Schedule 3.1(l) – Consents

1. Consent to the transfer of the Purchased Shares and to the waiver of the transfer procedures contemplated in the Corporation's Articles, By-laws and Unanimous Shareholders Agreement from each of:

    a. The Board of Directors of the Corporation

    b. The Shareholders of the Corporation.

2. Receipt of the Sale Approval and Vesting Order.

3. The consent of the BMO, as a lender to the Corporation, R'Ohan Well & Rig Services (2009) Ltd. and R'Ohan Rig Services Ltd. (which consent has been received).

Schedule 3.1(n) - Commitments for Capital Expenditures

None over $250,000

Schedule 3.1(o) - Dividends and Distributions

See attached (schedule is since September 2022 YE)

R'OHAN RIG SERVICES LTD.

	Date	Comment	Source #	Debits
Dividends Graham Holmedal				
	12/10/2022	Graham Holmedal	Oct 2022 Dividends	5,833.33
	08/11/2022	Graham Holmedal	Nov 2022 Dividends	5,833.33
	12/12/2022	Graham Holmedal	Dec 2022 Dividends	5,833.33
	12/01/2023	Graham Holmedal	Jan 2023 Dividends	5,833.33
	15/02/2023	Graham Holmedal	Feb 2023 Dividends	5,833.33
	09/03/2023	Graham Holmedal	Mar 2023 Dividends	5,833.33
	10/04/2023	Graham Holmedal	April 2023 Dividends	5,833.33
	11/05/2023	Graham Holmedal	May 2023 Dividends	5,833.33
				46,666.64
Dividends 1276783 Alberta Ltd				
12/10/2022	1276783 Albe	Oct 2022 Dividends		17,500.00
08/11/2022	1276783 Albe	Nov 2022 Dividends		17,500.00
12/12/2022	1276783 Albe	Dec 2022 Dividends		17,500.00
12/01/2023	1276783 Albe	Jan 2023 Dividends		17,500.00
15/02/2023	1276783 Albe	Feb 2023 Dividends		17,500.00
09/03/2023	1276783 Albe	Mar 2023 Dividends		17,500.00
10/04/2023	1276783 Albe	April 2023 Dividends		17,500.00
11/05/2023	1276783 Albe	May 2023 Dividends		17,500.00
				140,000.00
Dividends R'Ohan Well Services Ltd.				
	12/10/2022	To record Rig Dividends Paid to Sha	September 2021-RIG	93,333.30
	16/11/2022	To record Rig Dividends Paid to Sha	September 2021-RIG	46,666.65
	22/12/2022	To record Rig Dividends Paid to Sha	September 2021-RIG	93,333.30
	17/01/2023	To record Rig Dividends Paid to Sha	September 2021-RIG	46,666.65
	16/02/2023	To record Rig Dividends Paid to Sha	September 2021-RIG	46,666.65
	16/03/2023	To record Rig Dividends Paid to Sha	September 2021-RIG	46,666.65
	12/04/2023	To record Rig Dividends Paid to Sha	September 2021-RIG	46,666.65
	12/05/2023	To record Rig Dividends Paid to Sha	September 2021-RIG	46,666.65
				466,666.50

R'ohan Well Services Ltd.

	Date	Comment	Source #	Debits
3365 Dividends C.S. Cross Hlds				
	12/10/2022	C.S. Cross Holdings Ltd.	Oct2022WellDiv	25,200.00
	12/10/2022	C.S. Cross Holdings Ltd.	Oct2022RigDiv	16,800.00
	10/11/2022	C.S. Cross Holdings Ltd.	Nov2022WellDiv	25,200.00
	10/11/2022	C.S. Cross Holdings Ltd.	Nov2022RigDiv	16,800.00
	12/12/2022	C.S. Cross Holdings Ltd.	Dec2022WellDiv	25,200.00
	12/12/2022	C.S. Cross Holdings Ltd.	Dec2022RigDiv	16,800.00
	12/01/2023	C.S. Cross Holdings Ltd.	Jan2023WellDiv	29,505.85
	12/01/2023	C.S. Cross Holdings Ltd.	Jan2023RigDiv	19,670.00
	13/02/2023	C.S. Cross Holdings Ltd.	Feb2023WellDiv	29,505.85
	13/02/2023	C.S. Cross Holdings Ltd.	Feb2023RigDiv	19,670.00

	10/03/2023	C.S. Cross Holdings Ltd.	March2023WellDiv	29,505.85
	10/04/2023	C.S. Cross Holdings Ltd.	April2023RigDiv	29,505.85
	10/04/2023	C.S. Cross Holdings Ltd.	April2023WellDiv	19,670.00
	10/05/2023	C.S. Cross Holdings Ltd.	May2023WellDiv	29,505.85
	10/05/2023	C.S. Cross Holdings Ltd.	May2023RigDiv	19,670.00
	10/03/2023	C.S. Cross Holdings Ltd.	March2023RigDiv	19,670.00
				371,879.25
3370 1276783 AB Ltd.				
	12/01/2023	1276783 Alberta Ltd.	Jan2023WellDive	3,988.30
	12/01/2023	1276783 Alberta Ltd.	Jan2023RigDiv	2,660.00
	13/02/2023	1276783 Alberta Ltd.	Feb2023WellDiv	3,988.30
	13/02/2023	1276783 Alberta Ltd.	Feb2023RigDiv	2,660.00
	10/03/2023	1276783 Alberta Ltd.	March2023WellDiv	3,988.30
	10/03/2023	1276783 Alberta Ltd.	March2023RigDiv	2,660.00
	10/04/2023	1276783 Alberta Ltd.	April2023RigDiv	3,988.30
	10/04/2023	1276783 Alberta Ltd.	April2023WellDiv	2,660.00
	10/05/2023	1276783 Alberta Ltd.	May2023WellDiv	3,988.30
	10/05/2023	1276783 Alberta Ltd.	May2023RigDiv	2,660.00
				33,241.50
3385 Dividends Huysmans Trucking				
	12/10/2022	Huysman Trucking Ltd.	Oct2022WellDiv	1,750.00
	12/10/2022	Huysman Trucking Ltd.	Oct2022RigDiv	1,166.66
	10/11/2022	Huysman Trucking Ltd.	Nov2022WellDiv	1,750.00
	10/11/2022	Huysman Trucking Ltd.	Nov2022RigDiv	1,166.66
	12/12/2022	Huysman Trucking Ltd.	Dec2022WellDiv	1,750.00
	12/12/2022	Huysman Trucking Ltd.	Dec2022RigDiv	1,166.66
	12/01/2023	Huysman Trucking Ltd.	Jan2023WellDiv	1,750.00
	12/01/2023	Huysman Trucking Ltd.	Jan2023RigDiv	1,166.66
	13/02/2023	Huysman Trucking Ltd.	Feb2023WellDiv	1,750.00
	13/02/2023	Huysman Trucking Ltd.	Feb2023RigDiv	1,166.66
	10/03/2023	Huysman Trucking Ltd.	March2023WellDiv	1,750.00
	10/03/2023	Huysman Trucking Ltd.	March2023RigDiv	1,166.66
	10/04/2023	Huysman Trucking Ltd.	April2023RigDiv	1,750.00
	10/04/2023	Huysman Trucking Ltd.	April2023WellDiv	1,166.66
	10/05/2023	Huysman Trucking Ltd.	May2023WellDiv	1,750.00
	10/05/2023	Huysman Trucking Ltd.	May2023RigDiv	1,166.66
				23,333.28
3360 Dividends J.W. Carr Hlds				
	12/10/2022	J.W. Carr Holdings Ltd.	Oct2022WellDiv	37,800.00
	12/10/2022	J.W. Carr Holdings Ltd.	Oct2022RigDiv	25,200.00
	10/11/2022	J.W. Carr Holdings Ltd.	Nov2022WellDiv	37,800.00
	10/11/2022	J.W. Carr Holdings Ltd.	Nov2022RigDiv	25,200.00
	12/12/2022	J.W. Carr Holdings Ltd.	Dec2022WellDiv	37,800.00
	12/12/2022	J.W. Carr Holdings Ltd.	Dec2022RigDiv	25,200.00
	12/01/2023	J.W. Carr Holdings Ltd.	Jan2023WellDiv	29,505.85
	12/01/2023	J.W. Carr Holdings Ltd.	Jan2023RigDiv	19,670.00

13/02/2023	J.W. Carr Holdings Ltd.	Feb2023WellDiv	29,505.85
13/02/2023	J.W. Carr Holdings Ltd.	Feb2023RigDiv	19,670.00
10/03/2023	J.W. Carr Holdings Ltd.	March2022WellDiv	29,505.85
10/03/2023	J.W. Carr Holdings Ltd.	March2023RigDiv	19,670.00
10/04/2023	J.W. Carr Holdings Ltd.	April2023WellDiv	19,670.00
10/04/2023	J.W. Carr Holdings Ltd.	April2023RigDiv	29,505.85
16/05/2023	J.W. Carr Holdings Ltd.	May2023WellDivA	29,505.85
16/05/2023	J.W. Carr Holdings Ltd.	May2023RigDiv	19,670.00
			434,879.25

3375 Dividends Lincoln Smith

12/10/2022	Lincoln Smith	Oct2022WellDiv	1,750.00
12/10/2022	Lincoln Smith	Oct2022RigDiv	1,166.66
10/11/2022	Lincoln Smith	Nov2022WellDiv	1,750.00
10/11/2022	Lincoln Smith	Nov2022RigDiv	1,166.66
12/12/2022	Lincoln Smith	2022DecWellDiv	1,750.00
12/12/2022	Lincoln Smith	Dec2022RigDiv	1,166.66
12/01/2023	Lincoln Smith	Jan2023WellDive	1,750.00
12/01/2023	Lincoln Smith	Jan2023RigDiv	1,166.66
13/02/2023	Lincoln Smith	Feb2023WellDiv	1,750.00
13/02/2023	Lincoln Smith	Feb2023RigDiv	1,166.66
10/03/2023	Lincoln Smith	March2023WellDiv	1,750.00
10/03/2023	Lincoln Smith	March2023RigDiv	1,166.66
10/04/2023	Lincoln Smith	April2023RigDiv	1,750.00
10/04/2023	Lincoln Smith	April2023WellDiv	1,166.66
10/05/2023	Lincoln Smith	May2023WellDiv	1,750.00
10/05/2023	Lincoln Smith	May2023RigDiv	1,166.66
			23,333.28

3380 Dividends Rob Wells

12/10/2022	Rob Wells	Oct2022WellDiv	3,500.00
12/10/2022	Rob Wells	Oct2022RigDiv	2,333.33
10/11/2022	Rob Wells	Nov2022WellDiv	3,500.00
10/11/2022	Rob Wells	Nov2022RigDiv	2,333.33
12/12/2022	Rob Wells	Dec2022WellDiv	3,500.00
12/12/2022	Rob Wells	Dec2022RigDiv	2,333.33
12/01/2023	Rob Wells	Jan2023WellDiv	3,500.00
12/01/2023	Rob Wells	Jan2023RigDiv	2,333.33
13/02/2023	Rob Wells	Feb2023WellDiv	3,500.00
13/02/2023	Rob Wells	Feb2023RigDiv	2,333.33
10/03/2023	Rob Wells	March2023WellDiv	3,500.00
10/03/2023	Rob Wells	March2023RigDiv	2,333.33
10/04/2023	Rob Wells	April2023RigDiv	3,500.00
10/04/2023	Rob Wells	April2023WellDiv	2,333.33
10/05/2023	Rob Wells	May2023RigDiv	2,660.00
10/05/2023	Rob Wells	May2023WellDiv	3,500.00
			46,993.31

Schedule 3.1(p) - Accounts Receivable

None

Schedule 3.1(r) - Tax Matters

None

Schedule 3.1(s) - Bank Accounts

Company	***Bank***	***Account #***	***Signing Officers***
R'Ohan Well Services Ltd	BMO 10175 101 St NW, 20th Floor Edmonton, AB, T5J 0H3	1076973	Graham Holmedal, Cory Cross Marj Carr
R'Ohan Well & Rig Services (2009) Ltd.	Servus Credit Union Atrium Branch 5012 49 Street Lloydminster, AB T9V 0K2	7157035	Graham Holmedal, Cory Cross Marj Carr
R'Ohan Rig Services Ltd.	BMO 10175 101 St NW, 20th Floor Edmonton, AB, T5J 0H3	1076981	Graham Holmedal, Cory Cross Marj Carr

Schedule 3.1(u) - Litigation (Corporation)

None

Schedule 3.1(v) - Leases of Real Property

1. Lease dated August 23, 2022 between R'Ohan Rig Services Ltd., as lessor, and CDM Oilfiled Services Ltd., as lessee for Plan 0320702, Block 1, Lot 1 excepting thereout all mines and minerals.

2. Lease Agreement dated ___________, 2027 made between R'Ohan Rig Services Ltd. and R'Ohan Well Services Ltd. in respect of the Premises being the office and storage space consisting of approximately 16,140 square feet and all access rights and easements on other lands which service and provide access to the Lands legally described as Building #C Lot 1 Block 1 Plan 03207702 – Located in County of Vermilion River. SE32-49-1W4.

3. The Amendment to Lease Agreement dated December 18, 2021 between R'Ohan Rig Services Ltd., as Landlord, and Tier 1 Energy Solutions Inc., as Tenant, amending a Lease Agreement dated May 1, 2015 between R'Ohan Rig Services Ltd. and Tier 1 Energy Solutions Inc., as amended by an amended agreement dated December 4, 2019 between them

THIS LEASE made as of this 23rd day of August, 2022.
BETWEEN:

R'OHAN RIG SERVICES LTD.
Box 11704
Lloydminster, AB T9V 3C1
(the "Lessor")

OF THE FIRST PART

-and-

CDM OILFIELD SERVICES LTD.
Box 683
Lloydminster, SK S9V 0Y7
(the "Lessee")

OF THE SECOND PART

LEASE

WHEREAS the Lessor is the registered owner of the lands legally described as follows:

PLAN 0320702
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
(the "said lands");

AND WHEREAS the Lessee now wishes to lease that portion of the said lands as hereinafter set forth;

NOW THEREFORE BE IT RESOLVED that in consideration of the premises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

PREMISES

1.0 The Lessor does hereby lease to the Lessee all of that portion of the said lands, the borders of which are set out in black double-line in the attached **Schedule "A"**, and which demised premises are comprised approximately of **16,000** square feet and the whole of the yard and parking area contained within the said lands, to be held by the Lessee, as Lessee, at the rental, for the term and subject to the covenants, terms and conditions set forth in this Lease, and which the Lessor and the Lessee agree to observe and perform as the same may be applicable to each of them respectively.

RENT

2.0 The Lessee covenants and agrees to pay to the Lessor in lawful money of Canada, without demand or deduction, at the Lessor's office address as first set out above or at such other place as the Lessor may designate by notice in writing from time to time, in each and every year during the term of this Lease basic rental as follows:

a) **Early Occupancy** - The Lessee shall occupy the Demised Premises as at September 1, 2022 and the Lessee shall pay utilities plus GST and operating costs of property taxes pro-rated for the month of September, 2022.

b) during the period October 1, 2022 to and including September 30, 2023, (Year 1), the sum annually of **ONE HUNDRED FORTY-FOUR THOUSAND.....xx/100 ($144,000.00) DOLLARS** payable in equal monthly installments of **TWELVE THOUSAND ($12,000) DOLLARS** each (being $9.00 per square foot)

c) during the period October 1, 2023 to and including September 30, 2024 ("Year 2), the sum annually of **ONE HUNDRED SEVENTY-SIX THOUSAND------ xx/100 ($176,000.00) DOLLARS** payable in equal monthly installments of **FOURTEEN THOUSAND, SIX HUNDRED, SIXTY-SIX.....67/100 ($14,666.67) DOLLARS** each (being $11.00 per sq. ft.);

d) during the period October 1, 2024 to and including September 30, 2025 ("Year 3), the sum annually of **ONE HUNDRED SEVENTY-SIX THOUSAND---xx/100 ($176,000.00) DOLLARS** payable in equal monthly installments of **FOUTEEN THOUSAND SIX HUNDRED SIXTY-SIX... 67/100 ($14,666.67) DOLLARS** each (being $11.00 per square foot);

e) during the period October 1, 2025 to and including September 30, 2026 ("Year 4), the sum annually of **ONE HUNDRED AND EIGHTY-FOUR THOUSAND---xx/100 ($184,000.00) DOLLARS** payable in equal monthly installments of **FIFTEEN THOUSAND THREE H HUNDRED AND THIRTY-THREE ----33/100 ($15,333.33) DOLLARS** each (being $11.50 per sq. ft.);

f) during the period October 1, 2026 to and including September 30, 2027 ("Year 5), the sum annually of **ONE HUNDRED NINETY-TWO THOUSAND ---xx/100 ($192,000.00) DOLLARS** payable in equal monthly installments of **SIXTEEN THOUSAND----------/100 ($16,000.00) DOLLARS** each (being $12.00 per square foot);

together with all Goods and Services Tax payable thereon pursuant to *The Excise Tax Act* (Canada), all of which sums shall be payable in advance on the 1st day of each and every month during the term hereof. In addition, the Lessee shall pay all other sums or amounts payable by the Lessee to the Lessor pursuant to the terms hereof.

The parties hereto acknowledge and agree that the rentals provided herein are calculated on the basis of the total area calculations set out in section 1.0 above, and which area calculations shall be deemed accurate for the purposes of the Lease.

2.1 Upon the execution of this Lease, the Lessee hereby agrees to provide to the Lessor the sum of **TWENTY-EIGHT THOUSAND -----00/100 ($28,000.00) DOLLARS** plus GST in the sum of **ONE THOUSAND FOUR HUNDRED....00/100 ($1,400.00) DOLLARS** which is to be applied by the Lessor against the rent for the first month and last month of the term herein.

2.2 The Lessee further covenants and agrees to pay to the Lessor as additional rent in each year during the term of this Lease, at the times and in the instalments hereinafter provided for, an amount equal to all of the sums set out in clauses a), b), c) and d) of this section 2.2 (from time to time known as "operating costs"), namely:

a) One Hundred (100%) percent of the real property taxes (as it relates to the leased premises in the attached Schedule "A") and local improvements, assessments, and charges and any tax levied in lieu of a real property tax (including without limitation any tax on income or rents levied in lieu of real property taxes as presently constituted) levied, assessed or payable, for or during such year on or in respect of the demised premises and the improvements thereon, such taxes and charges to be adjusted for any year in which only part of the year falls within the term of this Lease according to the proportion that the duration of the part of the term that falls within such year bears to the duration of the whole of such year. The parties agree that based upon the current assessment the approximate amount of yearly taxes for the leased premises is Twenty Thousand Five Hundred and Eighty-two.......00/100 ($20,582.00). The Lands being subdivided in the form attached as Schedule "A", the taxes may be amended to reflect the tax payable solely for the leased premises.

b) all premiums incurred or payable by the Lessor for or in respect of any insurance coverage in favour of the Lessor, in respect of the demised premises and improvements thereon (including fire and extended perils or like coverage, loss of rental coverage, liability coverage, boiler coverage and such other coverage as the Lessor may reasonably require) during such year as determined by invoices or statements to be prepared and provided, such premiums to be adjusted for any year in which only part of the year falls within the term of this Lease according to the proportion that the duration of the part of the term that falls within such year bears to the duration of the whole of such year. **It is understood that the insurance premiums for the first 5 years of this lease agreement will be waived and be at the sole cost of the Lessor.**

c) all costs and expenses during such year (or so much thereof as falls within the term of this Lease), as determined by invoices or statements to be prepared and provided to the Lessee by the Lessor as hereinafter provided, incurred by the Lessor in maintaining, repairing, keeping in good repair, and landscaping the demised premises, all driveways, platforms, parking areas, landscaped areas, truck-ways and other improvements whatsoever upon the demised premises or appurtenant thereto (including without limitation adjacent sidewalks, boulevards and entry driveways) and of keeping the same in a clean, wholesome and sanitary condition clear of ice and snow, dirt, rubbish, garbage, and other refuse or matter and in good and sufficient repair and maintenance (damage by fire, lightning, or tempest and structural repairs that are not the responsibility of the Lessee excepted). Notwithstanding the foregoing, the parties hereto agree that the Lessee shall be solely responsible for all landscaping to the demised premises and any adjacent sidewalks and driveways providing entry to the demised premises, and for maintaining the same in a clean and sanitary condition, clear of ice, snow, dirt, rubbish, garbage and other refuse. Notwithstanding the foregoing, the Landlord will be responsible for the snow removal for the Tenant for the duration of the term of the Lease.

d) all water, sewer, power and other utilities charges incurred by the Lessor in respect of the demised premises during such year (or so much thereof as falls within the terms of this Lease). The parties hereto acknowledge and agree that the municipality shall bill for water and sewer charges based on usage to the whole of the said lands and that the Lessee shall be responsible for 100% of the said water, sewer, power and other utility charges incurred by the Lessor in respect of the said lands. Where any of the utilities are being billed directly to the Lessee, the Lessee agrees to pay all charges assessed by the service provider(s) in a timely manner and in any event, by the due date therefor so as to ensure continuous and uninterrupted provision of utilities to the said lands.

e) Notwithstanding the foregoing, the Lessee shall have all utilities related to the Lease Premises registered in their name and be solely responsible for the same

2.3 . Upon the commencement of the term of this Lease and prior to the commencement of each calendar year thereafter during the term, the Lessor shall estimate the amount of the additional rent payable by the Lessee hereunder for the ensuing calendar year or (if applicable) portion thereof, as the case may be, and shall notify the Lessee in writing of such estimate. The amount as estimated shall be payable by the Lessee to the Lessor in equal monthly instalments in advance over the calendar year or portion thereof in question, each such instalment being payable on each monthly basic rental payment date provided for in section 2 hereof that shall fall within such calendar year. When the additional rent for the calendar year or portion thereof in question becomes finally determined, the Lessee shall pay to the Lessor the amount (if any) by which the monthly instalments of additional rent made for such calendar year shall be less than the actual additional rent for such calendar year (or the Lessor shall refund the excess, if any, paid by the Lessee). The Lessor may, if during the course of any calendar year there, shall be any increase or decrease in the Lessor's estimate of the additional rent for such calendar year, adjust its estimate and upon the Lessee being notified of such adjustment, the Lessee's monthly instalments of additional rent from and including the instalment next due after the giving of notice of adjustment shall be adjusted in accordance with the Lessor's notice. The Lessor shall on or before the 30th day of December in each calendar year during the term of this Lease {and within ninety (90) days of the expiry or termination of this Lease} give to the Lessee a written statement (verified by copies of invoices, receipts, statements and bills) of the costs and expenses for which additional rent was or is payable in regard to the preceding calendar year (or the last year commencing during the term hereof, in respect of such year). Neither party may claim a re-adjustment in respect of the additional rent based upon any error of estimation, determination or calculation thereof unless claimed in writing prior to the expiration of one (1) year after the date that the Lessor shall give the statement as aforesaid relating to such additional rent.

2.4 In the event the Lessee requests early access prior to the Commencement Date, the Lessee shall have full access and use of the Leased Premises and pay only its operating expenses relating thereto.

TERM AND RENEWAL

3.0 This Lease shall commence on **October 1, 2022** , and the demised premises shall be available for occupancy, and this Lease shall continue for a term of **FIVE (5) YEARS** therefrom, unless sooner terminated in accordance with the provisions hereof.

3.1 Upon ninety (90) days' written notice to the Lessor given before the expiry of the term herein granted and provided that the Lessee is not then nor at the end of the term in default under this Lease, the Lessee shall have the right to renew this Lease for a further term of FIVE (5) YEARS from the expiration of the term hereby reserved, on the same terms and conditions as herein set forth, excepting as to rent and as to agreement for further right to renew. Rent for the renewal period shall be at a rate to be negotiated or failing negotiation, as determined by a single arbitrator under arbitration conducted in accordance with the *Arbitration Act* (Alberta). In no event shall the basic monthly rental be less than the basic monthly rental payable during the last month of the term and the finding of the arbitrator shall be binding and not subject to appeal of any type whatsoever.

