0.00
Suspend	-21,021.00
Total General & Admin. Expenses	703,161.71
TOTAL EXPENSE	5,183,066.67
NET INCOME	811,606.38

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R'ohan Well and Rig Services (2009) Ltd.
Balance Sheet As at 30/04/2023

ASSET		
Current Assets		
Petty Cash		0.00
Savings Bank Account		-50.00
Chequing Account		11,110.65
Investments		0.00
Due from R'ohan Well Services		415,312.33
Accounts Receivable		98,195.05
Account Receivable Other		0.00
Payroll Advances		0.00
Total Current Assets		524,568.03
Capital Assets		
Rig #5	1,717,394.63	
Rig #5 - Support Truck #205	168,635.00	
Rig #5 - Dog House Unit #305	74,408.00	
Rig #5 - Equipment	184,144.06	
Misc Equipment	16,000.00	
Accum. Ammortization	0.00	
Equipment-Acc. Amort	-164,397.34	
Doghouse-Acc. Amort	-69,806.05	
Rig-Acc. Amor	-788,207.36	
Support Truck Accum Amort	-167,149.25	
TOTAL RIG #5 - NET BOOK VALUE		971,021.69
TOTAL CURRENT ASSETS		971,021.69
TOTAL ASSET		1,495,589.72
LIABILITY		
CURRENT LIABILITES		
Accounts Payable		6,148.47
Accounts Payable Other		0.00
Accured Liabilites		5,000.00
Wages Payable		0.00
EI Payable		0.00
CPP Payable		0.00
Payroll Tax Payable		0.00
Accrued Interest Payable		0.00
Bank Loan Current Portion		0.00
Management Fees due to Rig		0.00

Management Fees 1276783 AB Ltd		0.00
Intercompany Account - Rig		222,903.98
Intercompany Account - Well		-185,000.00
Federal Corporate Tax Payable		972.00
Provincial Corp. tax payable		-646.40
Future Income Tax		20,000.00
Vacation Payable		0.00
Payroll - EI Payable		0.00
Payroll - CPP Payable		0.00
Payroll - Income Tax Payable		0.00
GST Charged On Sales	1,639.12	
GST Charged On Purchases	-222.75	
GST Owing (Refund)		1,416.37
Futire Income Tax		0.00
TOTAL CURRENT LIABILITES		70,794.42
LONG TERM LIABILITIES		
GE Capital Bank Loan		0.00
GE Capital Replacement Loan		0.00
Servus Line of Credit		0.00
Shareholder's Loan - JW Carr Hldgs		-300,000.00
GE Capital Replacement Carr		0.00
Shareholder's Loan - CS Cross Hldgs		-200,000.00
GE Replacement Cross		0.00
TOTAL LONG TERM LIABILITIES		-500,000.00
TOTAL LIABILITY		-429,205.58
EQUITY		
EQUITY		
Common Shares		100.00
Retained Earnings - Previous Year		1,865,251.19
Dividends JW Carr Hldgs		0.00
Dividends CS Cross Hldgs		0.00
Current Earnings		59,444.11
TOTAL PARTNERS EQUITY		1,924,795.30
TOTAL EQUITY		1,924,795.30
LIABILITIES AND EQUITY		1,495,589.72

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R'ohan Well and Rig Services (2009) Ltd.
Income Statement 01/10/2022 to 30/04/2023

REVENUE	
SALES REVENUE	
RIG # 5 -Revenue	281,307.34
TOTAL SALES	281,307.34
OTHER REVENUE	
Interest Income/Profit Share	0.00
TOTAL OTHER INCOME	0.00
TOTAL REVENUE	281,307.34
EXPENSE	
EXPENSES	
Rig #5 - Office Supplies	483.78
Third party Expense	0.00
Vehicle Expense	0.00
Licence & Insurance	3,542.65
Fuel and Lubrication	10,577.42
Repairs and Maintenance	42,497.24
Tools	0.00
Cell Phone	127.13
Safety Supplies	675.93
Rig Supplies	22,679.31
Drycleaning	2,544.71
Freight Expense	172.52
Goverment Permits	0.00
Safety Expense	0.00
Misc Expense	0.00
TOTAL RIG EXPENSES	83,300.69
PAY ROLL EXPENSES	
Wages & Salaries	0.00
EI Expense	0.00
CPP Expense	0.00
Payroll Expense from Rig re Rig 5	71,470.39
GWL Expense	0.00
Total Pay Roll Expenses	71,470.39
General & Administration Expense	
Accounting & Legal	3,500.00

Advertising and Promotion	0.00
Administrative Cost	0.00
Amortization Expense	14,754.32
Interest & Bank Charges	5,235.62
Non-deductable interest	0.00
Fees and Dues	18.86
Income Tax - Corporate	0.00
Future Income Tax	0.00
Interest Long Term Debit	0.00
Consulting Fees JW Carr	0.00
Consulting Fees Cross	0.00
Safety Management - Lincoln Salary	2,083.35
Management Fees - 1276783 AB Ltd.	14,000.00
Management Fees from Rig	27,500.00
Consulting Fees JW Carr Holdings	0.00
Consulting Fees CS Cross Holdings	0.00
Consulting Fees1276783 Alberta Ltd.	0.00
Consulting Fees Smith Lincoln	0.00
Consulting Fees Huysman's Farms	0.00
Consulting Fees Rob Wells	0.00
Sales & Marketing	0.00
Total General & Admin. Expense	67,092.15
TOTAL EXPENSE	221,863.23
NET INCOME	59,444.11