LESSEE'S COVENANTS

4.0 The Lessee, for the term hereby, created, covenants with the Lessor as follows:

a) The Lessee shall occupy the demised premises on the commencement date, subject to the terms hereof.

b) The Lessee shall pay the rent and all other sums payable hereunder promptly on the days and at the times and in the manner herein mentioned.

c) The Lessee shall pay all taxes with respect to its business carried on upon the demised premises, or upon any machinery or equipment kept on the demised premises, and any special franchise or other tax in relation to such business as and when such taxes become due and payable together with any taxes levied on tenants' fixtures and/or improvements made in or to the demised premises by or for the Lessee and all taxes in the nature of business taxes and any taxes levied on machinery or equipment of the Lessee assessed by any governmental authority upon the demised premises whether levied against the Lessee or the Lessor.

d) The Lessee will repair and maintain the demised premises in a good and proper state of repair. Excepting from the above covenant, reasonable wear, tear and damage by fire, lightning, tempest, impact of aircraft, acts of God, the Queen's enemies, riots, insurrections, structural defects or weaknesses and explosion (unless such explosion is caused by the negligence of the Lessee, its agents, employees, invitees or licensees) and repairs required to be made by the Lessor herein. The Lessee shall be responsible for the cost of repairing all tenant's improvements erected on behalf of the Lessee by the Lessor. The Lessee covenants to maintain any partitioning within the demised premises in a good and proper state of repair and free from scratches or defacement. The Lessee further agrees to maintain all glass and exterior windows in the demised premises in a good and proper condition, and agrees to repair and replace, as appropriate, any cracked or broken glass and windows. Upon failure of the Lessee to undertake any repairs or to do anything which is required of it by this Lease, the Lessor may, but shall not be obligated to, carry out such repairs or do such things and the Lessor shall be entitled to recover from the Lessee the cost thereof together with a fee for supervision for carrying out the Lessee's obligations in an amount equal to five (5%) percent of the cost of repairs or other work carried out by or under the supervision of the Lessor, which amount shall be in addition to the cost of such work.

e) If the building, including the demised premises, boilers, engines, pipes or other apparatus (or any of them) used for the purpose of heating or air conditioning the building or if the water pipes, drainage pipes, electric lighting or other equipment of the building get out of repair or become damaged or destroyed through the negligence, omission, carelessness or misuse of the Lessee, its servants, agents, employees or anyone permitted by it to be in the building or through it or them in any way stopping up or injuring the heating apparatus, water pipes, drainage pipes or other equipment or part of the building, the expense of the necessary repairs, replacements or alterations shall be borne by the Lessee who shall pay the same to the Lessor forthwith on demand.

f) The Lessee will not assign the said term or any part thereof, nor sublet or part with possession of any part of the demised premises without the prior written consent of the Lessor (which consent may be withheld in the Lessor's sole discretion), and any purported assignment, pledging or subletting by the Lessee without such consent shall constitute a default under this Lease. Any consent by the Lessor to any transfer, assignment, subletting or parting with possession shall in no way discharge or release the Lessee from the full performance and observance of all covenants, agreements, terms, provisos, or conditions herein contained on the part of the Lessee to be performed, kept or observed; neither shall any such consent be or operate as a consent to any further assignment, subletting or parting with possession (the Lessor's consent to be required for each and every assignment, sublease and parting with possession).

g) Save as in this clause provided, the Lessee shall use and occupy the demised premises only for the purposes of operating its **oilfield related business,** provided that, it shall comply with all requirements of Federal, Provincial and Municipal laws and regulations. If a Governmental license or permit is required for the proper and lawful conduct of the Lessee's business, the Lessee shall procure and maintain throughout the term hereof such license or permit and shall, always comply with the terms and conditions thereof.

h) The Lessee will not do or omit or permit to be done or omitted upon the demised premises anything which shall cause the rate of insurance upon the building to be increased. If the rate of insurance on the building shall be increased by reason of the use made by the Lessee of the demised premises or by reason of anything done or omitted or permitted to be done or omitted by the Lessee or by anyone permitted by the Lessee to be upon the demised premises, the Lessee will pay the Lessor the amount of such increase. The Lessee will comply with the rules and regulations of the Canadian Board of Fire Underwriters, if any, or any successor body, and with the requirements of the

Lessor's insurance companies having policies covering the building which are communicated to the Lessee.

i) The Lessee shall not do any act or permit or suffer any hazard or condition which may render the demised premises or building uninsurable or which may be contrary to the standards set forth by the Canadian Underwriters Association. In the event that the demised premises or building become uninsurable by reason of any act or omission by the Lessee, the Lessee shall forthwith remove or alter the condition which rendered the demised premises or building uninsurable. The Lessor shall be entitled to cancel this Lease by notice in writing to the Lessee in the event that the matter rendering the demised premises or building uninsurable has not been rectified within seven (7) days, provided that the Lessee shall be liable in full for all rent and all other moneys payable under the Lease for the remainder of the term of this Lease or until the demised premises are relet by the Lessor.

j) The Lessee shall, at its expense, comply with all laws, orders, ordinances and regulations of Federal, Provincial and Municipal authorities and with any direction made pursuant to the law or by any public officer or officers which shall, with respect to the use of the demised premises, the safety and sanitary condition of the demised premises and appliances or safeguards for same, or to any abatement of nuisance, impose any violation, order or duty upon the Lessor or the Lessee regarding the demised premises or the use of the demised premises or from conditions which have been created by or at the instance of the Lessee or required by reason of a breach of any of the Lessee's covenants or agreements hereunder.

If the Lessee should desire to contest the validity of any such law, ordinance, rule, order or regulation with which the Lessee is obligated to comply, it may, at its expense, carry on such contest, and non-compliance by it during such contest shall not be deemed a breach of this covenant, provided that it shall, to the satisfaction of the Lessor, indemnify and hold the Lessor harmless against the cost thereof and against all liabilities for any damages, interest, penalties and expenses (including reasonable legal expenses) resulting from or incurred in connection with such contest or non-compliance except that non-compliance shall not continue so as to subject the Lessor to prosecution for any offence, or to cause the building or any part thereof to be condemned or vacated by order or public authority.

k) The Lessee shall not do or suffer any waste or damage, disfiguration or injury to the demised premises or the fixtures and equipment thereof, and shall not use or permit to be used any part of the demised premises for any dangerous, noxious or offensive trade or business and shall not cause or maintain any nuisance in, at or on the demised premises, nor permit anything to be done that may obstruct or interfere with the rights of the adjoining tenants or landowners. Further, the Lessee will not bring, keep, store or suffer to be brought, kept or stored on the demised premises any environmental contaminants, inflammable materials or explosives.

l) The Lessee shall not place a load upon any portion of any floor of the demised premises which exceeds the floor load which the area of such floor being loaded was designed to carry, having regard to the loading of adjacent areas. The Lessor reserves the right to prescribe the weight and position of all safes and heavy installations which the Lessee wishes to place in the demised premises so as to properly distribute the weight thereof.

m) The Lessee shall be responsible for any loss or damage whatsoever caused in the building owing to the leakage or escape of any water, gas or other substance from any pipes, machinery or equipment installed by the Lessee and used for the purposes of servicing the demised premises or any machinery or equipment installed or put therein by the Lessee.

n) The Lessee shall indemnify and save harmless the Lessor from all liabilities, damages, costs (including without limitation the Lessor's own legal costs on a solicitor- client basis), claims, suits or actions growing out of:

I) any breach, violation or non-performance of any covenants, conditions or agreements in this Lease set forth and contained on the part of the Lessee to be fulfilled, kept, observed and performed;

ii) any damage to property occasioned by the use and occupation of the demised premises or any part thereof; and

iii) any injury to any person or persons, including death resulting at any time therefrom, occurring in or about the demised premises or any part thereof during the term of this Lease and arising from or occasioned by any cause whatsoever except by the negligence of the Lessor or other person for whose negligence it is legally responsible.

The Lessee's obligation to indemnify the Lessor, as set out above, shall survive the expiration or sooner termination of this Lease.

o) The Lessee will not inscribe, paint or affix any sign, advertisement or notice on any part of the outside or inside of the building except of such colour, size, and style and in such place or places as shall first be consented to in writing by the Lessor.

p) The Lessor shall not be responsible for any damages to any person in or about the demised premises or to any merchandise, goods, chattels, machinery or equipment contained therein, or to any person in the building with the express or implied consent of the Lessee or in respect of the Lessee's business. The Lessor shall not be responsible for insuring against fixtures, partitions, floor coverings or other fixtures owned by or constructed by or on behalf of the Lessee on any part of the demised premises, and the Lessee shall insure its own stock, furniture, leasehold improvements and equipment against water damage, smoke damage, fire and theft, and shall be solely responsible for the loss of or damage to property of others kept or stored or located in the demised premises during the term hereof and will maintain insurance for public liability and property damage arising out of its use or occupation of the said premises as well as business interruption insurance, all in such amounts as may be prescribed by the Lessor from time to time, and in any event in such amounts as shall be sufficient, acting reasonably, to protect the interests of the Lessor, and with companies approved by the Lessor. On commencement of the term hereof and thereafter as reasonably requested by the Lessor, the Lessee shall provide the Lessor with policies of insurance (signed by the insurers) in form satisfactory to the Lessor as evidence that such insurance is in full force and effect. All such policies shall be written in the names of the Lessor and the Lessee jointly. The liability coverage shall extend over the building, all sidewalks, loading areas, driveways, parking areas, and landscaped areas within the said lands.

q) The Lessee will cause the Lessor to be notified immediately upon the Lessee becoming aware of any defect in the demised premises or of any other condition, which may cause injury to the demised premises or the said lands.

r) The Lessee shall comply with all of the provisions of any applicable statutes respecting the builders' and other liens and shall promptly pay as and when the same fall due all accounts for labor or material done or supplied for all improvements, installations, partitions, fixtures or work done by or for it on the demised premises and will not cause, suffer or permit any encumbrance, lien or charge to arise or exist or be claimed upon the demised premises in respect thereof; and if any such lien shall arise, the Lessee shall immediately cause it to be discharged and any registration thereof vacated, and if such lien shall not have been discharged and the registration thereof vacated within a period of thirty (30) days, the Lessee agrees to make such payment or take such action as may be necessary or expedient to discharge such lien, and whether or not the validity of such lien is admitted or denied by the Lessee. The Lessee hereby indemnifies and save harmless the Lessor from any claim, demand, payment, cost or expense incurred by the Lessor in respect of the foregoing. Any overdue accounts for any work done or materials supplied by the Lessor shall be treated as rental arrears as hereinafter described.

s) The Lessee agrees to pay the cost, including installation, of all electric light bulbs and fluorescent tubes used to replace those installed on the demised premises at the commencement of the term of this Lease.

t) The Lessee is responsible for all costs arising from the supply of all utilities which are required and further described in Article 2.2(d). Further, the Lessee shall ensure that the demised premises is furnished with adequate heating at all times during the normal heating season, so as to protect the water pipes and other installations from damage due to freezing.

The Lessee shall be responsible for all cleaning, janitorial services, landscaping and snow removal to the demised premises, and shall maintain the same to standards consistent with the maintenance of similar buildings in the City of Lloydminster. Notwithstanding anything else herein, the Lessee covenants and agrees to maintain the sidewalks and parking lot within the demised premises free and clear of snow, ice, dirt, rubbish, garbage and other refuse.

v) The Lessee agrees that this Lease may be made subject and subordinate to any mortgage or charge which may now or hereafter be placed against the said lands, or against the building, and the Lessee agrees to execute such postponements, deeds and documents as may be necessary to give effect to the foregoing provisions.

4.1 The Lessee further covenants with the Lessor as follows:

a) the Lessee shall promptly comply with and conform to the requirements of every statute, law, bylaw, regulation and order of any governmental or other authority having jurisdiction over the Lessor, the Lessee or the said lands at any time or from time to time in force regarding the proper and lawful use, sale, storage, disposal, transportation, generation, treatment or cleanup of Pollutants (as hereinafter defined) (the foregoing referred to herein as the "Environmental Laws"). For the purpose of this section 4.1, "Pollutants" means any substance which is hazardous or endangers the health or safety of persons, animals, plant life or property and includes, without limiting the forgoing, any substances declared or defined to be hazardous, toxic, special waste or waste under any Environmental Law, and any substance the use or transportation of which or the release of which into the environment is prohibited, regulated, controlled or licensed under any Environmental Law;

b) the Lessee shall be fully responsible for any and all damage or injury (including death) to any property or person arising or resulting from any Pollutant brought onto or kept on or around the demised premises or the said lands by the Lessee or its agents, employees, contractors, subtenants, invitees or licensees. The Lessee shall promptly repair any damage to the demised premises and said lands in respect of any such Pollutant for which it is responsible pursuant to this section 4.1;

c) the Lessee shall promptly at the Lessor's request at any time during the currency of this Lease, remove any and all Pollutants from the demised premises and said lands which are as a result of the Lessee's occupancy, and cleanup any contamination resulting from any Pollutants, all in accordance with Environmental Laws. On the expiration or sooner termination of this Lease, the Lessee shall leave the demised premises and said lands free from all Pollutants resulting from the Lessee's use or occupation of the said lands or portion thereof, or the exercise of the Lessee's rights hereunder. Upon the written request of the Lessor, the Lessee shall provide, at its sole cost and expense, a Phase III environmental report or such other report as the Lessor may reasonably request in order *to* satisfy the Lessor that the Lessee has met its obligations under this section 4.1; provided always however that the Lessor shall not request any environmental or other report permitted herein unless it has reasonable grounds for believing that contamination by any Pollutants has occurred in or around the demised premises or said lands which is the responsibility of the Lessee pursuant to this section 4.1. Should the Lessee fail to provide a report in all respects satisfactory to the Lessee within a reasonable period of time following the Lessor's request therefor, the Lessor shall be entitled to obtain such report and the cost thereof shall be recoverable from the Lessee as additional rent;

d) the Lessee does hereby indemnify and save the Lessor harmless from any and all liabilities, actions, proceedings, costs, demands, claims, damages, fees and expenses whatsoever relating to any governmental demand, action or request that the Lessor or the Lessee test for, monitor, cleanup, remove, contain, store, treat, detoxify or neutralize Pollutants and arising from the Lessee's occupancy, and the Lessee further indemnifies and saves harmless the Lessor from any and all claims arising out of the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants at or from the demised premises or the said lands which are caused by any act, failure to act or negligence of the Lessee or of anyone for whom the Lessee is responsible at law.

e) all of the obligations of the Lessee under this section (including without limitation, the Lessee's obligations regarding cleanup and its indemnity in favor of the Lessor) shall survive the expiration or sooner termination of this Lease.

<u>LESSOR'S COVENANTS</u>

5.0 The Lessor covenants with the Lessee as follows:

a) The Lessee, upon paying the rent hereby reserved at the times and in the manner aforesaid and observing and performing each and every of the covenants, conditions, restrictions and stipulations by the Lessee to be observed or performed, shall and may peaceably and quietly possess and enjoy the demised premises during the said term without interruption from or by the Lessor or any person lawfully claiming by, through or under it.

b) The Lessor shall ensure that all rates, charges, assessments and taxes wherewith the demised premises may be rated, charged, assessed and taxed during the term of this Lease, other than specifically covenanted to be paid by the Lessee, are paid in a timely manner.

c) The Lessor will repair and maintain the structure of the building, the exterior walls (excepting windows), roof, pipes, plumbing, electrical wires installed by the Lessor and other installations of a structural nature. The Lessee may serve upon the Lessor a notice in writing of any defect which the Lessor is obligated to repair, requiring the Lessor within a reasonable time to repair the same. There shall be excepted from this covenant reasonable wear, tear and damage by fire, lightning, tempest, impact of aircraft, acts of God or the Queen's enemies, riots, insurrection and explosion and any other risks insured against by the Lessor from time to time, except to the extent of the Lessor's obligation to rebuild or repair and restore the same as provided in this Lease. In the event, that any such repairs shall be required to be made by the Lessor by reason of the negligence of the Lessee, its agents, employees, invitees or licensees, the Lessor shall be entitled to recover the cost thereof from the Lessee and if the Lessee shall fail to pay the same on demand the Lessor may recover the amount so due by all remedies available to it for the recovery of rent in arrears.

It is distinctly understood and agreed that in case the apparatus or any part thereof used in heating and/or air-conditioning the demised premises becomes damaged or destroyed, the Lessor shall have a reasonable time within which to repair the damage or replace or repair the apparatus and the Lessor shall not in any event be liable to the Lessee, its officers, or employees for any indirect or consequential damage or damages for personal discomfort or illness arising by reason of the interruption of such services.

Except as expressly provided otherwise in this Lease, there shall be no allowance to the Lessee for diminution of rent and no liability on the part of the Lessor by reason of inconvenience, annoyance or injury to business arising from the happening of the event which results in the repairs, alterations, additions or improvements or from the making of any repa1rs, alterations, additions or improvements in or to any portion of the building or the demised premises or in or to the fixtures, appurtenances, and equipment thereof. The Lessor agrees to use its best efforts to do any work done by it in such a manner as not materially to interfere with or impair the Lessee's use of the demised premises.

MUTUAL COVENANTS

6.0 It is hereby mutually agreed between the Lessor and the Lessee as follows:

6.1 TAX INCREASE

a) If the taxes in respect of the said lands and the building shall be increased by reason of any installation made in or any alteration made in or to any moveable property brought upon the demised premises by the Lessee, the Lessee shall pay the amount of such increase.

b) In the event that the Lessee shall have paid any amount of increased taxes pursuant to this section 6.1 and the Lessor shall thereafter receive a refund of any portion of the taxes on which such payment shall have been based, the Lessor shall pay to the Lessee the appropriate portion of such refund.

c) Nothing contained in this section 6.1 shall be construed at any time so as to reduce the monthly instalments of rent payable hereunder below the amount stipulated in section 2 hereof.

d) If the Lessee shall neglect or refuse to pay when due any increase in taxes payable by it pursuant to this Lease, the Lessor shall be entitled to recover the same by all remedies available to it for the recovery of rent in arrears.

6.2 OPERATING COSTS INCREASE

a) Notwithstanding anything herein contained, if at any time and from time to time during the term of this Lease, the operating costs or other amounts payable by the Lessor shall increase by reason of the use and occupation of the demised premises by the Lessee, the Lessee shall pay the amount of such increase within fifteen (15) days of receiving an invoice for same from the Lessor.

b) The Lessor shall furnish to the Lessee, upon written demand therefor, documentation satisfactory to the Lessee, acting reasonably, supporting the Lessor's claim for any amounts claimed under this section 6.2.

c) Nothing contained in this section 6.2 shall be construed at any time so as to reduce the monthly instalments of rent payable hereunder below the amount stipulated in section 2 of this Lease.

d) If the Lessee shall neglect or refuse to pay when due any increase in operating costs or other costs payable by it pursuant to this Lease, the Lessor shall be entitled to recover the same by all remedies available to it for the recovery of rent in arrears.

6.3 NET LEASE

The Lessee acknowledges and agrees that it is intended that except as expressly herein otherwise provided, this Lease shall be a completely carefree net Lease for the Lessor yielding completely net to the Lessor the rentals herein provided for, and that the Lessor shall not be responsible during the term of the Lease for any costs, charges, expenses or outlays of any nature whatsoever, in respect of the said lands, building, or improvements or the contents thereof, excepting only the Lessor's income tax in respect of income received from leasing the demised premises, and excepting principal and interest payments to be made in connection with any mortgage or other financing placed on the said lands and improvements thereon by the Lessor; and further that all costs, expenses, obligations and liabilities of any kind and nature whatsoever relating to the demised premises and the Lessee's share of all common expenses, costs, obligations and liabilities of any kind and nature whatsoever in respect of the said lands and improvements thereon which may arise or become due during or in respect of the term of this Lease shall be payable and will be paid by the Lessee and the Lessee covenants and agrees to indemnify and save harmless the Lessor from and in respect of any and all such costs, expenses, obligations and liabilities.

6.4 LEASEHOLD IMPROVEMENTS

a) The Lessee covenants and agrees that it will not install any other partitions, fixtures, floor coverings, light fixtures, heavy equipment, safes or machinery not otherwise contemplated by this lease upon the demised premises or make any removal, changes, altemations, or additions therein and thereto nor affix or attach any article thereto without first having obtained the Lessor's consent in writing. Unless the Landlord agrees otherwise in writing, all leasehold improvements installed by the Lessee (after the commencement of this lease), shall be deemed fixtures and shall remain with the demised premises upon the termination of this lease and shall form part of the said lands, provided always however, that the Lessor may, at its sole option, require the Lessee to remove any partition, fixtures, floor covering, light fixtures, office machines, equipment and furniture installed by or on behalf of the Lessee and to make good any damage occasioned to the demised premises by reason of such installation or removal.

b) On termination of the within lease, the Lessee shall be entitled to remove any office machines, equipment and furniture installed by it, making good any damage occasioned to the demised premises by reason of such installation or removal. Any removal of equipment, fixtures, etc. and restoration of the demised premises to good order and conditions pursuant to this section shall be completed prior to the termination of this lease, provided always however that the Lessee shall not remove any trade fixtures, goods or chattels of any kind from the demised premises until all rent and other moneys due are paid.

6.5 EMINENT DOMAIN

If the whole of the demised premises shall be taken by any public authority under the power of eminent domain, the within Lease shall cease and terminate from the date possession shall be taken for such public purposes and the Lessee shall be liable for rental only up to the date of such taking.

If a part only of the demised premises shall be taken by any public authority under power of eminent domain, the_ term hereby granted shall cease from the date possession shall be taken for such public purposes insofar as the premises so taken comprise part of the demised premlses, and the Lessee shall be liable only for rent in respect of the part of the demised premises so taken up to the date of the taking and if the remainder of the demised premises shall be suitable for the purposes of the Lessee, the Lessee shall remain in possession of the remainder of the demised premises and the rent payable hereunder shall be reduced in the proportion that the area of the demised premises so taken bears to the net rentable area of the Lessee. If the remainder of the demised premises shall be unsuitable for the purposes of the Lessee, the Lessee shall be entitled to terminate this Lease as at the date of such taking and the same shall cease and terminate.

The Lessee shall be entitled to receive only such compensation or damages as it may be able to establish against such public authority in respect of loss of occupancy of the Lessee's fittings.

6.6 DAMAGE OR DESTRUCTION

It is agreed that in the event of partial or total destruction of the demised premises by fire, explosion, lightning, earthquake, tempest, impact of aircraft, acts of God or the Queen's enemies, riots, insurrections or other casualty, such as shall render the demised premises untenantable, the rent hereby reserved shall at once cease to accrue and not become payable until the demised premises shall be rebuilt or restored to their former condition and the Lessor shall forthwith rebate to the Lessee the proportionate part of the then current rent paid in advance for the unexpired portion of the month in which such partial or total destruction occurs. In the case of the total destruction of the demised premises, the Lessor may within three (3) months after such destruction on giving notice thereof in writing to the Lessee, terminate this Lease. PROVIDED, HOWEVER, that the expression "total destruction" as used in this section 6.6 shall mean such damage or destruction so that in the opinion of an independent architect the demised premises cannot be rebuilt or repaired within a period of twelve (12) months from the time of destruction or damage. PROVIDED, HOWEVER, that if the demised premises are only partially destroyed, the Lessor shall rebuild and restore the demised premises to their former condition with reasonable diligence and this Lease shall remain in full force and effect except that the rental shall abate in the proportion that the area of which the Lessee is deprived bears to the total area demised, until the demised premises are so restored. Provided, further, no compensation or claim will be allowed by the Lessor by reason of inconvenience or annoyance arising from the necessity of repairing, altering or improving any portion of the said building however the necessity may occur.

It is expressly understood and agreed that the obligation of the Lessor to rebuild and restore the demised premises shall not extend to or be deemed to include the rebuilding or restoration of any alterations, partitions, equipment or installations made by the Lessee on the demised premises.

6.7 DEFAULT BY LESSEE

That, in the event that default is made in payment of rent or any part thereof and such default continues for seven (7) days after the due date for payment of the same or in case of non-observance or non-performance on the part of the Lessee of any covenant, condition, restriction or stipulation herein contained, express or implied, which ought to be observed or performed by the Lessee and which continues for seven (7) days after notice of such non-observance or non-performance, the Lessor may, at its option, cancel this Lease by written notice to the Lessee and, in any of such cases, all rights and interests hereby created or then existing in favor of the Lessee or derived under this Lease, shall thereupon cease and determine and the Lessor may re-enter into and upon the demised premises and to have again, repossess and enjoy the same as of its former estate, anything herein to the contrary notwithstanding. PROVIDED; HOWEVER, that in the case of such cancellation and re-entry, the Lessee shall continue to be liable to pay and the Lessor shall have the same remedy for the recovery of any rent then due or accruing due as if this Lease had not been cancelled, but remained in full force and effect, and further that any right of action of the Lessor against the Lessee in respect of any antecedent breach of any of the said covenants, conditions, restrictions and stipulations shall not thereby be prejudiced.

6.8 DEFAULT BY LESSOR

That, in the event of non-observance or non-performance on the part of the Lessor of any material covenant, condition, restriction or stipulation herein contained, express or implied, which ought to be observed or performed by the Lessor and which continues for seven (7) days after notice of such non- observance or non-performance, the Lessee may, at its option, cancel this Lease by a further fourteen (14) days written notice to the Lessor and thereupon vacate the demised premises in accordance with section 6.22 hereof, and in such cases, all rights and interests hereby created or then existing in favour of the Lessor or derived under this Lease, shall thereupon cease and determine, PROVIDED HOWEVER, that in the case of such cancellation, the Lessee shall continue to be liable to pay any rent then due or accruing due to the date of cancellation, and the Lessor shall have the same remedy for the recovery thereof as if this Lease had not been cancelled, but remained in full force and effect.

6.9 BANKRUPTCY OR SEIZURE

Provided, further, that in case without the written consent of the Lessor, the demised premises shall remain vacant or not used for a period of fifteen (15) days or be used by any other person than the Lessee or for any other purpose than that for which the same were let or in case the term or any of the goods and chattels of the Lessee shall be, at any time, seized in execution or attachment by any creditor of the Lessee or the Lessee shall make any assignment for the benefit of creditors or any bulk sale or become bankrupt or insolvent or take the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors, or any order shall be made for the winding up of the Lessee, then, in any such case, this Lease shall, at the option of the Lessor, cease and determine and the term shall immediately become forfeited and void and the then current month's rent and the next ensuing three (3) months' rent shall immediately become due and payable and the Lessor may re-enter and take possession of the demised premises as though the Lessee or other occupant or occupants of the demised premises was or were holding over after the expiration of the term without any right whatever.

6.10 DISTRESS FOR RENT

The Lessee covenants and agrees that all of its furniture, fixtures, partitions, installations, equipment and other movables on the demised premises or wherever situate shall be liable to distress and sale in the usual manner for any arrears of rent owing with respect to the demised premises and that none of the aforesaid goods and chattels upon the demised premises shall be exempt from distress, and for the purpose of making such distress the Lessor, by itself, its agents and bailiffs, may break open any door or window and enter upon the demised premises at any time after rental shall accrue due.