Generated On: 17/05/2023

R'OHAN RIG SERVICES LTD.
Balance Sheet As at 30/04/2023

ASSET

CURRENT ASSETS		
Petty Cash		300.00
Bank of Montreal Chequing Account		-1,171,537.73
TD Bank Account		0.00
Royal Bank Chequing Account	0.00	
Royal Bank Line of Credit	0.00	
Royal Bank Balance		0.00
Investments		0.00
Accounts Receivable		1,673,659.90
Accounts Receivable - other		0.00
Allowance for Doubtful Accounts		0.00
Insurance Receivable		0.00
Payroll Advances		0.00
Prepayments & Deposits		34,009.57
Assets Under Construction		0.00
Inventory		337,670.81
Total Current Assets		874,102.55
CAPITAL ASSETS		
Rig #4	1,093,983.96	
Rig #4 - Support Truck #204	168,120.00	
Rig #4 - Dog House Unit #304	68,710.83	
Rig #4 - Equipment	49,796.61	
Rig #4 - Accum. Amortization	0.00	
TOTAL RIG #4 -Net Book Value		1,380,611.40
Rig #6	1,207,358.14	
Rig #6 - Support Truck #206	206,979.24	
Rig #6 - Dog House Unit #306	83,442.10	
Rig #6 - Equipment	233,940.34	
Rig #6 - Accum. Amortization	0.00	
TOTAL RIG #6 - Net Book Value		1,731,719.82
Rig # 7	956,000.00	
Rig # 7 - Support Truck #207	161,050.00	
Rig # 7 -Dog House Unit #307	86,664.58	
Rig # 7 - Equipment	239,395.13	
TOTAL RIG #7 -NET BOOK VALUE		1,443,109.71
Rig # 8	1,304,073.03	
Rig # 8 - Support Truck #208	251,361.10	
Rig # 8 - Doghouse Unit # 308	87,737.02	
Rig # 8 - Equipment	154,806.18	

TOTAL RIG # 8 - NET BOOK VALUE		1,797,977.33
Rig # 9	1,293,940.72	
Rig # 9 -Support Truck #209	252,055.00	
Rig #9 - Doghouse Unit #309	89,631.75	
Rig #9 - Equipment	167,305.04	
TOTAL RIG #9 -NET BOOK VALUE		1,802,932.51
Rig #10	1,364,451.24	
Rig #10 Support Truck Unit 210	270,238.00	
Rig #10-Doghouse Unit 310	97,707.65	
Rig #10-Equipment	170,246.38	
TOTAL RIG #10-NET BOOK VALUE		1,902,643.27
Rig #1	1,597,139.07	
Rig #1 Accum amort - Ford F350 #101	0.00	
Rig #1 - Support Truck #201	185,492.58	
Rig #1 - Dog House Unit #301	81,177.38	
Rig#1 Accum amort - Rig#1 Dog House	0.00	
Rig #1 - Equipment	109,395.11	
Rig #1 - Accum. Amortization	0.00	
Rig# 1 Equipment Accum Amortization	0.00	
Rig# 1 Support Truck Accum Amort	0.00	
TOTAL RIG#1- Net Book Value		1,973,204.14
Rig #2 -	1,378,386.97	
Rig #2 - Support Truck #202	170,454.22	
Rig #2 - Dog House Unit #302	75,763.43	
Rig#2 Accum amort Dog House	0.00	
Rig #2 - Equipment	34,121.31	
Rig #2 - Accum Amortortizatiom	0.00	
Rig#2 Equipment Accum Amort	0.00	
Rig#2 Support Truck Accum Amort	0.00	
Equipment Acc. Amort	-1,075,989.83	
Dog house - Acc. Amort	-687,076.97	
Vehicle - Acc. Amort	-740,355.22	
Service Rig - Acc. Amort	-10,353,325.00	
Support Truck - Acc. Amort.	-1,802,703.61	
Pump Truck unit #400	47,500.00	
TOTAL RIG #2 - Net Book Value		-12,953,224.70
Rig #3	1,102,862.01	
Rig #3 - Support Truck #203	172,019.00	
Accum Amort - Ford F150 #100	0.00	
Rig #3 - Dog House #303	77,684.56	
Rig #3 - Equipment	32,769.79	
Rig #3 - Accum. Amortization	0.00	
TOTAL RIG #3 - Net Book Value		1,385,335.36
Bob Cat		29,078.57
Pump Truck - Unit #401		25,600.00
Other Vehicles	326,049.25	
Accum Amortizat - Other Vehicles	0.00	

TOTAL Other Vehicles Net Value		326,049.25
Pump Truck - Unit #400	424,767.13	
Gripper Truck-Unit #602	324,290.00	
Gripper Truck - unit #600	449,868.00	
Gripper Truc- Equipment	7,900.00	
Gripper Truck - Unit #601	499,570.00	
TOTAL TRUCKS - Net Book Value		1,706,395.13
TOTAL CURRENT ASSETS		2,551,431.79
OTHER ASSETS		
Computer Software		0.00
Accum Amort - Computer Software		0.00
Computer Equipment		18,530.51
Accum Amort - Computer Equipment		-18,408.81
Condo Furniture		7,017.97
Office Furniture & Equipment		13,802.92
Accum Amort-Furniture & Equipment		-18,964.64
House Furniture		1,198.00
House Furniture - Acc. Amort.		0.00
Shop Property - Drumhellar		748,800.00
Shop Property - Vermilion		1,355,558.23
Accum. Amort. - Shop Property		-2,057,947.69
New Shop and Office		4,734,656.32
Land Developement		848,365.59
Land use 1919		0.00
Water Well Equipment		29,221.43
Accum.Amort-Water well equipment		-24,510.37
Parking Area		202,758.64
Accum. Amort - Parking Area		-74,009.55
TOTAL OTHER ASSETS		5,766,068.55
TOTAL ASSET		9,191,602.89
LIABILITY		
CURRENT LIABILITIES		
Accounts Payable		347,418.93
Accounts Payable - other		0.00
Accured Liabilities		0.00
Assets under construction - payable		0.00
Accrued Professional Fees		7,500.00
Accounts Payable 1276783 AB Ltd		0.00
Accrued interest payable		6,709.95
Deposits Held		11,083.33
Bank Loan - Current Portion		0.00
Due from Brubon Oilfield Hauling		0.00