6.11 RIGHT OF RE-ENTRY

The Lessee further covenants and agrees that, on the Lessor becoming entitled to re-enter upon the demised premises under any of the provisions of this Lease, the Lessor, in addition to all other rights, shall have the right to enter the demised premises as the agent of the Lessee, either by force or otherwise, without being liable for any prosecution therefor and to re-let the demised premises as the agent of the Lessee, and to receive the rent therefor and, as the agent of the Lessee, to take possession of any furniture or other property on the demised premises and to sell the same at public or private sale without notice and to apply the proceeds of such sale and any rent derived from re-letting the demised premises upon account of the rent under this Lease, and the Lessee shall be liable to the Lessor for the deficiency, if any.

6.12 WAIVER

Failure of any party hereunder to insist upon strict performance of any of the covenants or conditions of this Lease or to exercise any right or option herein contained shall not be construed as a waiver or relinquishment of any such covenant, condition, right or option, but the same shall remain in full force and effect.

6.13 RECOVERY OF MONEYS DUE

All sums paid or expenses incurred by the Lessor, which ought to have been paid or incurred by the Lessee, or for which the Lessor hereunder is entitled to reimbursement from the Lessee, and any interest owing to the Lessor hereunder may be recovered by the Lessor as additional rent by any and all remedies available to it for the recovery of rent in arrears.

6.14 INTEREST

If the Lessee fails to pay when due any amounts payable by it hereunder, all unpaid amounts shall bear interest 'from the due date thereof at the rate of six (6%) percent per annum, payable monthly, until all unpaid monies have been paid in full.

6.15 FORCE MAJEURE

Save and except for the obligations of the Lessee as set forth in this Lease to pay rent, additional rent, increased rent and other moneys to the Lessor, if either party shall fail to meet its obligations hereunder within the time prescribed, and such failure shall be caused or materially contributed to by force majeure (and for the purpose of this agreement, force majeure shall mean any acts of God, strikes, lockouts, or other industrial disturbances, acts of the Queen's enemies, sabotage, war, blockades, storms, fires, washouts, nuclear and radiation activity or fallout, arrests, and restraints of rulers and people, civil disturbances, explosions, breakage of or accident to machinery, inability to obtain labour, materials, or equipment, any legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any act, omission or event whether of the kind herein enumerated or otherwise not within the control of such party, and which by the exercise of due diligence such party could not have prevented, but lack of funds on the part of such party shall be deemed not to be a force majeure), such failure shall be deemed not to be a breach of the obligations of such party hereunder but such party shall use reasonable diligence to put itself in a position to carry out its obligations hereunder.

6.16 REPRESENTATIONS AND AMENDMENTS

The Lessee hereby acknowledges that the demised premises are taken without representation of any kind on the part of the Lessor or its agents other than as set forth herein. It is understood and agreed that no representative or agent of the Lessor or Lessee is or shall be authorized or permitted to make any representation with reference thereto, or to vary or modify this agreement in any way, and that this Lease contains all the agreements and conditions made between the parties hereto, and that any addition to or alteration of or changes in this Lease, or other agreements hereafter made or condition created to be binding, must be made in writing and signed by both parties.

6.17 RESERVATION TO LESSOR

All shafts, stacks, pipes, conduits, ducts or other building facilities, the heating, electrical, plumbing, air-conditioning and other building systems, and the access thereto through the demised premises for the purpose of operation, maintenance and repair, are expressly reserved to the Lessor.

6.18 NOTICES

Any notice herein provided or permitted to be given by the Lessee *to* the Lessor shall be sufficiently given if sent by registered mail postage prepaid or by personal delivery, and addressed as follows:

a) to the Lessor at: Box 11704 Lloydminster, AB T9V 3C1

b) to the Lessee at: Box 683, Lloydminster, SK S9V 0Y7

6.24 INSPECTION AND EXHIBITION

The Lessor may, at any time and without liability *to* the Lessee, enter the demised premises *to* examine the same, or for any purpose which it may deem necessary for the operation or maintenance of the building or its equipment.

During the last six (6) months of the term of this Lease, the Lessee shall allow such person or persons as may be desirous of leasing the demised premises to visit the same provided reasonable notice is given to the Lessee.

6.25 ENUREMENT

This Lease and the terms and provisions thereof shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

6.26 ARBITRATION

In the event that any disagreement arises between the parties hereto with reference to this Lease or any matter arising hereunder and upon which the parties cannot within a reasonable period of time agree, then any such dispute shall be referred to arbitration in accordance with the provisions of the *Arbitration Act* or other similar legislation in force in the Province of Alberta from time to time.

6.27 COUNTERPART EXECUTION

This Lease may be executed in separate 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 Lease. This Lease shall be considered properly executed by any party if executed and transmitted by facsimile or other electronic means (including pdf format) to the other party or parties.

6.28 ACCEPTANGE

The Lessee hereby accepts this Lease of the demised premises to be held by it as tenant, and subject to the conditions, restrictions and covenants above set forth.

IN WITNESS WHEREOF the parties hereto have executed this agreement by their proper officers in that regard as of the date first above written.

R'OHAN RIG SERVICES LTD.	CDM OILFIELD SERVICES LTD.
Per	Per

or to such other address as might be designated in writing by the Lessor from time to time, and any notice herein provided or permitted to be given by the Lessor to the Lessee shall be sufficiently given if mailed, postage prepaid, addressed to the Lessee at the demised premises.

Notice given as aforesaid shall be conclusively deemed to have been given on the third business day following the day on which such notice is posted if mailed, and on the date of delivery if personally delivered, provided always however that in the event of disturbance in postal service, notice shall be given only by personal delivery. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice, and from and after giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notice hereunder. The word "notice" in this section shall be deemed to include any request, statement or other writing in this Lease provided or permitted to be given by one party to the other.

6.19 HEADINGS

The parties hereto agree that the headings herein form no part of this Lease and shall be deemed to have been inserted for convenience of reference only.

6.20 INTERPRETATION

The term "Lessor" and "Lessee" and the pronouns relating thereto, where used herein, shall, where the context makes it possible, include their respective heirs, executors, administrators, successors and permitted assigns, and shall include the feminine and plural and a body corporate where the context or the party or parties hereto so require and, where there is more than one Lessee, all covenants and obligations thereof shall be deemed joint and several.

6.21 GOVERNING LAW

This Lease shall be governed by the laws of the Province of Alberta. Should any provision of this Lease and/or of its conditions be illegal or not enforceable under the laws of the Province of Alberta, it or they shall be considered severable, and this Lease and its conditions shall remain in force and be binding upon the parties as though the provision or provisions had never been included.

6.22 OVERHOLDING

Upon the expiration or other termination of the term of this Lease, the Lessee shall quit and surrender the demised premises in good order and condition, ordinary wear and tear excepted, and shall remove all its property therefrom, except as otherwise provided in this Lease. The Lessee's obligation to observe and perform this covenant shall survive the expiration or other termination of this Lease. Any continued occupation by the Lessee of the demised premises after the expiration or other termination of this Lease shall not have the effect of extending the term of or renewing the Lease for any period of time, the whole notwithstanding any provisions of law and the Lessee shall be presumed to occupy the demised premises against the will of the Lessor who shall thereupon be entitled to make use of any and all remedies by law provided for the expulsion of the Lessee and for damages; PROVIDED; HOWEVER; that the Lessor shall have the right at its option in the event of such continued occupation by the Lessee to give to the Lessee at any time notice in writing that the Lessee may continue to occupy the demised premises under a tenancy from month to month and otherwise under the same terms and conditions as are herein set forth.

6.23 TIME OF ESSENCE

Time is of the essence of these presents.

SCHEDULE "A"

R'OHAN BUILDING C

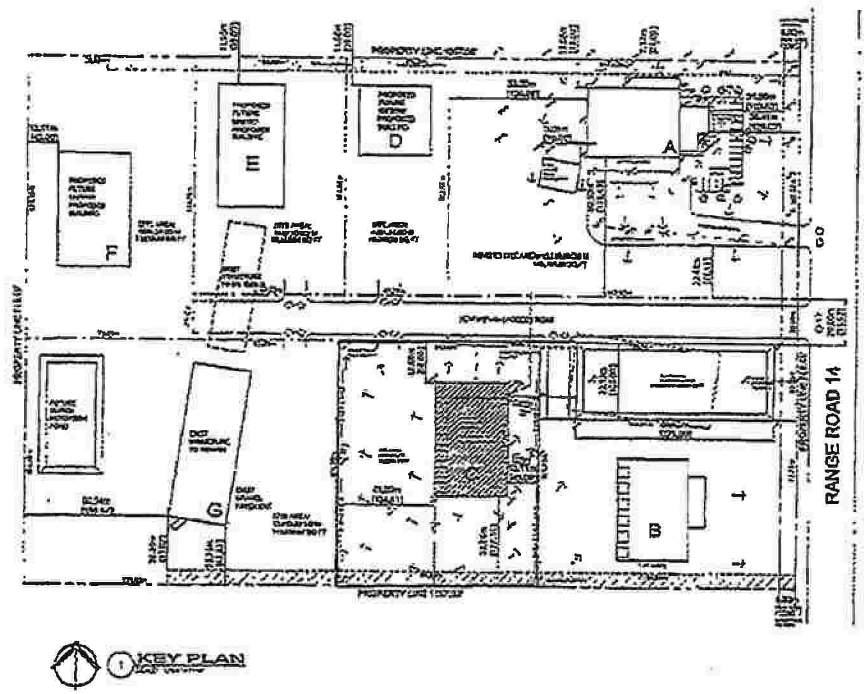
SHOP & OFFICE BUILDING
COUNTY OF VERMILION RIVER, ALBERTA

LEGAL DESCRIPTION:
LOT 1, BLOCK 1, PLAN 052 0762
[illegible], TWP 48, RGE 1, W4M, COUNTY OF VERMILION RIVER

DRAWING INDEX
- A000 COVER PAGE & KEY PLAN
- A001 SITE PLAN
- A100 FLOOR PLAN
- A200 ELEVATIONS
- A300 SECTIONS
- A600 SCHEDULES
- S100 FOUNDATION PLAN & DETAILS

MECHANICAL
- M-1 FOUNDATION PLAN - MECHANICAL
- M-2 MAIN FLOOR PLAN - PLUMBING
- M-3 MAIN FLOOR PLAN - HVAC
- M-4 2ND FLOOR PLAN - PLUMBING
- M-5 2ND FLOOR PLAN - HVAC
- M-6 LEGENDS AND MECHANICAL DETAILS
- M-7 MECHANICAL SPECIFICATIONS

ELECTRICAL
- E-001 SITE PLAN & DETAILS
- E-100 FLOOR PLAN & MEZZANINE PLAN - LIGHTING & DETAILS
- E-101 FLOOR PLAN & MEZZANINE PLAN - EMERGENCY, EXIT LIGHTING & DETAILS
- E-102 FLOOR PLAN & MEZZANINE PLAN - AUXILIARY & DETAILS
- E-103 FLOOR PLAN & MEZZANINE PLAN - MECHANICAL & DETAILS
- E-200 ELECTRICAL SPECIFICATIONS



1 KEY PLAN

ISSUED FOR REVIEW
OCT 20, 2016

CASTLEROCK CONSTRUCTION LTD

R'OHAN SHOP & OFFICE BUILDING C

KEY PLAN

A000

Lease Agreement made between:

R'ohan Rig Services Ltd.

and

R'ohan Well Services Ltd.

Industrial Lease

Definitions

1. In this Lease:

Additional Rent means the Tenant's share of the Operating Costs.

Building means the building located on the Land, containing approximately 12,880 square feet, in which the Premises is located.

Business Day means any day other than a Saturday, Sunday, or any other day on which banking institutions in Lloydminster, Saskatchewan and Alberta, are required or authorized by law to suspend operations.

Commencement Date means the date on which this Lease commences as set out in paragraph 10, as such may be varied under the terms of this Lease.

Default means any event or condition that, with the passage of time and the giving of notice, constitutes an event of default under Part 15.

Equipment means the furniture (including furniture not owned by the tenant), fixtures, and equipment located on or in the Building, if any, except for HVAC equipment.

Expiry Date means the date on which this Lease expires as described in paragraph 10, as such may be varied under this Lease.

GST means good and services taxes under the **Excise Tax Act** (Canada).

Governmental Authority means any court or any federal, provincial, local or municipal legislative body or governmental department, commission, board, bureau, agency or authority.

Hazardous Substance means all contaminants, pollutants, solid, liquid or other wastes, toxic, dangerous, harmful or hazardous substances or materials, flammables, explosives, radioactive materials, radon, asbestos, PCBs, urea formaldehyde foam insulation or any other substance or material that is or becomes prohibited, controlled or regulated by any Governmental Authority.

Land means the portion or parcel of real property legally described as Building #C Lot 1 Block 1 Plan 03207702 – Located in County of Vermilion River. SE32-49-1W4

Landlord means R'ohan Rig Services Ltd.

Lease means this lease agreement and all schedules attached to it.

Leasehold Improvements means all fixtures, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant, but excluding trade fixtures, furniture and equipment not in the nature of fixtures.

Minimum Rent means the Minimum Rent payable by the Tenant pursuant to paragraph 14 of this Lease.

Operating Costs means the following costs paid by the Landlord:

a) realty taxes,
b) insurance premiums for the insurance the Landlord must maintain under this Lease,
c) fees and costs incurred in operating and maintaining the Building(excluding structural or roof repairs or replacements), parking lot and common areas of the Land to the extent not paid directly by the Tenant,
d) costs of utilities provided to the Premises to the extent not directly paid by the Tenant, and
e) maintenance of the Tenant and customer parking areas including but not limited to regular snow removal to the standard reasonably expected of a Landlord in Alberta.

Premises means office and storage space consisting of approximately 16,140 square feet and all access rights and easements on other lands which service and provide access to the Land.

Realty Taxes means all real property taxes and other changes, including local improvement rates, levied, charged or assessed by any Governmental Authority against the Landlord on account of its ownership of the Premises or its interest in the Land, excluding any taxes assessed upon the Landlord's income.

Rent means the Minimum Rent and Additional Rent.

Replacement Cost means the amount required to rebuild or replace (including the costs of removing debris) the Building as if all of the Building had been destroyed.

Tenant means R'ohan Well Services Ltd.

Term means the period specified in paragraph 10 of this Lease and any renewal, extension, or over holding period.

Part 2 – General Provisions

Entire Agreement

2. This Lease is the entire agreement between the Landlord and the Tenant. The parties may amend this Lease by a subsequent written agreement executed by both parties.

Notices

3. Any notice given by one party to the other under this lease must be personally delivered, sent by prepaid registered mail, or faxed to the following addresses:

    To the Landlord

    R'ohan Rig Services Ltd.
    PO Box 11704
    Lloydminster, AB T9V 3C1

    To the Tenant

    R'ohan Well Services Ltd.
    PO Box 11558
    Lloydminster AB T9V 3B1

Or at such other address as the Landlord or the Tenant may designate by written notice to the other party.

Any notice under this Lease is given or made:

a) if personally delivered: on the day on which it is actually delivered to the party,

b) if mailed: on the 5th business day following the date on which it is mailed,

c) if faxed: on the day it is faxed if the sender retains a written record, produced by the sending facsimile device, of the document being faxed, the number to which it was faxed and that it was received at that number.

Headings

4. The paragraph headings and the names of the parts of this Lease are for convenience only and are not intended to limit the scope or intent of the paragraphs contained in this Lease.

Governing Law

5. This Lease is governed by, and must be interpreted under, the laws of the Province of Alberta.

No Waiver

6. If either the Landlord or the Tenant condone, excuse or overlook any default committed by the other party to the Lease, it does not:

   a) operate as a continuing waiver or as a waiver of any subsequent default, or

   b) defeat or otherwise affect the rights of the Landlord or the Tenant in relation to a continuing or subsequent default.

7. No waiver may be inferred or implied by anything done or not done by the Landlord or the Tenant. The only effective waiver under this Lease is a written waiver.

Relationship of Parties

8. Nothing contained in this Lease and nothing done by the Landlord or the Tenant creates any relationship between them other than that of Landlord and Tenant.

Part 3 – Term and Demise

Demise

9. The Landlord demises and leases to the Tenant, and the Tenant agrees to rent form the Landlord , the Premises.

Term

10. Subject to paragraphs 11 through 14, the Term commences on January 1 2023, and continues for a period of 5 years expiring on December 31, 2028

Option to Extend the Term

11. If the Tenant is not in default under this Lease, the Tenant may extend the Term for an additional term of 5 years on the same terms and conditions as contained in this Lease, except for the Minimum Rent. The parties agree that the Minimum Rent for the extended term must be the then fair market rent for unimproved space, inclusive of such Tenant inducements as free minimum rent periods, Landlord improvement allowances, and other incentives offered by Landlords in Lloydminster, Alberta, at that time. If the parties cannot agree about the Minimum Rent for the renewal period, the amount of the Minimum Rent must be determined by arbitration under the *The Arbitration Act* of Alberta.

12. In order to exercise its option to extend the Lease, the Tenant must give written notice to the Landlord no later than six months before the Term expires.

Overholding

13. If the Tenant continues to occupy the Premises, with or without the Landlord's consent, after the Term expires, and without any further written agreement between the parties, the Tenant will be a monthly Tenant at the then current Minimum Rent and on all of the other terms and conditions of this Lease except as to length of the tenancy.

Part 4 - Rent

Minimum Rent

14. Subject to paragraph 17, beginning on the Commencement Date and continuing throughout the Term, the Tenant must pay to the Landlord the annual Minimum Rent of $120,000.00 payable in equal monthly installments of Ten thousand dollars plus GST

Additional Rent

15. Except as otherwise provided in this Lease, it is the intention of the parties that this Lease is a net lease, without duplication of expenses. The Tenant must pay its proportionate share of 100%. The Tenant's share is based on the proportion of the Building which the square footage of the Premises bears to the square footage of the Building. The Tenant must pay the Additional Rent to the Landlord in equal monthly installments, in advance, on the same dates as it pays Minimum Rent.

16. The Additional Rent in each calendar year of this Lease will be based on the Landlord's estimate of the annual Operating Costs. If the Operating Costs exceed the Landlord's estimate in a calendar year, the Tenant must pay to the Landlord the difference between the Additional Rent it paid in the previous calendar year and is proportionate share of the actual Operating Costs for that year. If the Landlord's estimate exceeds the actual Operating Costs the Tenant may deduct its overpayment from its Additional Rent each month until the entire difference is deducted.

17. The Landlord must deliver to the Tenant within 120 days after the end of each fiscal year, a written statement setting out in reasonable detail the amount of Additional Rent for such fiscal year. A qualified accountant must prepare the Landlord's statement. The Tenant may, not more than once during each calendar year, have access to the Landlord's books of account and records relating to the Landlord's calculation of Additional Rent. The Tenant may, at its option and its expense, review or audit such statements.

Rent Past Due

18. If the Tenant fails to pay any rent when it is due and payable, such unpaid rent bears interest at the rate of 18 per cent per year, calculated from the date on which the rent is due until the date that it is paid.

Rent for Partial Periods

19. If the Term commences on any day other than the first day of the month, or ends on any day other than the last day of the month, rent for the fraction of the month at the commencement and at the expiry of the Term must be calculated on a pro rata basis and is payable on the first day of the partial month.

GST

20. In addition to the rent, the Tenant must pay to the Landlord all GST charged and payable on the Minimum Rent and Additional Rent.

Part 5 – Utilities and HVAC

Payment for Utilities

21. The Tenant must pay promptly, when due, all charges for the supply of utilities and similar services to the Premises. The Tenant must install, maintain and pay the costs of its communication systems (phones, faxes, postage & couriers included), cable or satellite television systems and internet connections and services.

No Overloading

22. The Tenant must not install or use any equipment on the Premises, which would exceed or overload the capacity of the utility facilities in the Premises or of the electrical wiring and service in the Premises. If any of the Tenant's equipment requires additional utility facilities, the Tenant must install those facilities at its expense and with the Landlord's prior written approval, which approval may not be unreasonably withheld, in accordance with plans and specifications that must be approved by the Landlord in advance and in writing.

No Liability

23. The Landlord is not liable for any injury or damages suffered by the Tenant, its employees, agents, or invitees or to the Premises, or to any personal property located in the Premises, arising from any interruption or failure in the supply of any utility or service to the Premises, unless caused by the negligence or willful misconduct of the Landlord

Part 6 – Use of Premises

Use of Premises

24. The Tenant must use the Premises for

Nuisance

25. The Tenant may not perform any acts or carry on any practices that may injure the Building or the Premises or that may be a nuisance to the Landlord, other Tenants of the building or to the public.

Access to Premises

26. The Tenant may have access to the Premises and its parking facilities 24 hours per day every day during the Term.

Part 7 – Maintenance, Repairs and Alterations of Premises

Landlord's Obligations after Occupancy

27. The Landlord is responsible for repairing any structural defects to the roof, foundations, subfloor and outer supporting walls of the Building, normal wear and tear and damage by insurable hazards excepted, and for replacing any of the major HVAC equipment as required.

Tenant's Obligations

28. During the Term, the Tenant is solely responsible for repairing and maintaining in good repair, all furniture not owned by the tenant, all equipment, fixtures and mechanical systems within the Premises or the connections of the Tenant's equipment, fixtures and systems to the systems provided by the Landlord. The Tenant agrees to perform such maintenance, to make such repairs and replacements, and to decorate at its own costs and expense as and when necessary.

29. During the Term, the Tenant must properly repair or make whole all damaged glass, plate glass, doors and windows in the Premises unless the Landlord or persons for whom the Landlord is in law responsible cause such damage. The Tenant must keep the Premises in a neat, clean and sanitary condition, and must not allow any refuse or garbage, or loose or waste material to accumulate in or about the Premises. If the Tenant fails to clean in accordance with this paragraph, the Landlord may perform the work and charge the costs of the work to the Tenant as Additional Rent payable upon demand.

30. During the Term, the Tenant must keep the sidewalk in front of the premises free of snow, ice and refuse.

Landlord's Approval

31. Before the Tenant may perform any repairs, replacements, maintenance, alterations, decorations or improvements that cost more than $5,000.00, the Tenant must first obtain the Landlord's written approval which the Landlord may not unreasonably withhold, and must, if required by the Landlord to do so, submit plans and specifications for the work. The Tenant must carry out any repairs, replacements, maintenance, alterations, decorations or improvements in a good and workman like manner.

Landlord May Perform

32. If the Tenant refuses or neglects to repair anything as it is required to do under this Lease and to the reasonable satisfaction of the Landlord and if the Landlord gives written notice to the Tenant, the Landlord may make such repairs without liability to the Tenant for any loss or damage that may accrue to the Tenant's fixtures, equipment, or other property. Upon the Landlord completing the work, the Tenant must pay the Landlord's actual reasonable costs in the circumstances for making such repairs, as Additional Rent payable upon demand.

Part 8 – Signs, Fixtures and Alterations

Interior and Exterior Signs

33. The Tenant may install and maintain, at its expense, signs on the interior or exterior of the Building and on any monument installed by the Landlord for the use of its Tenants. The Landlord must first approve the location and size of any exterior signs, which approval the Landlord may not unreasonably withhold. The design and installation of all interior and exterior signs are the Tenant's responsibility subject to any applicable building code or bylaw of any applicable governmental authority. At the expiry of the Lease, the Tenant must remove all of its signs at its own expense.

Alterations and Leasehold Improvements

34. At the end of the Term or upon the earlier termination of this Lease, the Tenant:

    a) may remove its fixtures, furniture and equipment, and
    b) must return the Premises to their original condition, normal wear and tear excepted.

35. The Tenant must pay to the Landlord its reasonable costs of repairing any damage to the Premises caused by removing the Tenant's leasehold improvements, signs, fixtures, furniture or equipment, and this obligation continues in force after the Term expires or this Lease is terminated.

Part 9 – Tenant Shall Discharge All Liens

36. The Tenant must promptly pay all of its contractors and material men and must do any and all things necessary so as to minimize the possibility of a Builders' Lien attaching to the land. If any such lien is registered against the title to the Land as a result of the Tenant's actions, the Tenant must discharge it, at its expense, within 10 days after receiving notice to do so from the Landlord and the Tenant must indemnify and save harmless the Landlord from any claims or costs arising from the lien.

Part 10 – Damage or Destruction

37. If the Premises is wholly or partially damaged or destroyed by an insurable hazard, the Landlord must, subject to paragraphs 44 and 45 and subject to the consent of the Landlord's mortgagee, repair or replace the Premises with reasonable diligence.

38. The Landlord is not required to repair or replace the Tenant's stock-in-trade, fixtures, furnishings, floor coverings or equipment.

39. If the casualty, repairing or rebuilding, renders the Premises un-Tenantable, in whole or in part, the Landlord must allow a proportionate abatement of the rent from the date when the damage occurs until the date the Landlord completes its work. The proportion of the abatement must be computed on the basis of the relation that the gross square foot floor area of the space rendered un-Tenantable bears to the rentable area of the Premises.

40. If the Premises is damaged or destroyed to the extent that, in the Landlord's reasonable opinion, it cannot be repaired and restored with reasonable diligence within 90 days after the date of the happening of such damage or destruction, the Landlord must give notice to the Tenant to that effect within 30 days after the date that the damage or destruction occurred. In such case, either party may terminate this Lease by giving to the other party written notice within 30 days following the date of the Landlord's determination that the Premises cannot be repaired. If the Lease is terminated under this paragraph, the rent must be adjusted as of the date of the occurrence of the damage or the date that the Tenant properly ceases to conduct its business from the Premises, whichever is later.

Notice by Tenant

41. The Tenant must give immediate notice to the Landlord in case of fire or accidents in the Premises, or defects in the Premises, or defects in any fixtures or equipment, whether or not the Landlord is responsible for maintaining or repairing them.

Notice of Repair and Reconstruction

42. When the Landlord notifies the Tenant in writing that the Landlord's work of reconstruction or repair is completed, the Tenant must commence all work required to fully restore the Premises with reasonable diligence and must complete its work and re-open for business within 60 days after receiving the Landlord's notice, with the Premises fully fixtured, stocked, and staffed. The certificate of the Landlord's architect binds the parties as to the state of Tenantability of the Premises and as to the date upon which the Landlord's work of reconstruction or repair is completed.

Part 11 – Insurance and Indemnity

Tenant's Insurance

43. During the Term the Tenant shall be allowed to self-insure all or part, and must keep in full force and effect the following:
    a) Comprehensive general liability insurance written on an occurrence basis with respect to the business carried on in, or from, the Premises, and the Tenant's use and occupancy of the Premises and of any other part of the land, with coverage for any one occurrence or claim of not less than $2,000,000.00 inclusive limits. Such insurance must include the Landlord as an additional insured and must protect the Landlord from any claims by the Tenant as if the Landlord were separately insured, and automobile liability (including non-owned automobiles) with limits not less than $1,000,000.00;

    b) all risks insurance upon its merchandise, stock-in-trade, furniture, fixtures and leasehold and Tenant's improvements for not less than the full replacement value of them, less the Tenant's deductible, and which insurance must include the Landlord as a Loss Payee as the Landlord's interests may appear;

    c) Tenant's legal liability (broad form) insurance for the full replacement cost of the Premises and loss of use of them, less the Tenant's deductible; and

    d) Insurance against destruction or damage caused by such perils as are usually covered in an all risk policy on all glass and store front and store facing materials within or upon the Premises.

44. All insurance to be maintained by the Tenant must be on terms and with insurers licensed to do business in Alberta. Each policy must contain the standard Loss Payee clause of any secured creditor of the Landlord, to which the insurer might otherwise be entitled against the Landlord or the agents or employees of the Landlord and must also contain an undertaking by the insurer that no material change adverse to the Landlord or the Tenant will be made and the policy will not lapse or be cancelled, except after endeavoring to provide not less than 30 days written notice to the Landlord of the intended change, lapse or cancellation. The Tenant must give the Landlord, if and whenever requested by the Landlord, certificates or other evidence reasonably acceptable to the Landlord as to the insurance from time to time effected by the Tenant and of its being in force, together with evidence as to the method of determining full replacement costs of the Tenant's leasehold improvements, trade fixtures, furniture and equipment.

45. If the Tenant fails to take out, renew or keep in force such insurance or if Tenant fails to give the Landlord evidence of such insurance within a reasonable period after the Landlord's request for it, then the Landlord may give to the Tenant written notice requiring compliance with this paragraph and specifying the nature of the Tenant's default. If, after receiving the Landlord's notice, the Tenant does not within 10 days provide appropriate evidence of compliance, the Landlord may obtain some or all of the additional coverage or other insurance which the Tenant failed to obtain, without prejudice to any other rights of the Landlord under this Lease or otherwise, and the Tenant must pay the Landlord on demand, all premiums and other reasonable expense incurred by the Landlord.

Limitations of Liability

46. The Tenant agrees that the Landlord is not liable for any bodily injury or death to anyone on the Premises, or loss or damage to property belonging to the Tenant, or to anyone employed by or claiming through the Tenant, resulting from anything that occurs on or about the Premises unless resulting from the actual willful misconduct or negligence of the Landlord or anyone for whom it is legally responsible. The Landlord is not liable for any damage caused by steam, water, rain, or snow or other things that may leak into, issue or flow from any part of the Building, or from the pipes or plumbing works, including the sprinkler system (if any) in the Premises or from any other place or any damage caused by or attributable to the condition or arrangement of any electrical or other wiring or sprinklers heads, unless resulting from the actual willful misconduct or negligence of the landlord or anyone for whom it is legally responsible, or for any damage caused by any other Tenant of the Landlord. All Property stored on the Premises is kept and stored at the Tenant's risk only.

47. The Landlord agrees that the Tenant is not liable for any loss or damage to the property belonging to the Landlord, or for any bodily injury or death to anyone employed by or claiming through the Landlord, resulting from anything that occurs on or about the Premises unless resulting from actual willful misconduct or negligence of the Tenant or anyone for whom it is legally responsible.

48. Notwithstanding anything to the contrary contained in this Lease, nothing in this Lease shall impose any obligations on Tenant or Landlord to be responsible or liable for, and each hereby releases the other from all liability for, consequential damages in any way related to this Lease.

Release to Extent of Insurance Proceeds

49. The Landlord and the Tenant release each other and those for whom each is in law responsible with respect to any loss, injury, damage or claim to the extent that proceeds are payable under any policy of insurance carried by the Landlord or the Tenant, whether or not such loss, injury, damage or claim arises from the negligence of the Landlord or the Tenant, or those for whom either is in law responsible, subject to the reasonable review and concurrence of the Landlord's insurer.

Indemnity of Landlord

50. Subject to paragraph 62, the Tenant agrees to indemnify and save harmless the Landlord from all claims for bodily injury or death, property damage or other loss or damage arising from the conduct of any work or any act or omission of the Tenant or of any one for whom the Tenant is in law responsible, in respect of all costs, expenses and liabilities incurred by the Landlord in connection with or arising out of all such claims, including the expense of any action or proceedings pertaining to them, and any loss, cost (including, without limitation, legal fees and disbursements), expense, or damages suffered by the Landlord arising from any breach by the Tenant of any of its covenants and obligations under the Lease. Landlord agrees to indemnify and save harmless the Tenant from all claims for bodily injury or death, property damage or other loss or damage arising from the conduct of any work or any act or omission of the Landlord or of anyone for whom the Landlord is in law responsible, in respect of all costs, expenses and liabilities incurred by the Tenant in connection with or arising out of all such claims, including the expense of any action or proceedings pertaining to them, and any loss, cost (including, without limitation, legal fees and disbursements), expense, or damages suffered by the Tenant arising from any breach by the Landlord of any of its covenants and obligations under the Lease.

Part 12 – Assignment and Subletting

Assignment or Subletting by the Tenant

51. If the Tenant wishes to sublet the Premises, or any portion of it, or wishes to assign any part of the remaining Term, to anyone other than an affiliated corporation or subsidiary corporation, the Tenant must obtain the Landlord's prior written consent, which consent the Landlord may not unreasonably or arbitrarily withhold or delay. Without the Landlord's consent, the Tenant may sublet the Premises or assign the remainder of the Term to an affiliated or subsidiary corporation or by way of merger or acquisition.

52. If the Tenant sublets any portion of the Premises or assigns the Lease, the Tenant remains fully liable under this Lease and is not released from performing any of the terms, covenants and conditions contained in it.

53. The Landlord's consent to any assignment or sublease does not constitute a wavier of the necessity of obtaining such consent to any subsequent assignment or sublease.

Assignment by the Landlord

54. The Landlord may sell or assign this Lease, or its interest under this Lease, and upon such sale or assignment the Landlord is relieved of all of its liabilities under this Lease.

Part 13 – Waste, Environment, Governmental Regulation

Waste or Nuisance

55. The Tenant must not commit or suffer to be committed any waste upon the Premises or any nuisance or other thing which may disturb the quiet enjoyment of any other Tenant leasing other premises located on the land. The Landlord must make all reasonable efforts to ensure that it does not lease any premises on the land to a Tenant that will cause, or permit other Tenants to cause, any nuisance or offensive noise that will materially affect the Tenant's quiet possession of the Premises.

Governmental Regulations

56. The Tenant must, at its sole cost and expense, comply with all of the requirements of any governmental entity pertaining to the Premises, and must faithfully observe in the use of the Premises all applicable laws and regulations applying to the Premises and the use of them.

Environmental

57. The Landlord warrants that is not aware of any environmental defects affecting the Premises. The Landlord must indemnify the Tenant from any environmental problems affecting the Premises that exist on the Commencement Date. Upon the Tenant's request the Landlord must give the Tenant copies of any available environmental audits or reports.

58. If any of the Tenant's activities on the Premises result in an environmental hazard, spill or contamination, the Tenant must immediately notify the Landlord and clean up such spill or contamination. The Tenant is responsible only for that portion of a release, spill or discharge of toxic or hazardous substances, materials, gases, waste or contamination caused by the Tenant or by persons the Tenant expressly or impliedly invited onto the Premises. Under no circumstances is the Tenant liable for any toxic or hazardous substances, materials, gases, waste or contamination released, spilled, discharged, or located in, on, under or about the Premises before or after its occupancy, or discharged, released or spilled by any other Tenant in the Building.

Part 14 – Landlord's Covenants

Landlord's Covenants

59. If the Tenant pays the rent as required under this Lease and observes and performs all of its other obligations under this Lease, the Landlord covenants that:

a) the Tenant is entitled to occupy and enjoy the Premises free from any disturbance by the Landlord or from any existing or future secured creditor of the Landlord, and the Landlord must use its best efforts to obtain and execute a non-disturbance agreement if required by the Tenant,

b) it will pay all realty taxes and all other taxes, if any, from time to time payable by the Landlord and levied or assessed against the Building, the Premises, or the Land,

c) it will insure the Building to its full insurable value as a Landlord acting reasonably would do in similar circumstances,

d) it will operate, maintain and repair all common areas of the Building and repair the parking lot serving the Building, in a reasonable and proper manner, and

e) install the utility facilities required to deliver all utilities to the Building, and to pay in the first instance for all utilities for the common areas and any utilities that are not separately metered to the Premises.

60. If the Landlord fails to perform any of its obligations contained in this paragraph, the Tenant may make the required payments and set off those payments against the Rent.

Part 15 – Default of Tenant

Right to Re-Enter

61. The Landlord may re-enter the Premises and remove all persons and property from the Premises in the following circumstances:

f) part or all of the Rent or other sum payable by the Tenant is not paid when due and such default continues for a period of seven days after written notice of the default is given by the Landlord to the Tenant,

g) the Tenant fails to comply with any other of its covenants under this Lease and, after the Landlord has given written notice to the Tenant stating the default with reasonably sufficient particulars and requiring it to be remedied, the Tenant has not remedied the default within 30 days after receiving such notice, or such longer period as may be reasonably necessary in view of the nature of the default,

h) the Tenant falsifies any report required to be furnished to the Landlord under this Lease,

i) the Tenant becomes bankrupt or insolvent, files any proposal to creditors, if a receiver is appointed of all or a portion of the Tenant's property,

j) the Tenant makes a sale in bulk without the Landlord's prior written consent, which consent the Landlord may not unreasonable withhold or delay, or

k) the Tenant abandons the Premises or if re-entry is permitted under any other provision of this Lease.

62. The Landlord's right of re-entry under this Part is in addition to any of its other rights or remedies in the circumstances.

63. If the Landlord re-enters the Premises and removes any property from the Premises, it may hold the property for the account of the Tenant or it may sell the property for the account of the Tenant without giving notice to the Tenant.

64. If the Landlord re-enters the Premises under this Part, it is not guilty of trespass nor is it liable for any loss or damage caused the re-entry.

Surrender

65. If the Landlord is entitled to or does re-enter the Premises, the Landlord will terminate this Lease by given written notice of termination to the Tenant. If the Landlord terminates the Lease the Tenant must immediately vacate and surrender the Premises to the Landlord.

Damages

66. If the Tenant defaults under any of its obligations under this Lease and fails to cure the default before the applicable notice period expires, the Landlord may recover from the Tenant all damages it incurs or suffers by reason of such breach, including the cost of recovering the Premises, its legal fees and costs on a solicitor and own client basis, and the value at the time of such termination of the excess, if any, of the amount of rent reserved in this Lease for the remainder of the Term and the then reasonable rental value of the Premises for the remainder of the Term. All of the amounts referred to in this paragraph are immediately due and payable by the Tenant to the Landlord.

Distress

67. If the Tenant defaults in payment of any money payable to the Landlord under this Lease after the applicable notice period, the Landlord may, without notice or any form of legal process whatsoever, enter upon the Premises and seize, remove and sell the Tenant's personal property located in the Premises. Such sale may be judicial or other formal process or by private sale.

Signatures

68. The authorized officers or signatories of the Landlord and of the Tenant signed this Lease on behalf of the respective parties on the following dates:

Signed by the Landlord on ________________________________, 2017

R'ohan Rig Services Ltd.
Per:

____
Graham Holmedal

Signed by the Tenant on ________________________________, 2017

R'ohan Well Services Ltd.

Per:

____
Cory Cross

AMENDMENT TO LEASE AGREEMENT

THIS AGREEMENT made this 18th day of December, 2021

BETWEEN:

R'OHAN RIG SERVICES LTD.

and

TIER 1 ENERGY SOLUTIONS INC.

A. PREAMBLE:

WHEREAS the Landlord and Tenant entered into a Lease Agreement dated May 1, 2015 and an amended agreement dated December 4, 2019 (hereinafter referred to as the "Agreement");

AND WHEREAS the parties wish to enter into this Agreement to make certain amendments to the Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES That in consideration of the mutual covenants and conditions herein contained, the parties hereto agree as follows:

B. AMENDMENTS:

1. Amendment to the Term and Renewal

The term of the Lease is for an additional three (3) years commencing on January 1, 2022 (amended commencement date) until December 31, 2024. The tenant shall continue to have an option to renew the lease for an additional three (3) years subject to the same conditions as outlined in the original lease agreement.

2. Amendment to Rent:

a) From the 1st day of January 2022 to and including the 31st day of December 2022, a rate of $9.50 per square foot which equals One hundred and thirty-three thousand Dollars ($133,000) per year payable in equal monthly installments of Eleven thousand eighty-three Dollars and thirty three cents ($11,083.33) plus GST per month in advance on the first day of each month.

b) From the 1st day of January 2023 to and including the 31st day of December 2024, a rate of $10.00 per square foot which equals One hundred and forty thousand Dollars ($140,000) per year payable in equal monthly installments of Eleven thousand, six hundred and sixty-six dollars and sixty-six cents ($11,666.66) plus GST per month in advance on the first day of each month.

c) Natural gas shall be included in the rent for the period of the renewal

C. General:

1. This Amendment shall be read and construed together with the Agreement and the Agreement shall be treated as being hereby amended; provided that in the event of any conflict or inconsistency between the provisions of this Amendment the provisions of this Amendment shall govern and supersede.
2. Except as hereby amended, all other terms and conditions contained in the Agreement shall remain the full force and effect.

The authorized officers or signatories of the Landlord and of the Tenant signed this Amendment to Lease on behalf of the respective parties on the following dates:

Signed by the Landlord on Dec 31, 2021

R'ohan Rig Services Ltd.

Per: ______________________

I have the authority to bind the Company

Signed by the Tenant on ______________________, 2021

Tier 1 Energy Solutions Inc.

Per: ______________________

I have authority to bind the Company

Schedule 3.1(w) - Leases of Personal Property

An Equipment Rental Agreement dated March 6, 2023 between Capital Rig Repair Ltd. and R'Ohan Rig Services Ltd. in respect of a 2012 Peterbilt Pump Truck.

CAPITAL RIG REPAIR

THIS EQUIPMENT RENTAL AGREEMENT (this "Agreement") dated this 6 **day of** March, 2023

BETWEEN:

Capital Rig Repair Ltd. of 2204 - 84 Avenue NW Edmonton, AB, T6P 1K2
(the "Lessor")

OF THE FIRST PART

- AND -

R'ohan Rig Services Ltd. of Box 11704, Lloydminster, AB, T9V 3C1

(the "Lessee")

OF THE SECOND PART

(the Lessor and Lessee are collectively the "Parties")

IN CONSIDERATION OF the mutual covenants and promises in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Lessor leases the Equipment to the Lessee, and the Lessee leases the Equipment from the Lessor on the following terms:

1. **Definitions**

The following definitions are used but not otherwise defined in this Agreement:

a. "Casualty Value" means the market value of the Equipment at the end of the Term or when in relation to a Total Loss, the market value the Equipment would have had at the end of the Term but for the Total Loss. The Casualty Value may be less than but will not be more than the original purchase price of the Equipment.

b. "Equipment" means 2012 Peterbilt Pump Truck –VIN# 1NPSX7EX0CD142244 which has an approximate value of $200,000.00.

c. "Total Loss" means any loss or damage that is not repairable or that would cost more to repair than the market value of the Equipment.

2. **Lease**

The Lessor agrees to lease the Equipment to the Lessee, and the Lessee agrees to lease the Equipment from the Lessor in accordance with the terms set out in this Agreement.

3. **Term**

The Agreement commences on March 02, 2023, and will continue on a month-to-month basis for a Twenty-month Term or until the Lessor or the Lessee terminates the Agreement (the "Term"). The Agreement may be terminated by either the Lessor or the Lessee providing 30 days of written notice written notice to the other.

4. **Rent**

The rent will be paid in instalments of $10,000.00 each month which covers the Base Rent beginning on March 15, 2023, and will be paid on the 15th Day of each month throughout the Term (the "Rent").

5. **Additional Clause**

The Lessee has the option to purchase the Equipment before the Tenth month of the Term in the amount of $165,000.00. The Lessor agrees to credit the Lessee 90% of the monthly installments already paid (the "Rent") toward the purchase price of $165,000.00.

6. **Delivery of Equipment**

The Lessee will, at the Lessee's own expense and risk, pick up and transport the Equipment from 2204 - 84 Avenue NW, Edmonton, AB T6P 1K2.

7. **Use of Equipment**

The Lessee will use the Equipment in a good and careful manner and will comply with all the manufacturer's requirements and recommendations respecting the Equipment and

CAPITAL RIG REPAIR

with any applicable law, whether municipal, provincial/territorial or federal respecting the use of the Equipment, including, but not limited to, environmental and copyright law.

The Lessee will use the Equipment for the purpose for which it was designed and not for any other purpose.

Unless the Lessee obtains the prior written consent of the Lessor, the Lessee will not alter, modify, or attach anything to the Equipment unless the alteration, modification or attachment is easily removable without damaging the functional capabilities or economic value of the Equipment.

The Lessee will, at the Lessee's own expense, keep the Equipment in good repair, appearance and condition, normal and reasonable wear and tear expected. The Lessee will supply all parts that are necessary to keep the Equipment in such a state.

If the Equipment is not in good repair, appearance, and condition when it is returned to the Lessor, the Lessor may make such repairs or may cause such repairs to be made as are necessary to put the Equipment in a state of good repair, appearance and condition, normal and reasonable wear and tear expected. The Lessor will make the said repairs within a reasonable time of taking possession of the Equipment and will give the Lessee written notice of and invoices for the said repairs. Then the Lessee will reimburse the Lessor for the actual expense of said repairs.

8. **Warranties**

The Equipment will be in good working order and good condition upon delivery.

The Equipment is of merchantable quality and is fit for the purposes it is ordinarily designed for Oil Well Servicing.

CAPITAL RIG REPAIR

9. **Loss and Damage**

To the extent permitted by law, the Lessee will be responsible for risk of loss, theft, damage, or destruction to the Equipment from any and every cause.

If the Equipment is lost or damaged, the Lessee will continue paying Rent, will provide the Lessor with prompt written notice of such loss or damage and will, if the Equipment is repairable, put or cause the Equipment to be put in a state of good repair, appearance, and condition.

In the event of Total Loss of the Equipment, the Lessee will provide the Lessor with prompt written notice of such loss and will pay to the Lessor all unpaid Rent for the Term plus the Casualty Value of the Equipment, at which point ownership of the Equipment passes to the Lessee.

9. **Ownership, Right to Lease**

The Equipment is the property of the Lessor and will remain the property of the Lessor.

The Lessee will not encumber the Equipment or allow the Equipment to be encumbered or pledge the Equipment as security in any manner.

The Lessor warrants that the Lessor has the right to lease the Equipment according to the terms in this Agreement.

The Lessor warrants that as long as no Event of Default has occurred, the Lessor will not disturb the Lessee's quiet and peaceful possession of the Equipment or the Lessee's unrestricted use of the Equipment for the purpose for which the Equipment was designed.

10. **Surrender**

At the end of the Term or upon earlier termination of this Agreement, the Lessee will return the Equipment at the Lessee's cost, expense, and risk to the Lessor by delivering the Equipment to 2204 - 84 Avenue NW, Edmonton, AB T6P 1K2. If the Lessee fails to return the Equipment to the Lessor at the end of the Term or any earlier termination of this Agreement, the Lessee will pay to the Lessor any unpaid Rent for the Term plus the Casualty Value of the Equipment plus 10% of the Casualty Value, at which point ownership of the Equipment will pass to the Lessee.

11. **Insurance**

The Lessee will, during the whole of the Term and for as long as the Lessee has possession of the Equipment, take out, maintain, and pay for insurance against loss of and damage to the Equipment for the full replacement value of the Equipment and will name the Lessor as the loss payee.

The Lessee will, during the whole of the Term and for as long as the Lessee has possession of the Equipment, take out, maintain, and pay for comprehensive general liability insurance against claims for bodily injury, including death, and property damage or loss arising out of the use of the Equipment. The insurance policy will have limits of at least $2,000,000.00.

The insurance will be in the joint name of the Lessor and the Lessee so that both the Lessor and the Lessee will be protected from liability and will provide primary and non-contributing coverage for the Lessor. The insurance policy will have a provision that it will not be modified or cancelled unless the insurer provides the Lessor with thirty (30) days written notice stating when such modification or cancellation will be effective.

The Lessee will provide the Lessor with an original policy or certificate evidencing such insurance.

The Lessee appoints the Lessor as the Lessee's attorney-in-fact ("Attorney") with the power to maintain the above insurance and to secure payments arising out of any insurance policy required by this Agreement. The Attorney has the power to do all acts that are necessary or desirable to secure such payments.

If the Lessee fails to maintain and pay for such insurance, the Lessor may, but is not obligated to, obtain such insurance, but if the Lessor does obtain such insurance, the Lessee will pay to the Lessor the cost of such insurance upon notification from the Lessor of the amount.

12. **Taxes**

The Lessee will report and pay all taxes, fees and charges associated with the Equipment, with the use of the Equipment, and with revenues and profits arising out of the use of the Equipment, including, but not limited to, sales taxes, property taxes, and license and registration fees. The Lessee will pay any and all penalties and interest for failure to pay any tax, fee or charge on or before the date on which the payment is due. The Lessee will pay any and all penalties and interest for failure to report required information to any taxing authority with jurisdiction over the Lessee or the Equipment. If the Lessee fails to do any of the foregoing, the Lessor may, but is not obligated to, do so at the Lessee's expense.

Notwithstanding any other provision of this Agreement, the Lessee will not be required to pay any tax, fee, or charge if the Lessee is contesting the validity of same in the manner prescribed by the legislation governing the imposition of same, or in the absence of a prescribed form, in a reasonable manner. However, the Lessee will indemnify and reimburse the Lessor for damages and expenses incurred by the Lessor arising from or related to the Lessee's failure to pay any tax, fee, or charge, regardless of whether the Lessee is contesting the validity of the same or not.

If the Lessee fails to pay all taxes, fees, and charges mentioned in this Agreement and the Lessor, on behalf of the Lessee, pays the same, the Lessee will reimburse the Lessor for the cost upon notification from the Lessor of the amount.

CAPITAL RIG REPAIR

13. **Indemnity**

The Lessee will indemnify and hold harmless the Lessor against all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including attorney's fees and costs, arising out of or related to the Lessee's use of the Equipment.

14. **Default**

The occurrence of any one or more of the following events will constitute an event of default ("Event of Default") under this Agreement:

a. The Lessee fails to pay any amount provided for in this Agreement when such amount is due or otherwise breaches the Lessee's obligations under this Agreement.

b. The Lessee becomes insolvent or makes an assignment of rights or property for the benefit of creditors or files for or has bankruptcy proceedings instituted against it under the Federal bankruptcy law of Canada or another competent jurisdiction.

c. A writ of attachment or execution is levied on the Equipment and is not released or satisfied within 10 days.

15. **Remedies**

On the occurrence of an Event of Default, the Lessor will be entitled to pursue any one or more of the following remedies (the "Remedies"):

a. Declare the entire amount of the Rent for the Term immediately due and payable without notice or demand to the Lessee.

b. Apply the Deposit toward any amount owing to the Lessor.

c. Commence legal proceedings to recover the Rent and other obligations accrued before and after the Event of Default.

d. Take possession of the Equipment, without demand or notice, wherever same may be located, without any court order or other process of law. The Lessee waives any and all damage occasioned by such taking of possession.

e. Terminate this Agreement immediately upon written notice to the Lessee.

f. Pursue any other remedy available in law or equity.

16. **Assignment**

THE LESSEE WILL NOT ASSIGN THIS AGREEMENT, THE LESSEE'S INTEREST IN THIS AGREEMENT OR THE LESSEE'S INTEREST IN THE EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSOR.

If the Lessee assigns this Agreement, the Lessee's interest in this Agreement or the Lessee's interest in the Equipment without the prior written consent of the Lessor, the Lessor will have recourse to the Remedies and will be entitled to all damages caused by the assignment.

THE LESSOR WILL NOT ASSIGN THIS AGREEMENT, THE LESSOR'S INTEREST IN THIS AGREEMENT OR THE LESSOR'S INTEREST IN THE EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSEE. THE LESSOR WILL NOT ASSIGN OR TRANSFER THE LESSOR'S RIGHT TO COLLECT RENT OR ANY OTHER FINANCIAL OBLIGATION OF THE LESSEE.