R'ohan Well - Inter Company Account		-438,473.30
R'ohan Well and Rig - Inter Company		-222,903.98
Due from 1276783 Alberta Ltd.		-12.50
Visa Payable		0.00
Support Payments Payable		0.00
Mastercard Payable		60,414.47
Federal Corp. Tax Payable		-39,487.00
Provincial Corp. Tax Payable		-18,167.14
Vacation Payable		4,000.28
Payroll - EI Payable		0.00
Payroll - CPP Payable		0.00
Payroll - Income Tax Payable		0.00
Payroll-Extra Income Tax Payable		0.00
WCB Payable Don't Use		0.00
GWL Payable Don't use		0.00
RRSP Payable		983.50
GST Charged On Sales	33,262.61	
GST Charged On Purchases	-10,632.16	
GST Owing (Refund)		22,630.45
Residence Damage Deposit		-4,018.75
Future Income Tax		466,000.00
Current Portion of Long Term Debit		475,855.31
Curr. Port. of longterm debit contr		-475,855.31
Demand debt due beyond one year		2,631,159.63
Deman debt due beyond 1 year contra		-2,631,159.63
Current Liabilites		0.00
TOTAL CURRENT LIABILITIES		203,678.24

LONG TERM LIABILITIES

Ford Credit Unit #101 Rig #1	0.00
Ford Credit - Unit #102	0.00
Ford Credit - Unit # 103	0.00
Ford Credit - Unit # 104	0.00
Ford Credit - Unit # 105	0.00
GE Bank Loan - Unit 600	0.00
Ford Credit - Unit #106	0.00
Ford Credit - Unit # 107	0.00
Ford Credit - Unit # 110	0.00
Ford-RBC Loan Unit #111	79,544.70
Ford Credit - Unit #99 L.Smith	0.00
RBC Ford Unit 108	-9,573.90
Uniy 402 Pump Truck Lease to own	-19,047.62
Wells Fargo Bank Loan Unit 601	0.00
GE Bank loan Unit 602	0.00
TD Loan New Shop	0.00
TD Loan Property	0.00
Wells Fargo Bank Loan Rig #8	0.00

GE Capital Bank Loan Rig #9	0.00
Wells Fargo Bank Loan - Rig #7	0.00
LBC Capital Loan Rig 1	15,672.95
GE Bank Loan - Rig 6	0.00
BMO Equipment Financing Loan	1,435,501.20
BMO 191	1,469,933.31
BMO 602	744,432.53
BMO 581	3,598,837.03
Mitsubishi Loan	1,256,894.81
Shareholder's Loan - JW Carr Hldgs	0.00
Shareholder's Loan 1276783 Alberta	0.00
Shareholder's Loan - CS Cross Hldgs	0.00
TOTAL LONG TERM LIABILITIES	8,572,195.01
TOTAL LIABILITY	8,775,873.25
EQUITY	
EQUITY	
Common Shares	112.50
Retained Earnings - Previous Year	2,148,804.04
Dividends R'ohan Well Services Ltd.	-886,666.35
Dividends JW Carr Hldgs	0.00
Dividends CS Cross Hldgs	0.00
Dividends 1276783 Alberta Ltd	-402,499.96
Dividends Graham Holmedal	-40,833.31
Dividends Lincoln Smith	0.00
Dividends Rob Wells	0.00
Dividends Huysman's Farms Ltd.	0.00
Current Earnings	-403,187.28
TOTAL PARTNER'S EQUITY	415,729.64
TOTAL EQUITY	415,729.64
LIABILITIES AND EQUITY	9,191,602.89

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R'OHAN RIG SERVICES LTD.
Income Statement 01/10/2022 to 30/04/2023

REVENUE

SALES REVENUE	
Rig #1 - Revenue	1,674,620.50
Rig #2 - Revenue	1,027,188.13
Rig #3 - Revenue	0.00
Rig #4 - Revenue	0.00
Rig #6 - Revenue	0.00
Rig #7 Revenue	352,249.89
Rig #8 Revenue	590,342.99
Rig #9 Revenue	782,639.65
Rig #10 Revenue	771,953.06
TMX Unit 600	0.00
TMX Unit 601	0.00
TMX Unit 603	0.00
TOTAL SALES	5,198,994.22
Other Revenue	
Rebate Income	0.00
Wage Subsidy	0.00
Administrative Cost Recovery	0.00
Interest Income	0.00
Miscellanious Income	0.00
Revenue-House	0.00
Revenue-Shop	201,717.57
Revenue Drumhellar Rental	0.00
TOTAL OTHER INCOME	201,717.57
TOTAL REVENUE	5,400,711.79

EXPENSE

EXPENSES	
Rig #4 - Office Supplies	462.31
Rig #4 - Third Party Charges	0.00
Rig #4 - Vehicle Expense	0.00
Rig #4 - Hotels & Meals	0.00
Rig #4 - Fuel & Lubrication	0.00
Rig #4 - Licence & Insurance	0.00
Rig #4 - Repairs & Maintenance	226,445.06
Rig #4 - Tools	0.00
Rig #4 - Cell Phone	305.17