If the Lessor assigns this Agreement, the Lessor's interest in this Agreement or the Lessor's interest in the Equipment without the prior written consent of the Lessee, the Lessee will be entitled to terminate this Agreement without penalty.

17. **Entire Agreement**

This Agreement will constitute the entire agreement between the Parties. Any prior understanding or representation of any kind preceding the date of this Agreement will not be binding on either Party except to the extent incorporated in this Agreement.

18. **Address for Notice**

Service of all notices under this Agreement will be delivered personally or sent by registered mail or courier to the following addresses:

Lessor: Capital Rig Repair Ltd., 2204 - 84 Avenue NW Edmonton, AB T6P 1K2

Lessee: R'ohan Rig Services Ltd. of Box 11704, Lloydminster, AB, T9V 3C1

19. **Payment**

All dollar amounts in this agreement refer to Canadian dollars, and all payments required to be paid under this Agreement will be paid in Canadian dollars unless the Parties agree otherwise.

20. **Interpretation**

Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

21. **Governing Law**

It is the intention of the Parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the Province of Alberta without regard to the jurisdiction in which any action or special proceeding may be instituted.

CAPITAL RIG REPAIR

22. **Severability**

If there is a conflict between any provision of this Agreement and the applicable legislation of the Province of Alberta (the "Act"), the Act will prevail, and such provisions of the Agreement will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Agreement.

In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions will nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement and the remaining provisions had been executed by both Parties subsequent to the expungement of the invalid provision.

23. **General Terms**

This Agreement may be executed in counterparts. Facsimile signatures are binding and are considered to be original signatures.

Time is of the essence in this Agreement.

This Agreement will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors, and assigns, as the case may be, of each Party to this Agreement.

Neither Party will be liable in damages or have the right to terminate this Agreement for any delay or default in performance if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions, wars, insurrections, natural disasters, such as earthquakes, hurricanes or floods and/or any other cause beyond the reasonable control of the Party whose performance is affected.

CAPITAL RIG REPAIR

24. **Notice to Lessee**

NOTICE TO THE LESSEE: This is a lease. You are not buying the Equipment. Do not sign this Agreement before you read it. You are entitled to a completed copy of this Agreement when you sign it.

IN WITNESS WHEREOF Capital Rig Repair Ltd. and R'ohan Rig Services Ltd. have executed this Lease Agreement on this 6 day of March, 2023

____
(Witness)

Capital Rig Repair Ltd.

Per: _______________ (c/s)

____
(Witness)

R'ohan Rig Services Ltd.

Per: _______________ (c/s)

Schedule 3.1(z) – Customers

The 5 largest 5 customers of the R'Ohan group of companies are:

1. Canadian Natural Resources Ltd.
2. Meg Energy Corp.
3. Cenovus Energy Inc.
4. Husky Oil Operations Limited.
5. Fort hills Energy LP

All other customers are not material.

Schedule 3.1(aa) – Guarantees

SHORT-TERM BORROWINGS

The Corporation 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 Corporation's majority shareholders and from the Corporation's subsidiaries: R'ohan Rig Services Ltd. and R'Ohan Well & Rig Services (2009) Ltd. The Corporation has certain financial covenants with respect to their borrowings.

LONG-TERM DEBT

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 Corporation's subsidiaries R'Ohan Rig Services Ltd. and R'Ohan Well & Rig Services (2009) Ltd.

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.

GUARANTEES

i) The Corporation 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 Corporation 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 Corporation 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 Corporation 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.

LIST OF CONTRACTS WITH GUARANTEES:

1. Installment Payment Contract between BMO and R'ohan Rig Services Ltd. and R'Ohan Well Services Ltd. dated January 5, 2023.

2. Letter Agreement Amendment between BMO and R'ohan Rig Services Ltd. dated June 2, 2021.

3. Commitment Letter between BMO and R'ohan Rig Services Ltd. dated August 27, 2018.

4. Discussion Paper between BMO (as the Bank), R'ohan Rig Services Ltd. (as Borrower), Marjorie Carr and Cory Cross (as Personal Guarantors) and JW Carr Holdings Ltd., C. S. Cross Holdings Ltd., R'Ohan Well Services Ltd. Well Employee Co Ltd. and Real Estate Holdco Ltd. (as Corporate Guarantors) dated November 9, 2022 dated November 9, 2022.

5. Discussion Paper between BMO (as the Bank), R'ohan Well Services Ltd. (as Borrower), Marjorie Carr and Cory Cross (as Personal Guarantors) and JW Carr Holdings Ltd., C. S. Cross Holdings Ltd., R'Ohan Rig Services Ltd. Well Employee Co Ltd. and Real Estate Holdco Ltd. (as Corporate Guarantors) dated November 9, 2022 dated November 9, 2022.

6. Loan and Security Agreement between R'Ohan Rig Services Ltd. and LBC Capital Inc. dated June 24, 2022October 29, 2019.

7. Loan and Security Agreement between R'Ohan Rig Services Ltd., R'Ohan Well & Rig Services Ltd. and R'Ohan Well Services Ltd. and Mitsubishi HC Capital Canada Leasing Inc. dated June 24, 2022

Schedule 3.1(dd) – Environmental Liabilities

None.

This is Exhibit "B" 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

R'ohan Well Services Ltd.

Calculation Valuation Report of Fair Market Value of Equity

As at February 28, 2023

Private and Confidential

Sequeira Partners
Suite 2701, 10104 – 103 Avenue, Edmonton AB, T5J 0H8
T: 780-633-5200
www.sequeirapartners.com

J.W. Carr Holdings Ltd.

#2400, 10303 Jasper Avenue
Edmonton, AB T5J 3N6

Attention: Marj Carr

April 25, 2023

Dear Ms. Carr:

Pursuant to the engagement letter dated April 14, 2023 Sequeira Partners ("we" or "us") has been engaged by J.W. Carr Holdings Ltd. ("JW Carr", "Client", or "you") to provide a Calculation Valuation Report (the "Report") with respect to the fair market value of the total equity of R'ohan Well Services Ltd., including its investment in subsidiaries R'ohan Rig Services Ltd. and R'ohan Well & Rig Services (2009) Ltd., as at February 28, 2023. Furthermore, we have been requested to conclude on the fair market value allocated to each shareholder of R'ohan Well Services Ltd. as at February 28, 2023.

JW Carr is pursuing a sale of its interest in Rohan Well, including its subsidiaries, Rohan Rig and Rohan Well & Rig. We understand that the Report is being used by JW Carr for transaction planning purposes. In addition, we understand that JW Carr may be entering proceedings pursuant to the Companies' Creditors Arrangement Act ("CCAA") and the Valuation Report may be used to support the CCAA process.

The Report has been prepared solely for your use for the foregoing purpose and should not be used for any other purpose or be provided to any third parties, without our prior written consent. We understand a copy of the Report may be provide to your financial and legal advisors, as required.

The scope of our work and restrictions and qualifications are set out in Appendices A and B, respectively and are an integral part of the Report.

This Report has been prepared by Kira Gregson, CA, CBV. Should you have any questions regarding the Report, or if we may be of further assistance, please contact us.

Yours very truly,

Kira Gregson, CA, CBV
Partner

Enclosure (Schedules)

Contents

Glossary

$	Canadian dollars (unless otherwise indicated)
CAPM	Capital asset pricing model
Capex	Capital expenditures
CCF	Capitalized cash flow methodology
Century Appraisal	Oilfield equipment appraisal report as of May 20, 2022 prepared by Century Services Corp., dated June 3, 2022
Client	J.W. Carr Holdings Ltd.
CS Cross	C.S. Cross Holdings Ltd.
DCF	Discounted cash flow methodology
Drumheller Property	Property owned by Rohan Rig in Drumheller, Alberta, not used for operations
EBITDA	Earnings before interest, taxes, depreciation, and amortization
Enterprise Value, or EV	The total value of a business including both its interest-bearing debt and equity component.
ERP	Equity Risk Premium
FMV	The highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.
FY	Fiscal year ended September 30
JW Carr	J.W. Carr Holdings Ltd.
Lloydminster Property	Refers collectively to 18.3 acres of property owned by Rohan Rig, located in County of Vermilion River, Alberta (Plan 0320702)
Management	Management of Rohan Rig, Rohan Well, and Rohan Rig &
PPE	Property, plant and equipment
Report	The Calculation Valuation Report, as defined by the CBV Institute Standard No. 110., dated April 25, 2023, setting out the Fair Market Value of the total consolidated equity of Rohan Well as at February 28, 2023.
Rohan Group	Refers to the consolidated operations of Rohan Well, Rohan Rig and Rohan Well & Rig
Rohan Rig	R'ohan Rig Services Ltd.
Rohan Well	R'ohan Well Services Ltd.
Rohan Well & Rig	R'ohan Well & Rig Services (2009) Ltd.
TTM	Trailing twelve months
NTM	Next twelve months
Valuation Date	February 28, 2023
WACC	Weighted average cost of capital

Introduction

Terms of Reference
Sequeira Partners has been engaged by JW Carr to provide the Report with respect to the FMV of the total consolidated equity of Rohan Well as at the Valuation Date. In addition, we have been requested to conclude on the FMV allocated to each shareholder of Rohan Well as at the Valuation Date. The Report is subject to the terms and conditions included our engagement letter dated April 14, 2023.

The Report is provided solely for the Client's use for transaction planning purposes and in connection with a potential CCAA process, and should not be used for any other purpose, or be provided to any third parties, without our prior written consent. We understand a copy of the Report may be provide to your legal advisors, as required.

We prepared a Calculation Valuation Report in conformity with the Practice Standards of the CBV Institute. A Calculation Valuation Report is not an Estimate Valuation Report or a Comprehensive Valuation Report as defined by the CBV Institute Standard No. 110. As such, the scope of review is inherently limited by the nature of the valuation report being provided, and the conclusions expressed may have been different had an Estimate or Comprehensive Valuation Report been issued.

All references to currency in the Report, including its Appendices and Schedules, are in Canadian dollars ("$"), unless otherwise stated.

The scope of our work and the restrictions and qualifications are set out in Appendices A and B, respectively. They are an integral part of the Report.

Definition of Fair Market Value
For the purposes of the Report, we have used the concept of FMV, which is defined as:

> *"The highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."*

FMV, as defined above, is a value concept, which may or may not equal the purchase/sale price in an actual market transaction. The actual price achieved may be higher or lower than the FMV determined in a notional context as a result of a variety of factors, including the form of the consideration paid, different knowledge and negotiating abilities, as well as motivations, of the buyers and sellers. Within the marketplace there may exist "special purchasers" who may be willing to pay higher prices because of reduced or eliminated competition, ensured source of sales, cost savings arising on business combinations following acquisitions, or other synergies that could be enjoyed by the purchaser. We have not considered the impact of special purchasers in reaching our conclusions.

Major Assumptions

In preparing the Report, we have relied on the following major assumptions (in addition to those set out throughout the Report, including the attached schedules). Should any of the following assumptions not be accurate or should any of the other information provided to us not be factual or correct, our Report conclusions could be significantly different.

a) The Report is based on the most current financial and operational information to the Valuation Date, and there have been no material changes in the outlook, financial position or business operations of Rohan Group to the Valuation Date, since the dates of the latest available information;

b) The financial information as referred to in the Scope of Review section of the Report (Appendix A), are fairly presented and would not require any significant adjustments if they were subject to an audit;

c) The FMV of Rohan Well's assets and liabilities as at the Valuation Date was approximated by reported net book value at February 28, 2023, except oilfield equipment, as disclosed herein;

d) The FMV of Rohan Rig's assets and liabilities as at the Valuation Date was approximated by reported net book value at February 28, 2023, except for real property and oilfield equipment, as disclosed herein;

e) The FMV of Rohan Well & Rig's assets and liabilities as at the Valuation Date was approximated by reported net book value at February 28, 2023, except for oilfield equipment, as disclosed herein;

f) The FMV of service rigs owned by Rohan Rig and Rohan Well & Rig (i.e., Rig #5) at the Valuation Date is approximated by the range of orderly and forced liquidation values, as per the Century Appraisal;

g) Rohan Well, Rogan Rig and Rohan Well & Rig do not have any material contingent liabilities, unrecorded assets or liabilities, known environmental issues, unusual contractual obligations, litigation pending or threatened, or substantial commitments, as at the Valuation Date, except as disclosed herein;

h) Transactions among Rohan Well, Rogan Rig, Rohan Well & Rig, and affiliated or related companies are conducted at arms-length, market-based terms, unless otherwise noted herein;

i) Same or similar management will continue to operate Rohan Group for the foreseeable future;

j) There are no restrictions on transfer of ownership that would impact the values otherwise determined herein;

k) Lease between Rohan Well and Rohan Rig, with respect to the industrial shop located in Lloydminster, is at market rates and is expected to be renewed at market terms in the future;

l) The market rate of rent related to the industrial shop space that Rohan Rig operates from, is $84,000 per annum, as advised by Management;

m) Titles to owned properties are assumed to be in good condition, marketable, and free and clear of any liens and encumbrances, unless otherwise stated in the report;

n) The total FMV of the Lloydminster Property is $7.0 million at the Valuation Date, as advised by Management;

o) The market value of the Drumheller Property is $705,000 at the Valuation Date, based on a negotiated third-party purchase offer, as advised by Management;

p) For the purposes of the valuation, Rohan Well, Rogan Rig and Rohan Well & Rig are subject to the general corporate rate of 23.0% based on substantively enacted tax rates in effect at the Valuation Date;

q) The balance of Rohan Well & Rig's non-capital tax losses at September 30, 2022 are available for use by Rohan Well at the Valuation Date;

r) There are no declared nor unpaid dividends as at the Valuation Date;

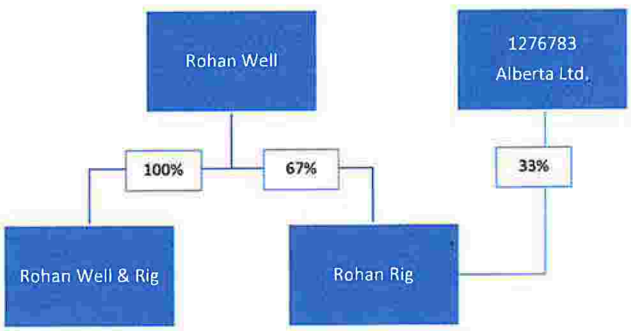
s) Current financing terms between Rohan Well, Rogan Rig and Rohan Well & Rig and its lenders are at market rates and will continue at substantially the same terms for the forecast period, except as may be disclosed herein; and

t) For the purposes of the Report, we have not considered any previous or pending offers to purchase any of the shares or any of the assets of Rohan Group, or any valuation reports of Rohan Group, during the 12 months preceding the Valuation Date.

Business Overview

Corporate Structure
The corporate structure of the Rohan Group is summarized in the figure below.

Rohan Group Corporate Structure



Share ownership of Rohan Well at the Valuation Date is as follows[1]:

Rohan Well Shareholder:	% Ownership
JW Carr	42.2%
C.S. Cross Holdings Ltd.	42.2%
1276783 Alberta Ltd.	5.7%
Robert Wells	5.0%
Huysmans Trucking	2.5%
Lincoln Smith	2.5%

Rohan Well owns 100% of the equity of Rohan Well & Rig, and 67.0% of Rohan Rig. The remaining 33.0% of Rohan Rig is held by Graham Holmedal, through his holding company, 1276783 Alberta Ltd.

Rohan Group
Based in Lloydminster, Alberta, Rohan Group provides services to the oil and gas industry. Operations are conducted through two entities: Rohan Well and Rohan Rig.

Rohan Well specializes in coil tubing services. Over 85% of total revenues, per annum, are generated from Rohan Well's top five customers, comprised of Canadian-based oil producers including MEG Energy, Husky Energy, Cenovus and CNRL.

Rohan Rig specializes in providing service rigs to perform various well completions and servicing operations. Since FY19, over 90% of Rohan Rig's revenues are earned from one customer: CNRL. At the Valuation Date, Rohan Rig owns nine service rigs. Over the historical period, we note that about seven service rigs generate revenue each year.

Management advise that the operations of Rohan Well and Rohan Rig are conducted independently of one another; that is, all operational and field staff, as well as equipment and overhead, are separate. The exception is Graham Holmedal, who serves as General Manager for both entities, as well as the administrative manager. Both Graham and the administrator are allocated salaries from each entity.

Rohan Well & Rig, wholly owned by Rohan Well, owns and operates one service rig (Rig #5). Personnel and overhead expenses required to operate Rig #5 are incurred in Rohan Rig, and allocated to Rohan Well & Rig on an annual basis.

Rohan Rig owns real estate in Lloydminster, comprised of about 18 acres of land with three industrial shops and an office. The Rohan Group operates out of the office and one industrial shop. The other two industrial shops are rented to third parties, Tier 1 Energy Solutions Inc. and CDM Oilfield Services Ltd. In addition, Rohan Rig owns a small property in Drumheller that is not used for operations and is being actively marketed for sale at the Valuation Date.

[1] Share ownership at the Valuation Date based on internal summary provided by management.

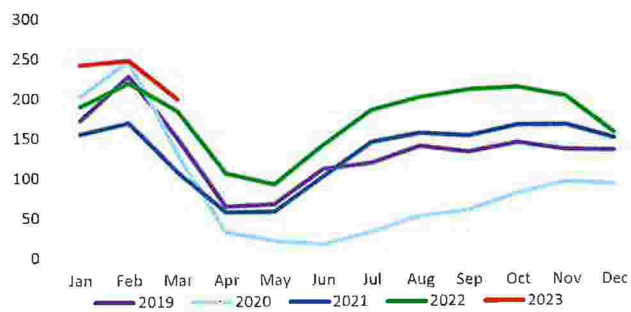
Industry Overview

Market Overview

Challenges facing the oil and gas industry in North America include regulatory barriers to new projects, ESG factors, and a shortage of labour for companies seeking to increase output after years of depressed prices, layoffs, and consolidation.

After a tumultuous year in 2022, the energy sector experienced a mixed start to 2023. A relatively mild winter, in terms of temperatures, and U.S. LNG outages exerted downward pressure on natural gas prices. Oil prices traded at a relatively consistent level during January and February 2023, before abruptly trending down in March under pressure from fears of a global recession and concerns regarding the health of the banking sector. Despite the uncertainty, Canadian activity levels remained robust in Q1 2023, with rig counts at a 5-year high, as contract drillers tried to meet demand despite a challenging labour market. This contrasts with the U.S. market, where Q1 2023 saw the first quarter-over-quarter decline in rig activity since 2020.

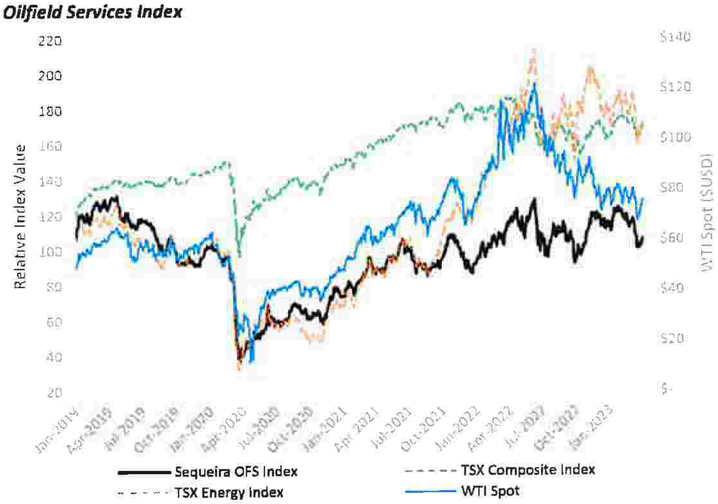
Average Monthly Western Canadian Rig Count



While analysts generally expressed optimism for both oil and natural gas at the close of Q4 2022, interest rates and the expected economic impact have caused some to reassess pricing expectations. Efforts from OPEC+ to voluntarily withdraw supply saw prices recover and exceed where they began in 2023. The natural gas outlook is also mixed, as global storage was replenished throughout the first quarter with supply surpassing demand, though concerns remain about capacity to supply international markets. Despite fluctuating levels of optimism, analysts expect the Canadian oilfield services sector is poised for a strong 2023. Anticipated budgets and market access channels provide additional momentum for the sector. While labour challenges from 2022 linger, analysts have demonstrated optimism that public markets will increasingly acknowledge the structural undersupply of commodities globally, and capital flows to the sector will increase.

The following figure presents an oilfield services index (OFS Index), which is comprised of publicly listed Canadian oilfield service companies, alongside the TSX Energy Index, which represents Canadian exploration and production companies.

Oilfield Services Index



Background

The OFS Index experienced an 8% year-over-year decline, while the TSX Energy Index increased by 3.1%. Operators continue to benefit from improved commodity pricing to a greater extent than service companies, as producers focus on cash flow over capital re-investment.

Q1 2023 saw a decline in both the OFS Index and the broader TSX Energy Index, with decreases of 8.1% and 5.4%, respectively. The downturn was influenced by a notable drop in commodity pricing, though partially offset by a late recovery in oil prices at the end of the quarter. As federal banks maintain or elevate interest rates to combat inflation, labour markets have begun to show signs of added capacity, potentially providing the much-needed workforce for OFS firms striving to be able to increase operational levels in the WCSB.

Following OPEC+'s announcement of a voluntary 1.66 million barrels per day cut, effective from May 1 through December 31, 2023, crude prices increased. Consequently, there is potential for enhanced profitability and equity performance for both exploration and production, and oilfield service firms as the economy continues to show resiliency against the risk of a recession.

Commodity Pricing and Analyst Forecasts

Q1 2023 began with WTI and Brent trading at US$78.12 and US$85.91, respectively. Prices were relatively steady throughout January and February, before declining in March as the global market sold off risky asset classes due to concerns around the health of the banking sector. By the end of the month, prices had largely recovered as steps were taken to shore up the banking sector and economic activity continued to remain resilient. Pricing post-quarter is expected to be buoyed by OPEC+ implementing a voluntary cut of 1.66 million barrels per day from May 1 to December 31, 2023.

WCS ended Q1 at US$49.38, peaking in the mid $60 range in early March before following the broader market downward. The WCS-WTI differential observed in Q4 2022 largely dissipated, as the completion of the SPR release and resolution of refinery outages saw the Canadian benchmark reach a price that more closely approximates a normal discount. With the completion of the Trans Mountain expected later this year, analysts largely see adequate takeaway capacity to accommodate growth in the coming years.

Analysts expect that 2023 has the potential to be another year of volatility and uncertainty as the market weighs the risk of a recession, China demand growth, OPEC+ market position and the impact of Western sanctions on Russian oil production and exports. Analysts have diverging views on how these factors will play out and the impact on oil prices over the course of the year. If there's one thing to be expected in this industry, its ongoing volatility and having to expect the unexpected. Overall, pricing remains at levels that feel sustainable longer term, providing the opportunity for both operators and services to generate robust cash flows.

Valuation Approach

Valuation Approaches

There are two fundamental approaches to determine FMV of a business: the liquidation approach and the going concern approach. A liquidation valuation approach would be used if the business is not viable as a going concern or if the return on the assets on a going concern basis is not adequate. This value is the net realizable value on an orderly disposition made in a manner that would minimize the loss or taxes thereon.

The going concern approach assumes a continuing business enterprise with a potential for economic future earnings that provides a sufficient return on invested capital. If a business is a going concern, the following valuation methods or techniques are commonly used:

- Income approach (earnings or cash flows approach);
- Market approach; and
- Asset-based approach.

Within each category a variety of methodologies exist to assist in the determination of the FMV. The nature and characteristics of the business indicates which approach and methodology is most appropriate for valuation. A more detailed description of the various valuation approaches and methodologies is included in Appendix C.

Selected Approach

To calculate the FMV of the total consolidated equity of Rohan Well, we have prepared separate valuation analyses for each of Rohan Well, Rohan Rig and Rohan Well & Rig.

Rohan Well and Rohan Rig

Based on review of the nature and history of the business operations of Rohan Well and Rohan Rig, we have considered a going-concern approach as being the most appropriate.

We have selected an income approach, specifically the CCF method, based on consideration of a number of factors including: the assumption that the entities will continue to be operated as going concerns; prospects for future growth and profitability, as the entities continue to generate revenues from existing service offerings and customer contracts, and have a history and reputation in their respective markets; and the absence of any long-term financial forecasts.

The results of the analyses are set out in detail in the following sections of the Report. As noted later in the Report, the application of an income approach for Rohan Rig indicates that the company is not generating a sufficient return on its assets, as evidenced by negative goodwill. Accordingly, we have selected an adjusted net asset approach as the primary valuation method. This is discussed further herein.

Rohan Well & Rig

As presented at Schedule C3, prior to FY21 Rohan Rig generated an average of about $1.2 million per annum. In FY21, operations were halted as Rig #5 required critical overhaul and repairs. Prior to this, repairs were maintenance in nature and major refurbishment was delayed due to supply chain issues, as well as a reduction in activity from declining oil prices. In FY21 and FY22, Rohan Well & Rig's revenue was $372,000 and $nil respectively. By October 2022, the overhaul was completed and Rig #5 was operational. For the 5-months ended February 28, 2023, Rig #5 generated about $236,000 in revenues.

Based on minimal operations, Rig #5 only servicing one customer (CNRL), and the value of asset backing at the Valuation Date, Rohan Well & Rig generates insufficient earnings to earn a return on its asset base. Accordingly, we have selected an adjusted net asset approach as the primary valuation method.

Valuation Analysis: Rohan Well

Capitalized Cash Flow Approach

Overview
The CCF approach assumes continuing operations with the potential for maintaining cash flow from operations at a level that will provide a reasonable return on investment.