Rig #4 - Safety Supplies		0.00
Rig #4 - Rig Supplies		1,135.21
Rig #4 - Drycleaning		0.00
Rig #4 - Equipment Rentals Exp		0.00
FrogLake Reserve Agreement Fees		0.00
Rig #4 - Employee Wages	60,260.25	
Rig #4 - Emp. Ben. CPP/EI	0.00	
Rig #4 - Emp. Ben - GR Ins.	0.00	
Rig #4 - Vacation Pay	0.00	
Rig #4 Total Wages & Benifits		60,260.25
Rig #6 -Office Supplies		0.00
Rig #6 - Third Party Charges		0.00
Rig #6 -Vehicle Expense		0.00
Rig #6 - Hotels and Meals		0.00
Rig #6 - Fuel and Lubrication		11,887.65
Rig #6 - Licence & Insurance		0.00
Rig #6 - Repairs & Maintenance		3,611.16
Rig #6 - Tools		0.00
Rig #6 - Cell Phone		239.85
Rig #6 - Safety Supplies		0.00
Rig #6 - Rig Supplies		0.00
Rig #6 - Drycleaning		544.49
Rig #6 - Equipment Rentals		6,125.00
Rig #6 - Gov. Permits		0.00
Rig #6 - Employee Wages	73,853.29	
Rig #6 - Total Wages & Benifits		73,853.29
Rig #5 - Employee Wages	71,470.39	
Wages Paid by Rig for Well and Rig	-71,470.39	
Rig #5 - Total Wages & Benifits		0.00
Rig #7 - Office Supplies		104.41
Rig #7 - Third Party Charges		0.00
Rig #7 - Vehicle Expense		0.00
Rig #7 - Fuel and Lubrication		36,512.96
Rig #7 - Repairs and Maintenance		22,478.60
Rig #7 - Tools		0.00
Rig #7 - Cell Phone		282.50
Rig #7 - Safety Supplies		1,391.55
Rig #7 - Rig Supplies		5,648.68
Rig #7 - Drycleaning		2,529.77
Rig #7 - Equipment Rentals		245.54
Rig #7 - Employee Wages	208,118.61	
Rig #7 - Total Wages & Benefits		208,118.61
Rig #8 Office Supplies		313.42
Rig #8 Third Party Charges		0.00
Rig #8 Fuel & Lubrication		41,409.94
Rig #8 Repair & Maintenance		222,346.93
Rig #8 Tools		0.00

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Rig #8 Cell Phone		369.12
Rig #8 Safety Supplies		1,629.27
Rig #8 Rig Supplies		23,904.43
Rig #8 Drycleaning		1,598.41
Rig #8 Equipment Rental		15,040.72
Rig #8 Employee Wages	347,499.59	
Rig #8 Total Wages & Benefits		347,499.59
Rig #9 Office Supplies		540.42
Rig #9 Third Party Charges		0.00
Rig #9 Fuel & Lubrication		51,686.08
Rig #9 Repair & Maintenance		47,055.21
Rig #9 Equipment		420.00
Rig #9 Cell Phone		306.98
Rig #9 Safety Supplies		672.54
Rig #9 Rig Supplies		23,315.48
Rig #9 Drycleaning		5,016.23
Rig #9 Employees Wages	225,099.09	
Rig #9 Total Wages & Benifits		225,099.09
Rig #1 - Office Supplies		1,523.84
Rig #1 - Third Party Charges		0.00
Rig #1 - Vehilce Expenses		0.00
Rig #1 - Hotels & Meals		0.00
Rig #1 - Fuel & Lubrication		113,766.99
Rig #1 - License & Insurance		0.00
Rig #1 - Repairs & Maintenance		88,201.99
Rig #1 - Tools		0.00
Rig #1 - Cell Phone		222.22
Rig #1 - Safety Supplies		2,196.43
Rig #1 - Rig Supplies		46,338.90
Rig #1 - Dry Cleaning		7,490.51
Rig #1 - Equipment Rentals Exp		28,140.49
Rig #1 - Employee Wages	876,153.01	
Rig #1 - Emp. Ben. CPP/EI	0.00	
Rig #1 - Emp Ben - GR Ins.	0.00	
Rig #1 - Vacation Pay	0.00	
Rig #1 - Total Wages & Benefits		876,153.01
Rig #10 Office Supplies		824.28
Rig #10 Third Party Charges		0.00
Rig #10 Fuel & Lubrication		54,144.07
Rig #10 Repair & Maintanence		64,714.18
Rig #10 Tools		0.00
Rig #10 Cell Phone		320.04
Rig #10 Safety Supplies		1,000.55
Rig #10 Rig Supplies		16,966.61
Rig #10 Drycleaning		5,477.41
Rig #10 Employee Wages	417,837.83	
Rig #10 Total Wages & Benifits		417,837.83

Rig # SC11 Repairs and Maintenance		0.00
Rig #Rig 2 - Office Supplies		1,489.31
Rig #Rig 2 - Third Party Charges		0.00
Rig #Rig 2 - Vehicle Expense		0.00
Rig #Rig 2 - Hotels & Meals		0.00
Rig #Rig 2 - Fuel & Lubrication		63,806.61
Rig #Rig 2 - Licenses & Insurance		0.00
Rig #Rig 2 - Repairs & Maintenance		36,144.92
Rig #Rig 2 - Tools		0.00
Rig #Rig 2 - Cell Phone		314.58
Rig #Rig 2 - Safety Supplies		1,667.90
Rig #Rig 2 - Rig Supplies		21,182.38
Rig #Rig 2 - Drycleaning		4,565.59
Rig #Rig 2 - Rental Equipment		2,100.02
Misc		0.00
Rig #2 - Employee Wages	474,884.46	
Rig #2 - Emp Ben. CPP/EI	0.00	
Rig #2 - Emp Ben. Gr Ins	0.00	
Rig #2 - Emp Ben. - Vacation Pay	0.00	
Rig #2- Total Wages & Benefits		474,884.46
Rig #3 - Office Supplies		0.00
Rig #3 - Third Party Charges		0.00
Rig #3 - Vehicle Expense		0.00
Rig #3 - Hotels & Meals		0.00
Rig #3 - Fuel & Lubrication		0.00
Rig #3 - Licenses & Insurances		0.00
Rig #3 - Repairs & Maintenance		157.89
Rig #3 - Tools		0.00
Rig #3 - Cell Phone		116.90
Rig #3 - Safety Supplies		0.00
Rig #3 - Rig Supplies		0.00
Rig #3 - Drycleaning		0.00
Rig #3 - Rental Equipment		0.00
Rig #3 - Employee Wages		6,287.29
Rig #3 - Emp Ben CPP/EI		0.00
Rig #3 - Employee Group Insurance		0.00
Rig #3 - Vacation Pay		0.00
Rig #3 - Total Wages & Benefits		0.00
Extra Labor Rig Manager		149.50
EI Expense		44,481.78
CPP Expense		117,943.74
Unit 600 Repairs and Maintance		0.00
Unit 600 Fuel & Lubrication		-4,190.90
TMX Cell Phone		379.78
TMX Drycleaning		0.00
Unit 600 Supplies		0.00
TMX Wages		0.00