Under the CCF approach, maintainable cash flow is capitalized. Maintainable cash flow implies a level of cash flow which can reasonably be expected in the future following the Valuation Date. This must consider not only the company's actual performance to the Valuation Date, but also the potential revenue and cash flow based on the general market, industry, and political and regulatory environment at that date. It should not be assumed as a level that will be achieved in each future period, but rather the average expected level across the business cycle. To the extent that future cash flow growth can be anticipated, it is considered in the selection of the capitalization rate or multiple.

Since the CCF value, as determined above, has not considered the capital cost allowance deduction currently available, the present value of the future tax savings available from the deduction of capital cost allowance (known as the tax shield on the undepreciated capital cost), is added to the CCF value to determine the going-concern value of the business as a whole.

The resulting value is known as Enterprise Value, being the combined value of debt and equity. To determine the FMV of equity, adjustments are made to add any net redundant assets (or deduct net redundant liabilities) and deduct outstanding interest-bearing debt.

Redundant assets and liabilities are defined as assets and liabilities that are not required in the day-to-day operations of the business and, therefore, do not influence the selection of the maintainable EBITDA and are not part of the going-concern value of the net operating assets calculated above. A knowledgeable vendor would not sell a business as a going-concern without either extracting such assets from the business or adding the value of the redundant assets to the going-concern value of the business.

Maintainable EBITDA
In determining Rohan Well's annual maintainable EBITDA, we reviewed the historical operating results for FY18 to FY22 and TTM results to February 28, 2023. This is set out in detail at Schedule A2.

Normalization adjustments were made for the following:

- A lease expense related to the industrial shop and office in Lloydminster, which is owned by Rohan Rig, has been deducted. Rohan Well operates out of an industrial shop and office located on the Lloydminster Property. Effective January 1, 2023, Rohan Well and Rohan Rig entered into a formal lease agreement for annual minimum rent of $120,000. Approximately $32,800 of rent expense was recognized for the TTM period ending February 28, 2023. To arrive at normalized EBITDA, a market rate of rent of $120,000 per annum was deducted, based on the lease signed between Rohan Rig and Rohan Well, which Management has advised is representative of market rates. Prior to this, there was no rent paid by Rohan Well for the operating premises. We note that the market rate per square foot being charged by Rohan Rig to Rohan Well falls within the range of lease rates charged by Rohan Rig on third-party lease agreements for the other two industrial shops on the Lloydminster Property.

- In response to the COVID-19 pandemic, Rohan Well received Government of Canada wage subsidies over the course of FY20 and FY21. For the purposes of assessing maintainable EBITDA we have presented normalized EBITDA excluding the receipt of COVID-19 subsidies, as this program is not recurring.

- Capital costs of $504,000, incurred during the TTM period ending February 28, 2023, have been added back. In August 2022, Rohan Well performed capital upgrades of coil tubing units; this was recorded in repairs and maintenance expense, as part of direct costs, on the internal income statement. For the external FY22 financial statements, costs were reclassified to capital assets. As such, we have adjusted TTM EBITDA for the capital upgrade costs to ensure year over year consistency.

- Non-recurring professional fees added back, as these do not relate to the core operating business.

- No adjustment has been made for shareholder or management salaries. We note that management fees paid to JW Carr and CS Cross are excluded from reported EBITDA as they are classified as other expenses. These fees are discretionary, and neither JW Carr nor CS Cross (or their respective shareholders) are involved in active management within the business of Rohan Well. Based on discussion with Management, we understand that compensation paid to key management, Graham Holmedal (general manager) approximates market rates and no adjustment is required.

Based on our review of historical normalized EBITDA, we selected a maintainable EBITDA range of $1.75 million to $2.0 million.

Enterprise Value

In determining the EV of Rohan Well at the Valuation Date we have performed the following, as set out in detail at Schedule A1:

a) Tax effected maintainable EBITDA based on the substantively enacted blended federal and provincial rates in effect at the Valuation Date.

b) Deducted annual maintenance capex of $250,000 to $350,000 per annum, net of the present value of tax benefits associated with this capex. The range of annual maintenance capex was selected based on review of historical capex, understanding of the nature of capex being primarily coil tubing units and supporting trucks, as well as review of industry peers. The estimate of annual capex aligns with the replacement cost of Rohan Well's total fleet of coil tubing units, and the average useful life.

c) Maintainable cash flow was capitalized using capitalization rates of 22.5% (high) and 24.0% (low). The capitalization rates were calculated in reference to the Rohan Well's WACC (discussed further in Appendix D) after deducting an estimate for long-term growth of 2.0% (based on review of Canada's long-term target inflation and GDP growth rates).

d) We have separately considered the present value of the tax shield on the outstanding balance of depreciable capital property available to be claimed for tax purposes, as at the Valuation Date. We have estimated the present value of this tax shield to be approximately $98,000 which has been added to the capitalized value, as reflected on Schedule A1.

Based on the above, we conclude that the operating EV of Rohan Well was in the range of $5.2 million to $6.1 million at the Valuation Date.

Fair Market Value of Non-Consolidated Equity

The operating EV calculated above represents the value attributable to both debt and equity holders of the operating business of Rohan Well. To determine the FMV of the non-consolidated equity, we have adjusted for redundant assets and debt. This is detailed at Schedule 1 and set out as follows.

Redundant assets

The following redundant assets have been identified, with a total net adjustment of $2.6 million (detailed at Schedule A4):

- At the Valuation Date, Rohan Well had net working capital of approximately $2.0 million. Based on our review of historical working capital trends and observations of industry peers, we selected a working capital requirement of 20.0% of maintainable revenue. As set out at Schedule A4, this implies a working capital redundancy of approximately $239,000 at the Valuation Date, which has been added back to EV.

- Income tax recoverable of $111,000; and

- Due from related parties of $2.2 million, mainly comprised of loans to CS Cross and 1276783 AB Ltd. in connection with employee share ownership plan.

We note that Rohan Well's investment in Rohan Rig and Rohan Well & Rig are presented on the non-consolidated balance sheet at cost. For the purposes of the Report, we have separately calculated and presented the FMV of Rohan Well's investment in Rohan Rig and Rohan Well & Rig at the Valuation Date. This is discussed further herein.

Net Debt

Interest-bearing debt outstanding at the Valuation Date, of approximately $1.2 million, was deducted. In addition, amounts due to Rohan Rig, Rohan Well & Rig and JW Carr are deducted, totalling $959,000.

Based on the adjustments above, the FMV of Rohan Well's non-consolidated equity was in the range of $5.6 million to $6.5 million, with a mid-point of $6.1 million, at the Valuation Date.

Secondary Approach: Corroboration of the Value Conclusion

As a secondary check on our CCF approach, we reviewed implied EBITDA multiples and the goodwill payback period.

Implied EBITDA Multiples

As set out at Schedule A1, our valuation of Rohan Well implies Enterprise Value to EBITDA multiples of 3.0x maintainable EBITDA, 2.2x to 2.6x FY22 EBITDA (which we note is Rohan Well's peak earnings over the historical period) and 3.0x to 3.5x TTM EBITDA.

We have compared the EBITDA multiples implied by the valuation against market data. While there are no exact comparable companies to Rohan Well, we have considered available market information related to public companies operating in oilfield services, specifically in Canada, as well as industry and private equity transaction data for this sector. We noted the following:

- Public company trading multiples range from a 3.0 x to 7.3x, with a mean of 5.4x on TTM EBITDA, and 2.2x to 6.3x with a mean of 3.1x on NTM EBITDA (refer to Schedule D2). Average EBITDA margins on TTM and NTM basis are 15.3% and 22.3%, respectively;

- Precedent public transactions multiples range from 2.2x to 5.2x with an average of 3.1x; and

- Average EBITDA multiples paid in U.S. private equity transactions in comparable sectors (i.e. drilling oil and gas wells, and support activities for oil and gas operations) ranged from 4.4x to 4.8x, with a mean of 4.6x. Average EBITDA margins of subject companies in this data set range from 26.6% to 42.7%.

Rohan Well's implied valuation multiples fall at the low end of observed multiples of comparable companies. We consider this reasonable as the public companies are more diversified with respect to service offerings and geographic markets, while Rohan Well's operations are based primarily in Alberta, and to a limited customer base. We note that Rohan Well's historical normalized EBITDA margins fall at the average of the public companies. However, while the public companies are forecasting growth, we note that Rohan Well's TTM results have declined from FY22.

Implied Goodwill

The value of goodwill is calculated as the difference between Rohan Well's going concern EV and its tangible asset backing. The goodwill payback is a measure used to assess the reasonableness of goodwill implied in the valuation of Rohan Well. It is expressed as a number of years and has been calculated by dividing the inherent goodwill by the maintainable EBITDA as at the Valuation Date.

As set out at Schedule A1, our analysis of Rohan Well implies a range of goodwill of approximately $373,000 to $1.3 million, or approximately 0.2 to 0.6 years of maintainable EBITDA. This level of goodwill is supportable given Rohan Well's operating history and profitability. Based on our understanding of the oilfield services industry, industry outlook, Alberta economy, and extent of competition, these payback period indications are determined to be reasonable.

Valuation Analysis: Rohan Rig

<u>**Capitalized Cash Flow Approach**</u>

Maintainable EBITDA
In determining Rohan Rig's annual maintainable EBITDA, we reviewed the historical operating results for FY18 to FY22 and TTM results to February 28, 2023. This is set out in detail at Schedule B3.

Normalization adjustments were made for the following:

- COVID-19 wage subsidies received by Rohan Rig over the course of FY20 and FY21 are deducted from EBITDA, as this program is not recurring.

- Capital costs incurred during FY22 the TTM period ending February 28, 2023, have been added back. From July 2022 to January 2023, capital upgrades were performed on Rig #4 and Rig #8. These costs were recorded as repairs and maintenance expense, as part of direct costs, but are capital in nature. All capital costs in the historical periods were capitalized to the balance sheet. An adjustment is made to FY22 and TTM period ended February 28, 2023 for these capital upgrade costs.

- Rohan Rig operates out of an industrial shop located on the Lloydminster Property. A notional rate of rent has been deducted from EBITDA as ownership of the property is not required for operations. The notional lease reflects the charge that would have been incurred if Rohan Rig did not own the property. A market rate of $84,000 was deducted, as advised by Management.

- Added back non-recurring expense of $38,000 in FY22.

- No adjustment has been made for shareholder or management salaries. Based on discussion with Management, we understand that compensation paid to key management, Graham Holmedal (general manager) approximates market rates and no adjustment is required.

Based on our review of historical normalized EBITDA, we selected a maintainable EBITDA range of $800,000 to $1.0 million.

Enterprise Value
In determining the EV of Rohan Well at the Valuation Date we have performed the following, as set out in detail at Schedule B2:

a) Tax effected maintainable EBITDA based on the substantively enacted blended federal and provincial rates in effect at the Valuation Date.

b) Deducted annual maintenance capex of $300,000 to $400,000 per annum, net of the present value of tax benefits associated with this capex. The range of annual maintenance capex was selected based on review of historical capex, understanding of the nature of capex being primarily service rigs and supporting equipment, as well as review of industry peers. The estimate of annual capex aligns with the replacement cost of Rohan Rig's total fleet of service rigs, and the average useful life.

c) Maintainable cash flow was capitalized using capitalization rates of 19.5% (high) and 21.50% (low). The capitalization rates were calculated in reference to the Rohan Group's WACC (discussed further in Appendix D) after deducting an estimate for long-term growth of 2.0% (based on review of Canada's long-term target inflation and GDP growth rates).

d) We have separately considered the present value of the tax shield on the outstanding balance of depreciable capital property available to be claimed for tax purposes, as at the Valuation Date. We have estimated the present value of this tax shield to be approximately $138,000 which has been added to the capitalized value, as reflected on Schedule B2.

Based on the above, we conclude that the operating EV of Rohan Rig was in the range of $1.8 million to $2.3 million at the Valuation Date.

Implied Goodwill
As set out at Schedule B2, our analysis of Rohan Rig implies negative goodwill. This indicates that at the Valuation Date, there is minimal operating value to cover the balance of net operating assets owned by Rohan Rig, consisting of net working capital and service rig equipment. In other words, the business is not generating a sufficient return on its assets.

Assuming a range of EV/EBITDA multiples of 2.0x to 3.0x, we would expect for this company (based on the industry it operates in), in order for Rohan Rig's operating enterprise value to be at least equal to tangible asset backing, Rohan Rig would need to generate about $2.75 million to $3.5 million in EBITDA per annum. Based on review of historical normalized EBITDA (Schedule B3), this is not reasonable.

Based on the above, the income approach is not appropriate to value Rohan Rig. As such, we have relied on an adjusted net asset approach.

Adjusted Net Asset Approach

The book value of Rohan Rig's equity at February 28, 2023 was approximately $503,000. To calculate FMV, the following adjustments were made, as set out in detail at Schedule B1:

a) Balance due from Rohan Well was adjusted to reflect the corresponding payable balance as per Rohan Well's balance sheet at the Valuation Date.

b) The net book value of service rigs and oilfield equipment was adjusted to FMV based on the Century Appraisal. An adjustment for latent corporate taxes was deducted, based on the average of immediate corporate taxes on disposition and forgone tax shield assuming an indefinite hold of assets.

c) The net book value of real estate in Lloydminster and Drumheller was adjusted to FMV, based on calculations set out in detail at Schedule B1. The market value of the Lloydminster Property at the Valuation Date was $7.0 million, as advised by Management. This market value aligns with the value implied based on review of market rent on the industrial shops (both rented to Rohan Well, as well as third parties), and capitalization rates for Alberta industrial properties at the Valuation Date (ranging from 5.75% to 7.5%)[2]. The market value of $705,000 from the Drumheller Property was advised by Management based on an active third-party offer at the Valuation Date, expected to close in Spring 2023. Like the equipment, an adjustment for latent corporate taxes was deducted, based on the average of immediate corporate taxes on disposition and forgone tax shield assuming an indefinite hold of assets.

Based on the foregoing adjustments, the total adjusted net asset value of Rohan Rig was in the range of $5.0 million and $6.1 million at the Valuation Date.

Based on Rohan Well's 67.0% ownership interest in Rohan Rig, the valuation indicates that the FMV of Rohan Well's investment in Rohan Rig is in the range of $3.4 million to $4.1 million, with a mid-point of $3.7 million.

[2] Based on Q4 2022 Canadian Cap Rate study prepared by CBRE Research; Alberta and Saskatchewan industrial properties

Valuation Analysis: Rohan Well & Rig

Adjusted Net Asset Approach

The book value of Rohan Well & Rig's equity at February 28, 2023 was approximately $2.0 million. To calculate FMV, the following adjustments were made, as set out in detail at Schedule C1:

a) The net book value of Service Rig #5 and supporting oilfield equipment was adjusted to FMV based on the Century Appraisal. An adjustment for latent corporate taxes was deducted, based on the average of immediate corporate taxes on disposition and forgone tax shield assuming an indefinite hold of assets.

b) Balance due to Rohan Rig was adjusted to reflect the corresponding balance receivable as per Rohan Rig's balance sheet at the Valuation Date.

c) At the Valuation Date, Rohan Well & Rig has a balance of non-capital tax losses available for carry forward, of $99,498. As detailed at Schedule C1, forecast EBITDA generated by Rig #5 for the year ending September 30, 2023 will exceed the non-capital tax loss balance, indicating that the entirety of the tax losses may be utilized for the 2023 taxation year. The FMV of the tax losses at the Valuation Date is based on the present value of the future tax savings.

Based on the foregoing adjustments, the total adjusted net asset value of Rohan Well & Rig was in the range of $2.3 million and $2.4 million at the Valuation Date.

Conclusion

Subject to the scope of our work, major assumptions and restrictions and qualifications as set out in the Report, we concluded on the FMV of the total consolidated equity of Rohan Well, as well as individual shareholders' ownership interest, as set out below. The attached Schedules are an integral part the Report.

FMV of Total Consolidated Equity

As set out at Schedule 2, the FMV of the total consolidated equity of Rohan Well was in the range of $11.3 million to $13.0 million, with a mid-point of $12.2 million at the Valuation Date. This is summarized in the following table:

FMV of Equity	Low	Mid	High
Rohan Well, Non-Consolidated	5,619,665	6,058,598	6,497,531
Rohan Well Investment in:			
Rohan Rig	3,358,674	3,728,657	4,098,640
Rohan Well & Rig	2,350,362	2,380,162	2,409,963
FMV of Consolidated Equity, Rohan Well	**$11,328,701**	**$12,167,417**	**$13,006,133**

FMV of Shareholders' Interest in Rohan Well

As set out at Schedule 1, the FMV of Rohan Well, on a consolidated basis, was allocated to each shareholder based on their relative ownership interest at the Valuation Date. As each shareholder holds less than 50.0%, a minority discount was applied. In valuation theory, and in practice, an investor is generally willing to pay a premium for a controlling interest, as this provides the shareholder with rights and privileges that are not available to a minority shareholder; specifically, the ability to direct the management and policies of a business. When considering a non-controlling interest, an adjustment is generally made to pro rata value, to reflect lack of control; this is the minority discount.

For the shareholders of Rohan Well, minority discounts were selected based on consolidation of relative ownership percentage. While none of the shareholders have the individual ability to control the entity, we note that JW Carr and CS Cross have the largest individual ownership percentages, at 42.2% each. Accordingly, JW Carr and CS Cross would only require the support of one another to enact change within Rohan Group, whereas the other shareholders would require a minimum of two other shareholders to effect control. We also considered the roles the shareholders play in the organization, specifically that neither JW Carr nor CS Cross are actively involved in management.

In selecting the quantum of the discount, we considered empirical data cited in the Q4 2022 Control Premium Study, as published by Business Valuation Resources LLC, based on observations of market transactions.

Based on the above, we calculated the FMV of each individual shareholders' ownership in Rohan Well. This is detailed at Schedule 1, and summarized in the following table:

FMV of Shareholders' Interest	% Interest	Low	Mid	High
J.W. Carr Holdings Ltd.	42.2%	3,820,038	4,102,853	4,385,668
C.S. Cross Holdings Ltd.	42.2%	3,820,038	4,102,853	4,385,668
1276783 Alberta Ltd.	5.7%	452,015	485,480	518,945
Robert Wells	5.0%	396,504	425,859	455,214
Huysman Trucking	2.5%	198,252	212,930	227,607
Lincoln Smith	2.5%	198,252	212,930	227,607

Appendix A – Scope of Review

In arriving at our value conclusion, we have reviewed, considered, and relied upon the following:

a) Discussion and interviews with Camilla Advisory Group as represented by Michael Zvonkovic and Jason Vandenberg;

b) R'ohan Well Services Ltd.

   i. Non-consolidated, reviewed financial statements for years ended September 30, 2019 to 2022;

   ii. Internal monthly income statement for the TTM to February 28, 2023, as prepared by Management;

   iii. Internal balance sheet at February 28, 2023; and

   iv. T2 corporate income tax return at September 30, 2022;

c) R'ohan Rig Services Ltd.

   i. Reviewed financial statements for years ended September 30, 2019 to 2022

   ii. Internal monthly income statement for the TTM to February 28, 2023, as prepared by Management;

   iii. Internal balance sheet at February 28, 2023; and

   iv. T2 corporate income tax return at September 30, 2022

d) R'ohan Well & Rig Services (2009) Ltd.

   i. Reviewed financial statements for years ended September 30, 2019 to 2022;

   ii. Internal balance sheet at February 28, 2023; and

   iii. T2 corporate income tax return at September 30, 2022

e) Oilfield equipment appraisal report as of May 20, 2022 prepared by Century Services Corp., dated June 3, 2022;

f) 4th Quarter 2022 Control Premium Study published by Business Valuation Resources, LLC;

g) Various other information provided by Management; and

h) General industry, economic information, public company information, and other publications available on the internet or provided by online subscription or purchase.

We have not audited or otherwise verified the information relied upon in forming our Report.

Appendix B – Restrictions and Qualifications

1. The Report has been prepared solely for use in connection with the stated purpose above. Neither our draft Report nor our final Report are intended for general circulation or publication. Possession of this Report, or a copy thereof, does not carry with it the right to reproduction or publications, in whole or in part. We will not assume any responsibility or liability for losses incurred by any parties as a result of the circulation, publication, reproduction, or use of this Report contrary to the provisions of this paragraph.

2. We reserve the right to review all calculations included or referred to in the Report and, if we consider it necessary, to revise our calculations of FMV in light of any information existing at the Valuation Date, which becomes known to us after the date of the Report.

3. We have relied upon the completeness, accuracy, and fair presentation of all the financial and other information, data, advice, opinions, or representations (collectively, the "Information") obtained from management of Rohan Well and/or its agents and advisors. The Report is conditional upon the completeness, accuracy, and fair presentation of such Information. Except as expressly described herein, we have not attempted to verify independently the completeness, accuracy, or fair presentation of the Information.

4. We have relied upon an equipment appraisal prepared by Century Services Corp as at May 20, 2022, with respect to the FMV of equipment owned by Rohan Well, Rohan Rig and Rohan Well & Rig. Sequeira Partners does not assume any responsibility or liability for losses arising as a result of our reliance on these appraisals.

5. The Report is rendered on the basis of economic, financial, and general business conditions as at the Valuation Date and the condition and prospects, financial and otherwise, of Rohan Well, Rohan Rig and Rohan Well & Rig, as they were reflected in the Information. In the analyses and in preparing the Report we have made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond our control.

6. The Report must be considered as a whole. Selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could result in the misinterpretation of comments or conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

7. In accordance with the terms of our engagement, the Report is at a specific point in time, the Valuation Date. It must be recognized that FMV changes from time to time, not only as a result of internal factors, but also because of external factors such as changes in the economy, competition and changes in interest rates.

8. The Report has been prepared in conformity with the Practice Standards of the CBV Institute. The Report is a Calculation Valuation Report, which is defined by the CBV Institute as follows:

   A Calculation Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on minimal review and analysis and little or no corroboration of relevant information, and generally set out in a brief Valuation Report.

9. A Calculation Valuation Report is not a Comprehensive Valuation Report or an Estimate Valuation Report, as defined by CBV Institute Standard No. 110. As such, the scope of review is inherently limited by the nature of the valuation report being provided, and the conclusions expressed may have been different had a Comprehensive Valuation Report or an Estimate Valuation Report been issued.

10. No part of our fee is contingent upon the conclusions reached in the Report or any action or event contemplated in, or resulting from the use of, the Report.

11. The principal valuator and other staff involved in the preparation of the Report acted independently and objectively, including from the management of Rohan Well, in completing this engagement.

Appendix C – Valuation Approaches

There are two fundamental approaches to determine the FMV of a business: the liquidation approach and the going concern approach.

A liquidation valuation approach would be used if the business is not viable as a going concern or if the return on the assets on a going concern basis is not adequate. This value is the net realizable value on an orderly disposition made in a manner that would maximize value or minimize taxes thereon.

The going concern approach assumes a continuing business enterprise with a potential for economic future earnings that provides a sufficient return on invested capital. Where a business has commercial value as a going concern, three generally accepted categories to valuation are commonly utilized:

- Income approach;
- Market approach; and
- Cost approach.

Within each category a variety of methodologies exist to assist in the determination of the FMV. The nature and characteristics of the asset or business indicates which approach and methodology is most appropriate for valuation.

Income Approach

The income approach is based on the premise that the value of a security or asset is the present worth of the future earnings available for distribution to the investors in the business or asset. Commonly used income approaches to value securities or individual assets is a DCF or a CCF analysis.

DCF Method

The DCF method estimates the present value of the projected future cash flows to be generated by a company and theoretically available (though not necessarily paid) to the capital providers of the subject company. The discount rate is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected future cash flows. It can also be interpreted as the rate of return that would be required by providers of capital to a company to compensate them for the time value of their money, as well as the risk inherent in the investment.

Further, the cash flow figure used in the DCF method accurately represents the true cash flow being generated by the operations of the business. In short, it incorporates cash expenditures on working capital and fixed assets. The cash flows are typically projected over a limited number of years, which depends on a company's planning horizon and other factors related to the industry and the general economy. As a result, it is necessary to compute a terminal value as of the end of the last period for which cash flows are projected. This terminal value is essentially an estimate of value at that future point in time, and it incorporates the assumptions of perpetual operations and implicit growth found in the market approach. Discounting each of the projected future cash flows and the terminal value back to the present and summing the results yields an indication of value.

CCF Method

When only a single period of projected financial results is available or there is sufficient operating history to estimate future business cycles, the CCF method may be more appropriate than the DCF method. A CCF analysis involves determining an appropriate distributable cash flow estimate before interest charges based on normal operating conditions. Distributable cash flows are determined through an examination of the business' historical and forecasted operating results. A capitalization factor is then applied to the cash flow estimate to determine the enterprise value of the business, which is the value attributable to the debt holders and shareholders of the subject company. The capitalization factor applied is based on the weighted average cost of capital for the business, which is a weighted average estimate of the return required by the Company's debt holders and equity shareholders.

In either income approach, interest bearing debt is then deducted from the Enterprise Value to determine the value of the business attributable to equity shareholders, and typically the redemption value of preferred shares is deducted to determine the value of common equity.

Market Approach

The market approach is a useful method of determining the value of a company through a comparison to comparable publicly traded companies or transactions involving comparable companies.

The market approach entails determining financial results considered to be representative of the future performance of the subject company and capitalizing those amounts by appropriate risk-adjusted rates. This approach provides an indication of value that corresponds with the figure being capitalized. For example, capitalizing net earnings available to common stockholders yields an indication of value for the common stock. Likewise, capitalizing EBITDA provides an indication of the Enterprise Value of the Company because this earnings stream is utilized for payments or returns to both debt and equity holders.