Unit 601 Repairs and Maintance		11,193.90
Unit 601 Fuel & Lubrication		0.00
Unit 601 Supplies		716.96
Unit 603 Repairs & Maintenance		0.00
Extra Labour Floorhand		-108,195.73
Unit 602 Repairs & Maintanence		0.00
Unit 602 Supplies		0.00
Extra Labor Total Wages & Benifits		0.00
Casual Labour		0.00
Unit 400 - Repairs and Maintenance		9,088.32
Unit 400 - Tools		0.00
Unit 402 Repairs and Maintenance		18,540.88
Unit 401 Repair & Maintenance		34,770.82
Unit 401 Fuel		0.00
Payroll Expense Recovery Rig 5		0.00
Total Rig Expense		4,133,322.17
Administration Payroll Expenses		
Wages & Salaries - Administration	363,350.27	
Unused Account	0.00	
Unused Account	0.00	
WCB - Expense - Administration	45,629.95	
RRSP - Expense - Administration	0.00	
Grp Ins Expenses -Administraion	0.00	
Vacation Pay Expense - Administsrat	0.00	
Total Payroll Exp - Administration		408,980.22
TOTAL COST OF GOODS SOLD		408,980.22
General & Administrative Expenses		
Accounting & Legal		7,500.00
Donations		0.00
Advertising & Promotions		20,258.59
Amortization Expense		435,684.90
Bad Debt Expense		0.00
Business Fees & Licenses		0.00
Computer Consulting & Repair		294.00
Education & Training		13,080.02
Equipment Repair Expense		0.00
Professional Fees		168.00
Carbon Tax		22,042.10
Fees & Dues		9,345.54
Freight Expense		6,403.54
Fuel & Lubrications		0.00
IFTA Expenses		0.00
Income Tax - Corporate		0.00
Insurances Vehicle/Property		52,650.95
Insurance Property(use 5642)		0.00

Interest & Bank Charges	12,490.33
Non-deductable interest and penalt	0.00
Interest - Long Term Debt	231,226.62
Consulting Fees JW Carr	0.00
Consulting Fees Cross	0.00
Janitor	0.00
Management Fees	0.00
Management Fees for Well & Rig	-27,500.00
Management Fees Graham	98,000.00
Management Fees C.S.Holdings Ltd	0.00
Rent - Office	0.00
Repairs & Maintenance	0.00
Shop Supplies	27,519.57
Office Supplies	13,792.02
Waste Disposal/Septic & Trash	0.00
Permits	33,502.85
Provincial Carbon Tax	0.00
Property Tax	29,977.54
GWL Expense	85,109.84
WCB Claims Management	750.00
Safety Expense	13,885.81
Safety Mgr Exp. (L. Smith)	0.00
Safety Management Expense - Salary	-2,083.35
RRSP Deduction - Transfer Acct	0.00
Vehicle Expense-Unit #99 Dwayne	0.00
Telephone	2,652.09
Telephone - Cellular	8,835.35
Travel & Hotel Rooms	14,555.87
Meals & Entertainment	13,604.73
Visa & MC Fees	0.00
Non-deductable GST on Meals & Enter	260.58
Consulting Fees Carr M	0.00
Consulting Fees Cross S	0.00
Consulting Fees Holmedal K	3,600.00
Consulting Fees Wells K	0.00
Consulting Fees Huysman J	0.00
Consulting Fees Smith P	0.00
Consulting Fees	0.00
Vehicle Expense - Supervisor Andre	0.00
Vehicle Expense Unit 99	0.00
Vehicle Expense -	1,902.95
Vehicle Expense-Unit #101 Spare	0.00
Vehicle Expense-Unit #102 Sold	0.00
Vehicle Expense-Unit #103	5,091.98
Licences & Registration	31,741.69
Vehicle Expense-Unit #104	1,810.90
Vehicle Expense-Unit #105	7,094.76

Vehicle Expense - Mark Supervisor	12,369.13
Vehicle expense Supervisor Al	0.00
Vehicle Expense Unit 107	313.18
Vehicle Expense Unit 108	5,392.97
Vehilcle Expense Unit #109	0.00
Vehicle Expense Unit #110	25,659.19
Vehicle Expense Unit #111	2,963.88
Lease Pump Truck	0.00
Rig Hauling	0.00
Misc Expense	0.00
Garnishee	-500.00
Sales & Marketing	0.00
Claims Management Expense Compcall	0.00
Consulting Fees Fuel Tax	0.00
Subdivision Expense	0.00
Yard Work Gravel etc	0.00
Repair & Maintenanence Rental Prop.	29,976.81
Repair & Maintenance Shop	0.00
Utilities Gas & Power	59,686.31
Loss of Disposal of Assets	0.00
New Shop Expense	0.00
Condo Rent	0.00
Satellite Fees	800.44
Interest Income	-50,315.00
Suspend	0.00
Provision for future Income tax	0.00
Total General & Admin. Expenses	1,261,596.68
TOTAL EXPENSE	5,803,899.07
NET INCOME	-403,187.28

Generated On: 17/05/2023

Schedule 2.2 - December 31, 2022 financial statement balances and agreed upon values

See attached.