The capitalization rate is an expression of what investors believe to be a fair and reasonable rate of return for the security given the inherent risks of ownership. It incorporates expectations of growth and rests on the implicit assumption that some level of earnings will be generated by the enterprise into perpetuity. A common means of obtaining capitalization rates is through the market multiple method, whereby companies having their stock traded in the public market are selected for comparison purposes and used as a basis for choosing reasonable capitalization rates for the subject company. Capitalization rates obtained in this manner are generally expressed as ratios of the various financial results and are referred to as "market multiples."

Another common method of obtaining such multiples, referred to as the comparable transaction method, involves examining companies that have recently been sold in the public marketplace. For this method, the total price paid for the acquired company is related to financial results, which yield implied transaction multiples. The acquired company is then compared with the subject company on the basis of risk and expected return, and its transaction multiples are used as a basis for selecting appropriate multiples for the subject company.

Asset-Based Approach

The asset-based approach calculated value based on the value of the net assets of the business without consideration of future earnings capacity. This approach can be used in situations where liquidation is contemplated as the business is not considered a going concern. For going concern businesses, this approach is adopted if the nature of the business is such that corporate worth is closely related to the Company's underlying assets as opposed to its earnings capacity (e.g. investment or real estate holding company) or an operating business that does not earn sufficient earnings to realize a reasonable return on the underlying net assets.

Under the asset-based approach, each asset and liability is adjusted to fair market value as at the Valuation Date, giving consideration to replacement cost, market value, physical deterioration, functional obsolescence, and economic obsolescence.

Appendix D – Weighted Average Cost of Capital

WACC represents a risk-adjusted rate of return or a "hurdle rate" (minimum acceptable return) on all forms of investment capital in the business. It generally consists of a weighted average of the after-tax cost of debt and the cost of equity where the weighting is based on a company's target debt-equity ratio, measured at market values.

The WACC for Rohan Group was determined based on a review and understanding of operations, the economic environment the companies operate in, and consideration of the cost of debt and equity capital. The following is a discussion of the method used to derive the WACC applicable to Rohan Group at the Valuation Date. See Schedule D1 for details of the WACC calculation.

Cost of Equity

The cost of equity has been determined using the CAPM approach. The CAPM calculates the cost of equity by the following formula:

$$\text{Cost of Equity} = Rf + (ERP * \beta) + R_s + \alpha$$

The CAPM approach relies on market data, and therefore the ability to identify guideline public companies that have similar risk characteristics as the subject company.

The application of CAPM is set out as follows:

Risk-Free Rate (R_f)

The risk-free rate represents the rate of return associated with very low-risk long-term investments and is generally employed as a proxy for time-value-of-money risks such as inflation. In our analysis we have selected 20-year U.S. Treasury Constant Maturity Yield as at the Valuation Date, of 4.1% as an indicator of the risk-free rate of return.

Equity Risk Premium (ERP)

An equity risk premium provides an allowance for additional risks associated with an investment in common shares relative to an investment in government bonds. The market equity risk premium is determined based on the average additional return over and above the risk-free rate that investors have earned on stocks, in general. We have selected 6.0% as indicated by Kroll Cost of Capital Navigator.

Beta (β)

Beta is a measure of systematic risk, being the sensitivity or volatility of returns on an individual security to the total excess returns on the stock market in general (e.g. S&P 500 index). Beta has been selected in reference to a set of guideline public companies that operate in a similar industry to Rohan Group, being Canadian oilfield services sector. This is set out at Schedule D1. Observed, unadjusted equity betas were un-levered and re-levered based on the selected capital structure of Rohan Well, as set out in Schedule D1.

Size Premium (R_s)

Larger companies often enjoy economies of scale that smaller companies cannot achieve and are, therefore, often considered less risky. There are several studies that provide guidance to adjust the cost of equity for the differing risks of companies of various sizes. Duff and Phelps is one such information provider that publishes size premiums. Based on guidance from the Kroll 2022 Cost of Capital Navigator and consideration of the size of Rohan Group relative to the collection of companies used to estimate the equity risk premium, we selected a size premium adjustment of 11.0% (10z Decile).

Risk Factors Specific to the Company (α)

We have considered an incremental risk premium, which includes adjustments for considerations specific to the subject company vis-à-vis the general industry. To the extent that the subject company's risk characteristics may be greater or less than the typical risk characteristics of the companies from which the equity risk premium and the size premium were drawn, a further adjustment may be necessary to estimate the cost of capital for the specific company.

Factors considered in our adjustment include the following:

- Scope of operations being primarily focused on Alberta;
- Trend and outlook in the Canadian oil and has industry, and economic environment in Alberta;
- Forecast risk and capital replacement needs;
- Customer concentration, specifically for Rohan Rig (with one main customer), as well as Rohan Well (give customers comprise over 80% of revenues);
- Key person risk and dependence on executive management, represented by Graham Holmedal.

Based upon review of these factors, we selected a company-specific risk adjustment in the range of 4.0% to 6.0%.

Cost of Equity Conclusion

Based on the above analysis, we concluded that cost of equity capital, as at the Valuation Date, is in the range of approximately 30.7% to 33.5%.

Cost of Debt

Rate of return on debt capital represents the cost or interest rate a prudent investor would expect to earn on debt capital. We have utilized 20-year U.S. corporate bond yields in the industrial sector with a credit rating of BB and B, as being representative of the market cost of debt applicable to Rohan Well.

As interest on debt is deductible for income tax purposes, we have calculated the after-tax cost of debt for use in our calculation of WACC.

Capital Structure

We have applied a notional capital structure of approximately 35% debt-to-capital based on consideration of observed debt-to-capital ratios of guideline public companies and consideration of the Company's capital structure and assets available for security purposes and earnings levels to support debt levels.

Nominal WACC Rate

Based on the above, we have determined that the appropriate WACC rate for Rohan Group as at the Valuation Date, was in a range of 22.5% to 24.0%, which is set out at Schedule D1.

Schedules

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Group - Summary of FMV by Shareholder
Amounts in CAD, unless otherwise noted

Schedule 1

	Ref.	Ownership	Minority Discount	Low	Mid	High
FMV of Total Consolidated Equity, Rohan Well	**Schedule 2**			$ 11,328,701	$ 12,167,417	$ 13,006,133
Allocation to shareholders	Note 1					
J.W. Carr Holdings Ltd.		42.2%	20.0%	3,820,038	4,102,853	4,385,668
C.S. Cross Holdings Ltd.		42.2%	20.0%	3,820,038	4,102,853	4,385,668
1276783 Alberta Ltd.		5.7%	30.0%	452,015	485,480	518,945
Robert Wells		5.0%	30.0%	396,504	425,859	455,214
Huysman Trucking		2.5%	30.0%	198,252	212,930	227,607
Lincoln Smith		2.5%	30.0%	198,252	212,930	227,607
Total FMV Allocated				$ 8,885,100	$ 9,542,905	$ 10,200,710
Implied overall minority discount				*21.6%*	*21.6%*	*21.6%*

Notes:
1 As each individual shareholder of Rohan Well is less than 50.0%, a minority discount has been applied. Refer to Report for discussion of selected minority discount.

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Group - Summary of Consolidated FMV
Amounts in CAD, unless otherwise noted

	Ref.		Low		Mid		High
Rohan Well							
Operating Enterprise Value (EV)	Schedule A1	$	5,207,990	$	5,646,923	$	6,085,855
Add: Redundant working capital	Schedule A4		238,566		238,566		238,566
Add: Other redundant assets	Schedule A4		2,360,211		2,360,211		2,360,211
Deduct: Line of credit and debt	Schedule A4		(1,228,215)		(1,228,215)		(1,228,215)
Deduct: Due to related parties	Schedule A4		(958,887)		(958,887)		(958,887)
FMV of Non-Consolidated Equity		$	5,619,665	$	6,058,598	$	6,497,531
Rohan Rig							
FMV of Total Equity	Schedule B1	$	5,012,946	$	5,565,159	$	6,117,373
Rohan Well % Ownership in Rohan Rig			67.0%		67.0%		67.0%
FMV of Rohan Well Investment		$	3,358,674	$	3,728,657	$	4,098,640
Rohan Well & Rig							
FMV of Total Equity	Schedule C1	$	2,350,362	$	2,380,162	$	2,409,963
Rohan Well % Ownership in Rohan Well & Rig			100.0%		100.0%		100.0%
FMV of Rohan Well Investment		$	2,350,362	$	2,380,162	$	2,409,963
Rohan Group Consolidated							
FMV of Non-Consolidated Equity, Rohan Well			5,619,665		6,058,598		6,497,531
Add: FMV of Rohan Well investment in							
Rohan Rig			3,358,674		3,728,657		4,098,640
Rohan Well & Rig			2,350,362		2,380,162		2,409,963
FMV of Total Consolidated Equity, Rohan Well		$	11,328,701	$	12,167,417	$	13,006,133

Schedule A1

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well Services - Capitalized Cash Flow
Amounts in CAD, unless otherwise noted

	Ref.		Low		Mid		High
Selected Maintainable EBITDA	Schedule A2	$	1,750,000			$	2,000,000
Less: Corporate income taxes	Note 1		(402,500)				(460,000)
Net operating after-tax earnings			1,347,500				1,540,000
Less: Maintaining capital expenditures, net of tax shield	Schedule A3		(223,017)				(312,224)
Maintainable cash flow			1,124,483				1,227,776
Capitalization multiple	Note 2		4.5x				4.9x
Capitalized cash flow		$	5,111,285			$	5,989,150
Add: Present value of tax shield on existing assets	Schedule A3		96,705				96,705
Operating Enterprise Value		$	5,207,990	$	5,646,923	$	6,085,855

Implied Valuation Multiples			Ref.		Low		Mid		High
EV/EBITDA:									
EV / Maintainable EBITDA					3.0x		3.0x		3.0x
EV / FY22 EBITDA	$	2,335,602	Schedule A2		2.2x		2.4x		2.6x
EV / TTM Feb 2023 EBITDA	$	1,753,446	Schedule A2		3.0x		3.2x		3.5x
Market Data									
Somewhat comparable public companies									
EV/TTM EBITDA			Schedule D2		3.0x		5.4x		7.3x
EV/NTM EBITDA			Schedule D2		2.2x		3.1x		6.3x
Precedent transactions			Schedule D4		2.2x		3.3x		5.2x
Private equity transactions			Schedule D5		4.4x		4.6x		4.8x
Goodwill			Note 3	$	373,602	$	812,534	$	1,251,467
Implied Goodwill / Maintainable EBITDA					0.2x		0.4x		0.6x
Implied Goodwill / TTM EBITDA					0.2x		0.5x		0.7x

Notes:

1 Based on the blended federal and provincial corporate tax rate at the Valuation Date.

2 Capitalization rate based on the selected weighted average cost of capital and long-term growth rate (based on review of the Bank of Canada's long-term target inflation rate).

		Low	High
WACC, mid	Schedule D1	24.00%	22.50%
Less: long-term growth rate		2.00%	2.00%
Capitalization Rate		22.00%	20.50%
Capitalization Multiple	*= 1 / capitalization rate*	4.5x	4.9x

3 Implied goodwill based on the valuation:

			Low		Mid		High
Operating Enterprise Value	*above*	$	5,207,990	$	5,646,923	$	6,085,855
Less: Tangible asset backing	Note 4		(4,834,388)		(4,834,388)		(4,834,388)
Implied Goodwill			373,602		812,534		1,251,467

4 As noted in Schedule A4, the tangible asset backing incorporates an adjusted value on equipment, mainly coil tubing units.

J.W. Carr Holdings Ltd. **Schedule A2**
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well Services - Maintainable EBITDA
Amounts in CAD, unless otherwise noted

	Ref.	For the year ended September 30, 2018	2019	2020	2021	2022	TTM 28-Feb-23
Revenue	Schedule A6	**8,943,066**	**6,790,781**	**5,360,562**	**6,536,803**	**9,270,168**	**9,254,606**
% growth			*-24.1%*	*-21.1%*	*21.9%*	*41.8%*	*-0.2%*
Gross Margin - reported	Schedule A6	2,585,204	1,530,803	1,921,090	2,367,762	3,392,443	2,516,722
Deduct: CEWS	Note 2	-	-	(256,784)	(172,719)	-	-
Add: Capitalized upgrade costs	Note 3	-	-	-	-	-	504,005
Gross Margin - adjusted		**2,585,204**	**1,530,803**	**1,664,306**	**2,195,043**	**3,392,443**	**3,020,728**
% Revenue		*28.9%*	*22.5%*	*31.0%*	*33.6%*	*36.6%*	*32.6%*
EBITDA	Schedule A6	**1,883,870**	**839,891**	**1,294,137**	**1,672,116**	**2,320,310**	**1,170,099**
% Revenue		*21.1%*	*12.4%*	*24.1%*	*25.6%*	*25.0%*	*12.6%*
Normalizations:							
Add: Actual rent expense	Note 1	-	-	-	-	-	32,800
Deduct: Market rent	Note 1	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)
Deduct: CEWS	Note 2	-	-	(256,784)	(172,719)	-	-
Add: Capitalized upgrade costs	Note 3	-	-	-	-	-	504,005
Add back: Non-recurring professional fees	Note 4	-	-	-	-	135,292	166,542
Normalized EBITDA		**1,763,870**	**719,891**	**917,353**	**1,379,397**	**2,335,602**	**1,753,446**
% Revenue		*19.7%*	*10.6%*	*17.1%*	*21.1%*	*25.2%*	*18.9%*

	Low	High
Selected maintainable EBITDA	**$ 1,750,000**	**$ 2,000,000**

Notes:

1 Rohan Well operates out of an industrial shop and office in Lloydminster, owned by Rohan Rig. Effective January 2023, Rohan Well and Rohan Rig entered into a formal lease arrangement for annual minimum rent of $120,000. This is adjusted for to arrive at normalized EBITDA, and discussed further in the Report.

2 Rohan Well received Canada Emergency Wage Subsidy (CEWS) during FY21 and FY22, which was recorded as a reduction in cost of sales.

3 In August 2022, capital upgrades were incurred on coil tubing units that were recorded in repairs and maintenance expense, as part of direct costs, on the internal income statement. For external FY22 financial statements, costs were reclassified to capital assets. An adjustment is made to the TTM period ended February 28, 2023 for consistency. Capital expenditures related to coil tubing units are separately assessed and considered in Schedule A3.

4 Non-recurring professional fees paid to Camilla Advisory Group.

J.W. Carr Holdings Ltd. **Schedule A3**
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well Services - Summary of Sustaining Capex and Tax Shield
Amounts in CAD, unless otherwise noted

Sustaining Capex

	Ref.	2018	2019	2020	2021	2022	Partial Period 28-Feb-23
		For the year ended September 30,					*5-mos*
Total Capex	Note 1	$ 113,639	$ 75,962	$ 5,472	$ 109,426	$ 944,189	$ 56,654
% of revenue		*1.3%*	*1.1%*	*0.1%*	*1.7%*	*10.2%*	*n/a*
Sustaining capex - selected	Note 2	$ 250,000	$ 350,000				
Less: Tax shield	Note 3	(26,983)	(37,776)				
Sustaining capex, net of tax shield		$ 223,017	$ 312,224				

Calculation of Tax Shield Available on Undepreciated Capital Cost (UCC) Balances

Class	Type	CCA Rate	UCC as at 30-Sep-22	Additions to: 28-Feb-23	CCA to: 28-Feb-23	Estimate of UCC 28-Feb-23	Effective Tax Rate, ave	Discount Rate mid	Present Value Tax Shield
Note 4			Note 4				Schedule A1	Schedule D1	
8	Equipment	20.0%	812,817	-	(67,252)	745,565	23.0%	23.3%	79,297
10	Automotive / oilfield equipment	30.0%	92,063	56,654	(14,942)	133,775	23.0%	23.3%	17,334
45	Computer	45.0%	104	-	(19)	85	23.0%	23.3%	13
50	Computer	55.0%	489	-	(111)	378	23.0%	23.3%	61
			905,473	56,654	(82,324)	879,802			96,705

Notes:

1 Source: External unaudited cash flow statement for FY18 to FY22. Capital expeditures for 5-mos February 28, 2023 calcualted based on internal cost detail provided by Management.

2 Based on consideration of nature of capital expenditures, to replace and overhaul existing coil tubing units, and review of internal repairs and maintenance expense, incorporated into calculation of EBITDA (Schedule A2).

3 Calculation of tax shield in accordance with Canadian tax legislation:

Effective Income Tax Rate (ave)		23.0%
Average WACC	Schedule D1	23.3%
Weighted average CCA rate		25.0%
Tax shield %		10.8%

4 Source: T2 Corporate Income Tax Return, September 30, 2022

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well Services - Tangible Asset Backing (TAB)
Amounts in CAD, unless otherwise noted

	Ref.	Net Book Value at 28-Feb-23	FMV	FMV Allocated to: TAB	Redundant (Deficient) Assets	Net Debt
		Schedule A5	Note 1			
Working capital	Note 2	1,988,566	1,988,566	1,750,000	238,566	-
Prepaid expenses	Note 3	104,500	-	-	-	-
Income taxes recoverable		111,305	111,305	-	111,305	-
Fixed assets	Note 4	2,349,384	3,084,388	3,084,388	-	-
Long term investments:						
Rohan Rig	Note 5	75	-	-	-	-
Rohan Well & Rig	Note 5	100	-	-	-	-
Due from CS Cross		48,906	48,906	-	48,906	-
ESOP loan due from:						-
CS Cross		1,142,114	1,142,114	-	1,142,114	-
1276783 AB Ltd		1,057,886	1,057,886	-	1,057,886	-
Line of credit		(515,861)	(515,861)	-	-	(515,861)
Long term debt		(712,354)	(712,354)	-	-	(712,354)
Future income tax	Note 6	(351,000)	-	-	-	-
Due to related parties						
Rohan Rig		(345,140)	(345,140)	-	-	(345,140)
Rohan Well & Rig		(600,312)	(600,312)	-	-	(600,312)
JW Carr		(13,435)	(13,435)	-	-	(13,435)
Net Assets		$ 4,264,735	$ 5,246,064	$ 4,834,388	$ 2,598,777	$ (2,187,102)

Notes:

1 Management advised that net book value approximates FMV at the Valuation Date, unless otherwise noted.

2 Calculation of normalized working capital requirement set out below. This is calculated using an estimate of maintainable revenue (based on considerations in Schedule A2) and review of historical working capital trends, as well as working capital requirements of somewhat comparable public companies.

	Low	High
Estimate of Optimal Revenue	8,250,000	9,250,000
Working capital requirement, % of Revenue	20.00%	20.00%
Working capital, required	$ 1,650,000	$ 1,850,000
Required net working capital, average	1,750,000	
Actual working capital	1,988,566	
Redundant (Deficient) Working Capital	$ 238,566	

3 Prepaid expenses relate to prepayment of advisory fees to Camilla Advisory Group; this professional fee is a normalized and non-recurring expense and is excluded from TAB.

4 The FMV of equipment is set out as follows:
For purposes of assessing tangible asset backing, orderly liquidation value (OLV) was selected as advised by Management.

		Cost	NBV	OLV
		Note 4.1	Note 4.1	Note 4.2
Coil Tubing Units		7,736,688	2,156,230	2,830,000
Automotive		683,924	160,440	180,000
Catch tanks		181,420	20,827	62,500
Furniture and equipment	Note 4.3	218,886	9,683	9,683
Computer equipment and software	Note 4.3	19,282	2,205	2,205
Total		8,840,200	2,349,384	3,084,388

4.1 Source: Internal balance sheet detail and capital asset continuity.

4.2 Oilfield Equipment Appraisal, prepared by Century Services Corp. dated June 3, 2022

4.3 Furniture and computer equiment was not included in the Century Appraisal, and NBV is assumed to approximate market value at the Valuation Date.

5 The FMV of Rohan Well's investment in Rohan Rig and Rohan Well & Rig is separately considered, and incorporated into the total FMV of Rohan Well, on Schedule 1.

6 Future income tax relates to temporary differences recorded for accounting purposes and FMV is nil.

J.W. Carr Holdings Ltd. **Schedule A5**

Calculation of Fair Market Value of R'Ohan Well Services

Rohan Well Services - Summary of Financial Position - Non-Consolidated

Amounts in CAD, unless otherwise noted

		As at September 30, [1]					As at [2]
		2018	2019	2020	2021	2022	28-Feb-23
Assets							
Cash		$ -	$ -	$ 519,326	$ 533,486	$ -	$ -
Accounts receivable		1,458,554	1,268,691	732,500	1,474,092	2,166,186	1,946,295
Inventories		294,241	277,043	225,249	241,955	251,275	251,275
Prepaid expense and deposit		-	-	-	15,000	104,500	104,500
Income taxes recoverable		70,719	279,515	-	-	18,300	111,305
		1,823,514	**1,825,249**	**1,477,075**	**2,264,533**	**2,540,261**	**2,413,375**
							-
Fixed Assets		2,955,903	2,554,139	2,113,860	1,866,770	2,431,871	2,349,384
Long-term investments		175	175	175	175	175	175
Due from related parties		898,972	736,335	661,748	657,723	934,548	-
Due from shareholders		35,472	35,472	35,472	35,472	35,472	48,906
ESOP loan from shareholders		-	-	-	-	-	2,200,000
Total Assets		**$ 5,714,036**	**$ 5,151,370**	**$ 4,288,330**	**$ 4,824,673**	**$ 5,942,327**	**$ 7,011,841**
Liabilities							
Current liabilities							
Line of credit		848,731	864,048	-	-	192,531	515,861
Accounts payable and accrued liabilities		571,387	558,005	406,782	520,071	254,159	209,004
Income taxes payable		-	-	90,752	89,132	-	-
Due to related parties		-	-	-	-	-	958,887
Current portion of long term-debt		440,991	253,270	47,993	37,628	137,826	-
		1,861,109	**1,675,323**	**545,527**	**646,831**	**584,516**	**1,683,753**
Long-term debt		292,917	73,790	25,797	63,717	631,747	712,354
Future income taxes		210,000	209,000	169,000	176,000	351,000	351,000
Total Liabilities		**$ 2,364,026**	**$ 1,958,113**	**$ 740,324**	**$ 886,548**	**$ 1,567,263**	**$ 2,747,106**
Shareholders' equity		**$ 3,350,010**	**$ 3,193,257**	**$ 3,548,006**	**$ 3,938,125**	**$ 4,375,064**	**$ 4,264,735**
Total Liabilities and Shareholders' equity		**$ 5,714,036**	**$ 5,151,370**	**$ 4,288,330**	**$ 4,824,673**	**$ 5,942,327**	**$ 7,011,841**
Non-cash working capital	Note 3	1,181,408	987,729	550,967	1,195,976	2,163,302	1,988,566
As a % of Revenue		*13.2%*	*14.5%*	*10.3%*	*18.3%*	*23.3%*	*21.5%*

Notes:

1 Source: Unaudited External Financial Statements as at December 31, 2018 to 2022.

2 Source: Internal balance sheet at February 28, 2023

3 Working capital includes cash, accounts receivable, inventories, prepaid expenses and deposits less accounts payable and accrued liabilites

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well Services - Summary of Operating Results - Non-Consolidated
Amounts in CAD, unless otherwise noted

	For the year ended September 30, [1]					TTM [2]
	2018	2019	2020	2021	2022	28-Feb-23
Revenue	$ 8,943,066	$ 6,790,781	$ 5,360,562	$ 6,536,803	$ 9,270,168	$ 9,254,606
% growth		*-24.1%*	*-21.1%*	*21.9%*	*41.8%*	
Direct costs	6,357,862	5,259,978	3,439,472	4,169,041	5,877,725	6,737,883
Gross margin	**2,585,204**	**1,530,803**	**1,921,090**	**2,367,762**	**3,392,443**	**2,516,722**
% of contract revenue	*28.9%*	*22.5%*	*35.8%*	*36.2%*	*36.6%*	*27.2%*
Expenses						
Employee Benefits	213,387	210,782	181,667	192,190	279,150	260,298
Salaries and wages	202,395	210,180	188,926	226,674	351,853	491,968
Supplies	76,688	70,619	70,602	49,997	98,499	121,045
Office	63,812	61,498	50,536	57,197	82,502	111,774
Insurance	52,849	51,022	55,913	58,457	65,493	72,467
Bank charges and interest	33,452	38,572	24,412	8,357	7,635	7,755
Repairs and maintenance	44,833	25,990	16,722	30,541	47,781	27,463
Advertising and promotion	13,670	25,190	26,250	42,600	64,323	19,205
Travel	13,500	15,604	8,494	2,518	10,055	35,082
Professional fees	9,500	10,784	12,739	19,782	56,564	207,320
Property taxes	10,700	9,243	15,104	15,690	15,913	-
	734,786	729,484	651,365	704,003	1,079,768	1,354,379
Income (loss) from operations	**1,850,418**	**801,319**	**1,269,725**	**1,663,759**	**2,312,675**	**1,162,344**
Other income (expense)						
Amortization	(491,084)	(477,726)	(407,922)	(353,716)	(379,088)	(166,968)
Consulting fees and management fees	(195,048)	(208,000)	(371,127)	(278,000)	(258,000)	(287,363)
Dividend income	-	93,333	233,333	213,333	560,000	513,333
Gain on disposal of property and equipment	-	-	68,857	3,867	-	-
Interest on long-term debt	(47,425)	(26,965)	(8,525)	(2,793)	(9,636)	(30,439)
	(733,557)	(619,358)	(485,384)	(417,309)	(86,724)	28,563
Net income (loss)	$ 1,116,861	$ 181,961	$ 784,341	$ 1,246,450	$ 2,225,951	$ 1,190,907
Calculation of EBITDA						
Operating Income	1,850,418	801,319	1,269,725	1,663,759	2,312,675	1,162,344
Add: Interest and bank charges	33,452	38,572	24,412	8,357	7,635	7,755
EBITDA	$ 1,883,870	$ 839,891	$ 1,294,137	$ 1,672,116	$ 2,320,310	$ 1,170,099
% of contract revenue	*21.1%*	*12.4%*	*24.1%*	*25.6%*	*25.0%*	*12.6%*

Notes:
1 Source: Unaudited external financial statements for years ended FY18 to FY22.
2 Source: Internal financial information for the 12-month period ending February 28, 2023.