R'Ohan Group
December 31, 2022
Schedule 2.2

	Share Value			
Well Services				
Enterprise Value	5,454,960			
Cash (operating line)	62,907			
Due to/from Rohan Rig Services	1,634,860	*		
Due to/from Rohan Well & Rig Services	-230,312			
Due from (to) shareholders	35,471			
Employee Participation Agreement Rig #6	-51,000			
Debt	-734,857			
	6,172,029			
R'ohan Well and Rig Services (2009) Ltd.				
Cash (operating line)	-44,228			
Non cash working capital	-224			
Due to/from Well Services	230,312			
Shareholder Loans - Carr	300,000	**		
Shareholder Loans - Cross	200,000			
FLV Appraisal (Rig #5 plus ancilliary equipment)	1,395,000			
Due to/from Rig Services	-110,775			
	1,970,085			
Rig Services				
Cash (operating line)	-355,734			
Accounts receivable, prepaids and inventory	1,723,336			
Accounts payable and accrued liabilities	-399,728			
Shareholder Loan - Carr	649,685	**		
Due to/from Well Services	-1,634,860	*		
Due to/from Well and Rig Services	110,775			
Employee Participation Agreement Rig #6	-297,000			
FLV Appraisal (excluding Rig #5)	5,952,100			
Debt	-2,923,501			
	2,825,073			
Real Estate				
Lloydminister & Drumheller	7,700,000			
Debt (BMO 602 and 581)	-4,420,515			
	3,279,485			
Total Value net of Debt	**14,246,672**		**36.2%**	**5,155,859**
JW Carr Ownership Valuation				**5,155,859**
Less: net impact of retroactive rent adjustment	- **400,000**		**42.2% -**	**168,600**
JW Carr Ownership Valuation - adjusted	**13,846,672**			**4,987,259**
Less: Minority Discount				**-885,667**
Net Purchase Price				**4,101,592**

** Plus purchase of Shareholder loans outstanding at closing between Rohan Group and JW Carr, if any

Schedule 2.3 - Purchase Price Allocation

100% of the Purchase Price shall be allocated to the Purchased Shares.

Schedule 3.1(f) - Authorized and Issued Share Capital

Class	***Authorized***	***Issued and Outstanding***
Class "A" Common Voting Shares	10,000	10,000
Class "B" Common Non-Voting Shares	10,000	0
Class "C" Common Voting Shares	5,000	0
Class "D" Common Voting Shares	5,000	0
Class "E" Common Non-Voting Shares	5,000	0
Class "F" Non-Cumulative Redeemable Preferred Shares.	5,000	0

Schedule 3.1(k) - Partnerships or Joint Ventures

The Corporation is a party to the following employee participation agreements:

1. Employee Participation Agreement dated January 1, 2012 between the Corporation and Rod Henderson.

2. Employee Participation Agreement dated October 1, 2010 among the Corporation, Marie Trotzuk, Cory Labonte and Mark MacDonald.

EMPLOYEE PARTICIPATION AGREEMENT

THIS AGREEMENT is made this 1st day of January, 2012.

BETWEEN:

R'OHAN WELL SERVICES LTD.
a body corporate pursuant to the laws
of the Province of Alberta
(the "Company") OF THE FIRST PART

\- and -

ROD HENDERSON
(the "Participant") OF THE SECOND PART

WHEREAS the Company operates an oilfield servicing business consisting primarily of coil tubing trucks and services related thereto, and the Participant is an employee of the Company;

AND WHEREAS the Company wishes to recognize the value of the Participant as employee and to provide an incentive for his ongoing involvement in the Company, all as hereinafter set forth;

NOW THEREFORE in consideration of the covenants and agreements set forth in this Agreement and of other good and valuable consideration received, the parties hereby agree and declare as follows:

1. The Company agrees to purchase the coil tubing unit and related accessories more specifically described in Schedule "A" hereto (the "CTU"), which purchase will be financed by a third party lender. Subject always to all financing for the CTU, together with all related costs thereto, being repaid by the Company, the Company agrees to provide to the Participant a one-time payment equivalent to fifteen (15%) percent (the "CTU Payment") of the value of the CTU as determined in accordance with this Agreement, to be paid in the manner and subject to the terms hereinafter set forth.

2. The Company agrees that (and subject always to the Company having already satisfied its payment obligation to the Participant pursuant to paragraph 3 hereof) upon the closing of the sale of the Company or the sale of all or substantially all of the Company's assets to a third party arms' length purchaser, the Company shall pay to the Participant the CTU Payment within a reasonable period of time following such closing. The CTU Payment shall be based on that portion of the net sale price (for the purposes of this Agreement, "net sale price" shall mean the total sale price of the Company or assets as applicable, subject to normal adjustments, and less all vendor closing costs, including but not limited to legal fees and commissions) which has been allocated to the CTU.

3. In the event the Participant retires from the Company prior to the sale of the Company or its assets as described above and provided always that the Participant does not thereafter enter into or participate in (including without limitation as employee, director, officer or shareholder) any oilfield or energy related business or industry or any enterprise which competes in any way with the business of the Company, the Company shall pay to the Participant his CTU Payment within a reasonable period following the effective date of his retirement. A CTU Payment made pursuant to this paragraph shall be based on the then appraised value of the CTU, as determined by a qualified appraiser. Where requested by the Company, the retiring Participant agrees in conjunction with receipt of his CTU Payment to forthwith execute and deliver a non-competition agreement in favour of the Company confirming his ongoing covenant to not compete with the Company's business. Upon

payment to the retiring Participant of his Rig Payment, all obligations of the Company to the retiring Participant under paragraph 2 hereof shall be deemed to be fully satisfied. Notwithstanding the foregoing or anything contained herein to the contrary, the parties expressly acknowledge and agree that in the event the Participant retires (except by reason of long term illness or disability supported by a medical doctor's certificate satisfactory to the Company or such other documentation as the Company may require, acting reasonably) prior to the lapse of five (5) years following the date hereof, the Participant shall thereby waive any and all entitlement to the CTU Payment and his rights otherwise under this Agreement, and the Company shall have no further obligation to the Participant hereunder.

4. The CTU Payment, when advanced to the Participant, shall be deemed to be employment income and shall be subject to income tax and all statutory deductions normally applicable to employment earnings.

5. Upon the Participant leaving the active full time employ of the Company, for any reason whatsoever (except as provided in paragraph 3 hereof) including but not limited to resignation, termination, voluntary reduction of hours, or short term disability, all rights of the Participant to the CTU Payment and otherwise under this Agreement shall cease and determine as of the effective date of the change in the Participant's employment with the Company, and this Agreement shall be deemed to be of no further force and effect.

6. It is expressly understood and agreed by the parties hereto that the Company shall at all times retain full right, title and interest to the CTU, subject only to the rights of the Participant to the CTU Payment as specifically granted hereunder, and nothing contained in this Agreement shall be deemed to confer any right, title or interest (beneficial or otherwise) whatsoever in the CTU to the Participant other than as expressly set out herein.

7. The Participant shall not be entitled to assign in any manner whatsoever his interest in and to the CTU Payment or his rights under this Agreement.

8. The Participant covenants and agrees that he shall not disclose the terms of this Agreement to any person other than on a need to know basis to his solicitor(s), financial advisor(s), or persons with lawful authority to inquire about matters contained in this Agreement. This covenant shall continue to be binding on the Participant notwithstanding that the Participant may no longer be in the active full time employ of the Company or may no longer be entitled to the CTU Payment.

9. In the event that any dispute or disagreement arises between the parties hereto touching or concerning any matter or thing under or arising out of this Agreement and upon which the parties cannot within a reasonable period of time agree, then any such dispute or disagreement shall be submitted to and settled by arbitration conducted in accordance with the provisions of the *Arbitration Act* or other similar legislation in force in the Province of Alberta from time to time.

10. All notices, requests, demands or other communications required or permitted to be given by one party to the other pursuant to this Agreement shall be in writing and shall be given by postage paid first class mail or by personal delivery. In the event of mailing, the same shall be deemed to have been received three (3) business days after the postmark date thereof, and if delivered, shall be deemed to have been received on the date of delivery, provided always however, that in the event of postal disruption or threatened postal disruption, notices, requests, demands and other communications given by any party may only be effectively given if delivered. The address of the parties for the purposes of this clause are as follows:

a. to the Company, at its registered office address at the time; and

b. to the Participant, at the most current address shown in the Participant's employment file with the Company.

Notice of change of address for any party shall be given by this clause.

11. This Agreement and every term, covenant and condition herein contained shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

12. This Agreement constitutes the entire agreement between the parties hereto and there are no oral statements, representations, warranties, undertakings or agreements between the parties modifying the provisions of this Agreement or in any way affecting the transactions and matters described herein.

13. If any portion of this Agreement shall for any reason be declared invalid or unenforceable by a Court of competent jurisdiction, the validity of the remaining portion shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated and it is hereby declared with the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including any such part which might be declared invalid.

14. The parties hereto undertake and agree to execute and deliver such further and other documents and assurances as may be necessary or desirable to give effect to all the terms, conditions or intentions of this Agreement.

15. This Agreement may be altered or amended in any of its provisions when such changes are reduced to writing and signed by the parties hereto, but not otherwise.

16. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and parties hereto irrevocably attorn to the jurisdiction of the Courts of Alberta.

17. This Agreement may be executed in one or more counterparts each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear date as of the date of this Agreement. This Agreement shall be considered properly executed by any party if executed and transmitted by facsimile or other electronic means (including pdf format) to the other parties.

THIS AGREEMENT has been duly executed by the parties hereto as of the date first above written.

R'OHAN WELL SERVICES LTD.

Per:

Witness

ROD HENDERSON

SCHEDULE "A"

THE CTU

MODEL	YEAR	DESCRIPTION	SERIAL NUMBERS
378	2006	Peterbuilt Tandem/TriDrive Coil Tubing Unit	1NPFPBEX26D882256
	2005	Hydraco Industries CTU Flow Back Tank	2AT6042856U102277
		Hydraco HYD-600-200 Compressor	60001
		Hydraco WD30 Injector	WD30-2006-103
		Fassi F150A 23 Crane and all attachments	4634

Note: For clarity, the above unit is referred to within the operations of the Company as "coil tubing truck #8"

OLV = $340,000 July 14/22
approval

EMPLOYEE PARTICIPATION AGREEMENT

THIS AGREEMENT is made this 1st day of October, 2010.

BETWEEN:

R'OHAN RIG SERVICES LTD.
a body corporate pursuant to the laws
of the Province of Alberta
(referred to herein as the "Company")

OF THE FIRST PART

- and -

MARIE TROTZUK, CORY LABONTE and MARK MacDONALD
(referred to herein individually as a "Participant"
and collectively as the "Participants")

OF THE SECOND PART

WHEREAS the Company operates an oilfield servicing business consisting primarily of service rigs and operations related thereto, and the Participants are employees of the Company;

AND WHEREAS the Company wishes to recognize the value of the Participants as employees and to provide an incentive for their ongoing involvement in the Company, all as hereinafter set forth;

NOW THEREFORE in consideration of the covenants and agreements set forth in this Agreement and of other good and valuable consideration received, the parties hereby agree and declare as follows:

1. The Company agrees to provide to each Participant a one-time payment equivalent to fifteen (15%) percent (the "Rig Payment") of the value of service rig # 6 (the "Rig") as determined in accordance with this Agreement, to be paid in the manner and subject to the terms hereinafter set forth.

2. The Company agrees that (and subject always to the Company having already satisfied its payment obligation to any Participant pursuant to paragraph 3 hereof) upon the closing of the sale of the Company or the sale of all or substantially all of the Company's assets to a third party arms' length purchaser, the Company shall pay to each Participant its respective Rig Payment within a reasonable period of time following such closing. The Rig Payments shall be based on that portion of the net sale price (for the purposes of this Agreement, "net sale price" shall mean the total sale price of the Company or assets as applicable, subject to normal adjustments, and less all vendor closing costs, including but not limited to legal fees and commissions) which has been allocated to the Rig.

3. In the event that a Participant retires from the Company prior to the sale of the Company or its assets as described above and provided always that such Participant does not thereafter enter into or participate in (including without limitation as employee, director, officer or shareholder) any oilfield or energy related business or industry or any enterprise which competes in any way with the business of the Company, the Company shall pay to said Participant its Rig Payment within a reasonable period following the effective date of said retirement. Any Rig Payment made pursuant to this paragraph shall be based on the then appraised value of the Rig, as determined by a qualified appraiser. Where requested by the Company, the retiring Participant agrees in conjunction with receipt of its Rig Payment to forthwith execute and deliver a non-competition agreement in favour of the Company confirming its ongoing covenant to not compete with the Company's business. Upon payment to a retiring Participant of its Rig Payment, all obligations of the Company to such retiring Participant under paragraph 2 hereof shall be deemed to be fully satisfied. Notwithstanding the foregoing or anything contained herein to the contrary, the parties expressly acknowledge and agree

that in the event a Participant retires (except by reason of long term illness or disability supported by a medical doctor's certificate satisfactory to the Company or such other documentation as the Company may require, acting reasonably) prior to the lapse of five (5) years following the date hereof, such Participant shall thereby waive any and all entitlement to the Rig Payment and its rights otherwise under this Agreement, and the Company shall have no further obligation to such Participant hereunder.

4. The Rig Payment, when advanced to a Participant, shall be deemed to be employment income and shall be subject to income tax and all statutory deductions normally applicable to employment earnings.

5. Upon any Participant leaving the active full time employ of the Company, for any reason whatsoever (except as provided in paragraph 3 hereof) including but not limited to resignation, termination, voluntary reduction of hours, or short term disability, all rights of such Participant to the Rig Payment and otherwise under this Agreement shall cease and determine as of the effective date of the change in such Participant's employment with the Company, and this Agreement shall be deemed to be amended as of that date to the extent that such Participant shall no longer be a party hereto.

6. It is expressly understood and agreed by the parties hereto that the Company shall at all times retain full right, title and interest to the Rig, subject only to the rights of the Participants to the Rig Payments as specifically granted hereunder, and nothing contained in this Agreement shall be deemed to confer any right, title or interest (beneficial or otherwise) whatsoever in the Rig to the Participants or any of them other than as expressly set out herein.

7. No Participant shall be entitled to assign in any manner whatsoever its interest in and to the Rig Payment or its rights under this Agreement.

8. Each Participant covenants and agrees that it shall not disclose the terms of this Agreement to any person other than on a need to know basis to its solicitor(s), financial advisor(s), or persons with lawful authority to inquire about matters contained in this Agreement. This covenant shall continue to be binding on each Participant notwithstanding that such Participant may no longer be in the active full time employ of the Company or may no longer be entitled to the Rig Payment.

9. In the event that any dispute or disagreement arises between the parties hereto touching or concerning any matter or thing under or arising out of this Agreement and upon which the parties cannot within a reasonable period of time agree, then any such dispute or disagreement shall be submitted to and settled by arbitration conducted in accordance with the provisions of the *Arbitration Act* or other similar legislation in force in the Province of Alberta from time to time.

10. This Agreement and every term, covenant and condition herein contained shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

11. This Agreement constitutes the entire agreement between the parties hereto and there are no oral statements, representations, warranties, undertakings or agreements between the parties modifying the provisions of this Agreement or in any way affecting the transactions and matters described herein.

12. If any portion of this Agreement shall for any reason be declared invalid or unenforceable by a Court of competent jurisdiction, the validity of the remaining portion shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated and it is hereby declared

with the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including any such part which might be declared invalid.

13. The parties hereto undertake and agree to execute and deliver such further and other documents and assurances as may be necessary or desirable to give effect to all the terms, conditions or intentions of this Agreement.

14. This Agreement may be altered or amended in any of its provisions when such changes are reduced to writing and signed by the parties hereto, but not otherwise.

15. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and parties hereto irrevocably attorn to the jurisdiction of the Courts of Alberta.

16. This Agreement may be executed in one or more counterparts each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear date as of the date of this Agreement. This Agreement shall be considered properly executed by any party if executed and transmitted by facsimile or other electronic means (including pdf format) to the other parties.

THIS AGREEMENT has been duly executed by the parties hereto as of the date first above written.

R'OHAN RIG SERVICES LTD.

Per:

Witness

MARIE TROTZUK

Witness

CORY LABONTE

Witness

MARK MacDONALD

Schedule 3.1(j) - Subsidiaries and Affiliates

1. The Corporation owns 100% of the shares of R'Ohan Well & Rig Services (2009) Ltd.
2. The Corporation also owns 67% of the shares of R'Ohan Rig Services Ltd.
3. R'Ohan Rig Services Ltd. owns 100% of the shares of R'Ohan Real Estate Ltd.

CORPORATE STRUCTURE (Current)