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Adjusted Net Asset Value
Amounts in CAD, unless otherwise noted

Schedule B1

	Ref.	NBV [1] 28-Feb-23	Adj Low	Adj High	FMV Low	FMV High
		Schedule B5	Note 1	Note 1		
Accounts receivable		1,736,377	-	-	1,736,377	1,736,377
Inventory		337,671	-	-	337,671	337,671
Income taxes recoverable		54,306	-	-	54,306	54,306
Prepaid expenses		34,010	-	-	34,010	34,010
Due from related parties:						
Rohan Well	Schedule A4	438,473	(93,333)	(93,333)	345,140	345,140
Rohan Well & Rig		116,278	-	-	116,278	116,278
1276783 Alberta Ltd.		13	-	-	13	13
Fixed assets:						
Service Rigs and Equipment	Note 3	2,584,704	3,354,694	4,690,044	5,939,398	7,274,748
Less: Latent Taxes	Note 4	-	(836,254)	(1,067,176)	(836,254)	(1,067,176)
Operating assets		**5,301,831**	**2,425,107**	**3,529,535**	**7,726,938**	**8,831,365**
Line of credit		(728,621)	-	-	(728,621)	(728,621)
Accounts payable and accrued liabilities		(709,642)	-	-	(709,642)	(709,642)
Long term debt		(4,305,118)	-	-	(4,305,118)	(4,305,118)
Future income taxes		(466,000)	466,000	466,000	-	-
Operating liabilities		**(6,209,382)**	**466,000**	**466,000**	**(5,743,382)**	**(5,743,382)**
Net Assets, before real estate		**(907,551)**	**2,891,107**	**3,995,535**	**1,983,556**	**3,087,984**
Real Estate:						
Real Estate	Note 2	5,792,576	1,912,424	1,912,424	7,705,000	7,705,000
Less: Latent Taxes	Note 4	-	(293,629)	(293,629)	(293,629)	(293,629)
Less: Mortgage		(4,381,982)	-	-	(4,381,982)	(4,381,982)
		1,410,595	**1,618,795**	**1,618,795**	**3,029,389**	**3,029,389**
Adjusted net asset value		**503,044**	**4,509,902**	**5,614,329**	**5,012,946**	**6,117,373**
FMV of Total Equity					**5,012,946**	**6,117,373**
% interest held by Rohan Well					67.00%	67.00%
FMV of Investment in Rohan Rig					**3,358,674**	**4,098,640**

Implied Enterprise Value per Rig

	Low	High
Net assets, before real estate	1,983,556	3,087,984
Add: Debt, excl. mortgage	5,033,739	5,033,739
Implied Enterprise Value	**7,017,296**	**8,121,723**
# Service Rigs	9	9
Implied EV/Rig	**$ 779,700**	**$ 902,414**

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Adjusted Net Asset Value
Amounts in CAD, unless otherwise noted

Notes:

1 Net book value approximates FMV at the Valuation Date, unless otherwise noted.

2 The FMV of real property is set out as follows:

	Ref.	Cost	NBV	Market Value	
		Note 2.1	Note 2.1		
Lloydminster				7,000,000	Note 2.2
Land		728,366	728,366		
Buildings		6,090,215	4,333,252		
Parking Area		202,759	130,715		
Drumheller				705,000	Note 2.3
Land		120,000	120,000		
Buildings		748,800	480,244		
Total		**7,890,139**	**5,792,576**	**7,705,000**	

2.1 Source: Internal balance sheet detail and capital asset continuity.

2.2 Market value as advised by Management based on rental rates, from current third party agreements, and market capitalization rates. Refer to Report for discussion.

2.3 As advised by Management based on third-party offer on property expected to close in Spring 2023.

3 The FMV of equipment is set out as follows:

		Cost	NBV	Market Value	
				FLV	OLV
		Note 3.1	Note 3.1	Note 3.2	Note 3.2
Service Rigs		12,571,923	2,291,339	4,810,000	5,898,000
Equipment		1,948,195	194,159	342,600	437,550
Support Units		1,837,769	38,405	616,000	721,000
Vehicles		788,293	52,503	162,500	209,900
Other	Note 3.3	69,771	8,298	8,298	8,298
Total		**17,215,951**	**2,584,704**	**5,939,398**	**7,274,748**

3.1 Source: Internal balance sheet detail and capital asset continuity.

3.2 Oilfield Equipment Appraisal, prepared by Century Services Corp. dated June 3, 2022

3.3 Other equipment comprised of furniture, fixtures, and computers. This was not included in the Century Appraisal, and NBV is assumed to approximate market value at the Valuation Date.

4 Latent taxes calculated below:

	Ref.	Low	High
Real Property			
Corporate tax on disposition	Note 5	522,351	522,351
Forgone tax shield	Note 7	64,907	64,907
Latent tax adjustment, average		**293,629**	**293,629**
Equipment			
Corporate tax on disposition	Note 6	1,118,256	1,425,386
Forgone tax shield	Note 7	554,251	708,965
Latent tax adjustment, average		**836,254**	**1,067,176**

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Adjusted Net Asset Value
Amounts in CAD, unless otherwise noted

5 Calculation of corporate taxes on owned property set out below.

		Lloydminster		Drumheller		
		Land	Building	Land	Building	Total
Market Value		810,199	6,189,801	97,376	607,624	7,705,000
Less: estimate of selling costs	2.00%	(16,204)	(123,796)	(1,948)	(12,152)	(154,100)
Net Proceeds		793,995	6,066,005	95,428	595,472	7,550,900
Capital Gains Tax:						
Cost	*above*	728,366	6,292,973	120,000	748,800	
Capital gain		65,629	-	(24,572)	-	41,057
Taxable capital gain	50.00%					20,529
Taxes payable on capital gains	46.67%					$ 9,581
Corporate Tax, Recapture						
UCC, Buildings	Note 8					4,947,942
CCA Recapture (Terminal Loss)	*UCC - lesser of cost and proceeds on Buildings*					1,713,535
Taxes payable on net recapture	23.00%					$ 394,113
Total taxes						403,694
Selling Costs						154,100
Selling costs, after tax						118,657
Total taxes and selling costs, on disposal						522,351

6 Calculation of corporate taxes on disposal of equipment set out below.

	Cost	UCC	Market Value: FLV	Taxable Capital Gain (Loss)	CCA Recapture	Market Value: OLV	Taxable Capital Gain (Loss)	CCA Recapture
Equipment		Schedule B4	Note 3			Note 3		
Service Rigs	12,571,923	782,915	4,810,000	(3,880,962)	4,027,085	5,898,000	(3,336,962)	5,115,085
Equipment	1,948,195	165,413	342,600	(802,798)	177,187	437,550	(755,323)	272,137
Support Units	1,837,769	39,129	616,000	(610,885)	576,871	721,000	(558,385)	681,871
Vehicles	788,293	89,807	162,500	(312,896)	72,693	209,900	(289,196)	120,093
Other	69,771	152	8,298	(30,737)	8,146	8,298	(30,737)	8,146
	17,215,951	1,077,415	5,939,398	(5,638,277)	4,861,982	7,274,748	(4,970,602)	6,197,332
Taxes payable on capital gains	46.67%			-			-	
Taxes payable on net recapture	23.00%				1,118,256			1,425,386
Total Taxes					1,118,256			1,425,386

7 Calculation of forgone tax shield under the scenario of an indefinite hold of assets:

Cost of Capital Assumption Schedule D1 23.25%

	CCA Rate	UCC	Tax Shield, Existing UCC	Market Value	Tax Shield, Market Value
Real Property		Schedule B4	Note 7.1	Note 2	Note 7.1
Buildings	4.0%	4,807,051	162,293		
Fence	10.0%	9,752	675		
Parking area	8.0%	131,139	7,721		
		4,947,942	170,689	7,705,000	235,596
Forgone Tax Shield	Note 7.2				64,907

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Adjusted Net Asset Value
Amounts in CAD, unless otherwise noted

Schedule B1

	CCA Rate	UCC	Tax Shield, Existing UCC	Tax Shield on Acquisition of Assets, Note: Market Value: FLV	Tax Shield, FLV	Market Value: OLV	Tax Shield, OLV
		Schedule B4	Note 7.1	Note 3		Note 3	
Equipment							
Service Rigs	30.0%	782,915	101,448	4,810,000	564,481	5,898,000	692,164
Equipment	20.0%	165,413	17,593	342,600	33,001	437,550	42,148
Support Units	30.0%	39,129	5,070	616,000	72,291	721,000	84,613
Vehicles	30.0%	89,807	11,637	162,500	19,070	209,900	24,633
Other	50.0%	152	24	8,298	1,180	8,298	1,180
		1,077,415	**135,772**	**5,939,398**	**690,023**	**7,274,748**	**844,738**
Forgone Tax Shield	**Note 7.2**				**554,251**		**708,965**

7.1 Tax shield on acquisition of assets assumes that tax basis equals FMV.
7.2 Forgone tax shield is difference between tax shield based on asset acquisition, and tax shield on existing UCC.

8 Based on UCC on total buildings, as cannot differentiate between Drumheller and Lloydminster on tax return.
Refer to Schedule B4 for tax return details and calculation of UCC.

J.W. Carr Holdings Ltd. | Schedule B2

Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Capitalized Cash Flow
Amounts in CAD, unless otherwise noted

		Ref.		Low		Mid		High
Selected Maintainable EBITDA			$	800,000			$	1,000,000
Less: Corporate income taxes	23.0%	Note 1		(184,000)				(230,000)
Net operating after-tax earnings				616,000				770,000
Less: Maintaining capital expenditures, net of tax shield		Schedule B4		(267,621)				(356,828)
Maintainable cash flow				348,379				413,172
Capitalization multiple		Note 2		4.5x				4.9x
Capitalized cash flow			$	1,583,542			$	2,015,475
Add: Present value of tax shield on existing assets				135,772				135,772
Operating Enterprise Value		**Schedule B4**	$	1,719,313	$	1,935,280	$	2,151,246

Implied Valuation Multiples						Low		Mid		High
EV/EBITDA:										
EV / Maintainable EBITDA						2.1x		2.2x		2.2x
EV / FY22 EBITDA	$	847,175.39	Schedule B3			2.0x		2.3x		2.5x
EV / TTM Feb 2023 EBITDA	$	890,813.63	Schedule B3			1.9x		2.2x		2.4x
Market Data										
Somewhat comparable public companies										
EV/TTM EBITDA			Schedule D2			2.2x		5.4x		7.3x
EV/F-2023 EBITDA			Schedule D2			2.1x		3.0x		6.2x
Private equity transactions			Schedule D5			4.4x		4.6x		4.8x
Goodwill		Note 3		$		(5,330,084)	$	(5,781,793)	$	(6,233,501)
Implied Goodwill / Maintainable EBITDA						nil.		nil.		nil.
Implied Goodwill / FY22 EBITDA						-6.3x		-6.8x		-7.4x

Notes:

1 Based on the blended federal and provincial corporate tax rate at the Valuation Date.

2 Capitalization rate based on the selected weighted average cost of capital and long-term growth rate (based on review of the Bank of Canada's long-term target inflation rate).

		Low	High
WACC	Schedule D1	24.00%	22.50%
Less: long-term growth rate		2.00%	2.00%
Capitalization Rate		22.00%	20.50%
Capitalization Multiple	*= 1 / capitalization rate*	4.5x	4.9x

3 Implied goodwill based on the valuation set out below.

As goodwill is negative, valuation of Rohan Rig has been performed using a net asset value approach.

			Low		Mid		High	
Operating Enterprise Value	*above*	$	1,719,313	$	1,935,280	$	2,151,746	[a]
Normalized net working capital	Schedule B5		1,110,000		1,110,000		1,110,000	
Equipment	Note 4		5,939,398		6,607,073		7,274,748	
Tangible asset backing			7,049,398		7,717,073		8,384,748	[b]
Implied Goodwill			(5,330,084)		(5,781,793)		(6,233,501)	[a] - [b]

4 Based on range of FMV of equipment, as detailed at Schedule B1.

J.W. Carr Holdings Ltd. **Schedule B3**
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Maintainable EBITDA
Amounts in CAD, unless otherwise noted

	Ref.	2018	2019	2020	2021	2022	TTM 28-Feb-23
		For the year ended September 30,					
Revenue	Schedule B6	**7,293,576**	**8,278,339**	**6,170,817**	**7,447,154**	**10,030,479**	**10,246,521**
% growth			*13.5%*	*-25.5%*	*20.7%*	*34.7%*	*2.2%*
Gross Margin - reported		2,645,282	2,639,684	1,961,442	2,205,946	2,477,051	2,177,424
Deduct: CEWS	Note 1	-	-	(458,503)	(310,046)	-	-
Add: Capital costs	Note 2	-	-	-	-	121,109	462,212
Gross Margin - adjusted	Schedule B6	**2,645,282**	**2,639,684**	**1,502,939**	**1,895,900**	**2,598,160**	**2,639,636**
% Revenue		*36.3%*	*31.9%*	*24.4%*	*25.5%*	*25.9%*	*25.8%*
EBITDA	Schedule B6	**1,351,491**	**1,158,975**	**1,042,080**	**1,109,448**	**772,144**	**512,602**
% Revenue		*18.5%*	*14.0%*	*16.9%*	*14.9%*	*7.7%*	*5.0%*
Normalizations:							
Deduct: CEWS	Note 1	-	-	(458,503)	(310,046)	-	-
Add: Capital costs	Note 2	-	-	-	-	121,109	462,212
Deduct: Market rent expense, owned property	Note 3	(84,000)	(84,000)	(84,000)	(84,000)	(84,000)	(84,000)
Add: Subdivision expense	Note 4	-	-	-	-	37,922	-
Normalized EBITDA		**1,267,491**	**1,074,975**	**499,577**	**715,402**	**847,175**	**890,814**
% Revenue		*17.4%*	*13.0%*	*8.1%*	*9.6%*	*8.4%*	*8.7%*

	Low	High
Selected maintainable EBITDA	**$ 800,000**	**$ 1,000,000**

Notes:

1 Rohan Well received Canada Emergency Wage Subsidy (CEWS) during FY21 and FY22, which was recorded as a reduction in cost of sales.

2 From July 2022 to January 2023, capital upgrades were incurred on Rig #4, Rig #8 and other equipment. These costs were recorded as repairs and maintenance expense, as part of direct costs, but are capital in nature. An adjustment is made to FY22 and TTM period ended February 28, 2023 to add back these capital costs. Capital expenditures are separately assessed and considered in Schedule B4.

	FYE 30-Sep-22	TTM 28-Feb-23	5.mos 28-Feb-28
Repairs and maintenance expense - capital items	121,109	462,212	341,102

3 Rohan Rig operates out of the industrial shop located in Lloydminster; this property is owned by Rohan Rig. EBITDA is normalized to reflect market rate of rent for the space, as advised by Management.

4 Non-recurring subdivision expenses in FY22, as advised by Management.

J.W. Carr Holdings Ltd. **Schedule B4**
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Summary of Sustaining Capex and Tax Shield
Amounts in CAD, unless otherwise noted

Sustaining Capex

	Ref.	For the year ended September 30, 2018	2019	2020	2021	2022	Partial Period 28-Feb-23 5-mos
Total Capex	Note 1	22,607	106,801	781,935	148,981	-	47,499
Add: Capitalized upgrade costs	Schedule B3	-	-	-	-	121,109	341,102
Net capex		22,607	106,801	781,935	148,981	121,109	388,601
% of revenue		*0.3%*	*1.6%*	*14.6%*	*2.3%*	*1.3%*	*4.2%*
Sustaining capex - selected	Note 2	**300,000**	**400,000**				
Less: Tax shield	Note 3	(32,379)	(43,172)				
Sustaining capex, net of tax shield		**$ 267,621**	**$ 356,828**				

Calculation of Tax Shield Available on Undepreciated Capital Cost (UCC) Balances

Class	Type	CCA Rate	UCC as at 30-Sep-22	Additions to: 28-Feb-23	CCA to: 28-Feb-23	Estimate of UCC 28-Feb-23	Effective Tax Rate, ave	Discount Rate mid	Present Value Tax Shield
Note 4			Note 4	Note 1				Schedule D1	
8	Equipment	20.0%	180,334	-	(14,921)	165,413	23.0%	23.3%	17,593
10	Service Rigs	30.0%	528,582	341,102	(86,769)	782,915	23.0%	23.3%	101,448
10	Support Units	30.0%	44,673	-	(5,544)	39,129	23.0%	23.3%	5,070
10	Vehicles	30.0%	51,668	47,499	(9,360)	89,807	23.0%	23.3%	11,637
45	Computer	45.0%	158	-	(29)	129	23.0%	23.3%	19
50	Computer	55.0%	30	-	(7)	23	23.0%	23.3%	4
			805,445	**388,601**	**(116,631)**	**1,077,415**			**135,772**
1	Building	4.0%	3,303,848	-	(54,672)	3,249,176	23.0%	23.3%	109,697
1	Building C	4.0%	1,434,460	-	(23,737)	1,410,723	23.0%	23.3%	47,628
1	Building B	4.0%	149,628	-	(2,476)	147,152	23.0%	23.3%	4,968
6	Fence	10.0%	10,173	-	(421)	9,752	23.0%	23.3%	675
17	Parking area	8.0%	135,628	-	(4,489)	131,139	23.0%	23.3%	7,721
			5,033,737	**-**	**(85,795)**	**4,947,942**			**170,689**

Notes:

1 Source: External unaudited cash flow statement for FY18 to FY22. Capital expenditures for 5-mos February 28, 2023 calculated based on internal cost detail provided by Management.

2 Based on consideration of nature of capital expenditures, to replace and overhaul existing coil tubing units, and review of internal repairs and maintenance expense, incorporated into calculation of EBITDA (Schedule B3).

3 Calculation of tax shield in accordance with Canadian tax legislation:

Effective Income Tax Rate (ave)		23.0%
Average WACC	Schedule D1	23.3%
Weighted average CCA rate	*above*	25.0%
Tax shield %		10.8%

4 Source: T2 Corporate Income Tax Return, September 30, 2022

J.W. Carr Holdings Ltd. **Schedule B5**

Calculation of Fair Market Value of R'Ohan Well Services

Rohan Rig - Summary of Financial Position

Amounts in CAD, unless otherwise noted

	As at September 30, [1]					As at [2]
	2018	2019	2020	2021	2022	28-Feb-23
Assets						
Cash	$ -	$ -	$ -	$ -	$ 453,047	$ -
Accounts receivable	1,010,423	1,659,630	845,664	1,281,604	1,375,472	1,736,377
Inventory	165,317	163,962	247,460	273,311	337,671	337,671
Income taxes recoverable	-	-	109,139	-	33,729	54,306
Prepaid expenses	31,374	28,266	36,340	34,010	34,010	34,010
Due from J.W. Carr Holdings Ltd.	600,000	600,000	600,000	600,000	649,685	-
	1,807,114	**2,451,858**	**1,838,603**	**2,188,925**	**2,883,614**	**2,162,364**
Property, plant and equipment	11,131,389	10,272,981	10,150,122	9,435,373	8,688,484	8,377,279
Total Assets	**$ 12,938,503**	**$ 12,724,839**	**$ 11,988,725**	**$ 11,624,298**	**$ 11,572,098**	**$ 10,539,643**
Liabilities						
Current liabilities						
Line of credit	389,877	468,063	154,892	381,899	-	728,621
Accounts payable and accrued liabilities	590,812	877,820	492,907	553,691	720,802	709,642
Income taxes payable	8,769	26,149	-	76,371	-	-
Current portion of long term-debt and demand debt	627,612	295,289	475,865	493,278	721,144	-
Callable debt due thereafter	2,505,202	2,428,654	2,631,160	2,341,134	2,196,710	-
Due to related parties	1,465,041	1,501,600	1,513,436	1,389,394	1,539,471	(554,763)
	5,587,313	**5,597,575**	**5,268,260**	**5,235,767**	**5,178,127**	**883,500**
Long-term and demand debt	4,325,842	4,113,084	3,965,418	3,748,890	4,619,054	8,687,100
Future income taxes	680,000	630,000	551,000	515,000	466,000	466,000
Total Liabilities	**$ 10,593,155**	**$ 10,340,659**	**$ 9,784,678**	**$ 9,499,657**	**$ 10,263,181**	**$ 10,036,600**
Shareholders' equity	**$ 2,345,348**	**$ 2,384,180**	**$ 2,204,047**	**$ 2,124,641**	**$ 1,308,917**	**$ 503,043**
Total Liabilities and Shareholders' equity	**$ 12,938,503**	**$ 12,724,839**	**$ 11,988,725**	**$ 11,624,298**	**$ 11,572,098**	**$ 10,539,643**
Non-cash working capital Note 3	**616,302**	**974,038**	**636,557**	**1,035,234**	**1,026,351**	**1,398,415**
% of revenue	*8.4%*	*11.8%*	*10.3%*	*13.9%*	*10.2%*	*13.6%*

Notes:

1 Source: Unaudited External Financial Statements as at December 31, 2018 to 2022.

2 Source: Internal balance sheet at February 28, 2023

3 Calculation of normalized net working capital at the Valuation Date is set out below. This is based on a range of maintainable revenue (based on considerations in Schedule B3) and review of historical working capital trends, as well as working capital requirements of somewhat comparable public companies.

	Low	High	Average
Maintainable Revenue	8,500,000	10,000,000	
NWC requirement	12.0%	12.0%	
Normalized NWC	**1,020,000**	**1,200,000**	**1,110,000**

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Rig - Summary of Operating Results
Amounts in CAD, unless otherwise noted

Schedule B6

	For the year ended September 30, (1)					TTM (2)
	2018	2019	2020	2021	2022	28-Feb-23
						Note 2
Revenue	$ 7,293,576	$ 8,278,339	$ 6,170,817	$ 7,447,154	$ 10,030,479	$ 10,246,521
% growth		*13.5%*	*-25.5%*	*20.7%*	*34.7%*	*2.2%*
Direct costs	4,648,294	5,638,655	4,209,375	5,241,208	7,553,428	8,069,097
Gross margin	2,645,282	2,639,684	1,961,442	2,205,946	2,477,051	2,177,424
% of contract revenue	*36.3%*	*31.9%*	*31.8%*	*29.6%*	*24.7%*	*21.3%*
Expenses						
Salaries and wages	522,550	548,255	106,313	275,626	657,970	714,320
Employee benefits	283,477	375,301	326,259	389,130	430,184	141,770
Office	140,351	198,637	156,622	108,296	224,948	327,953
Insurance	95,443	103,235	117,934	122,136	123,967	134,451
Vehicle	70,146	77,039	66,784	87,813	122,458	159,752
Property taxes	55,432	59,634	50,817	47,828	46,718	76,487
Advertising, promotion, and marketing	58,503	39,389	21,049	4,516	15,280	30,262
Training and other	39,442	33,984	20,474	23,701	34,427	25,209
Interest and bank charges	32,251	28,122	15,121	19,731	26,170	23,774
Travel	10,837	21,319	23,316	16,700	18,485	31,099
Telephone	10,458	17,093	20,133	13,538	16,005	23,175
Professional fees	7,152	6,823	9,661	7,214	6,780	7,668
	1,326,042	1,508,831	934,483	1,116,229	1,723,392	1,695,921
Income (loss) from operations	**1,319,240**	**1,130,853**	**1,026,959**	**1,089,717**	**753,659**	**481,503**
Other income (expense)						
Rental income	336,801	417,083	316,663	396,543	330,802	268,367
Management fee income	93,000	99,000	87,000	75,000	5,500	-
Interest income	-	31,380	31,380	13,075	49,685	-
Gain (loss) on disposal of property and equipment	-	795	-	(9,237)	-	-
Management fees	(168,000)	(168,000)	(168,000)	(168,000)	(168,000)	(168,000)
Interest on long-term debt	(284,543)	(299,138)	(291,882)	(226,769)	(189,961)	(278,611)
Amortization	(1,112,397)	(964,004)	(904,794)	(854,493)	(746,889)	(618,034)
	(1,135,139)	(882,884)	(929,633)	(773,881)	(718,863)	(796,278)
Net income (loss)	$ 184,101	$ 247,969	$ 97,326	$ 315,836	$ 34,796	$ (314,775)
Calculation of EBITDA						
Operating income	1,319,240	1,130,853	1,026,959	1,089,717	753,659	481,503
Add: Interest and bank charges	32,251	28,122	15,121	19,731	18,485	31,099
EBITDA	$ 1,351,491	$ 1,158,975	$ 1,042,080	$ 1,109,448	$ 772,144	$ 512,602
% of contract revenue	*18.5%*	*14.0%*	*16.9%*	*14.9%*	*7.7%*	*5.0%*

Notes:
1 Source: Unaudited external financial statements for years ended FY18 to FY22.
2 Source: Internal financial information for the 12-month period ending February 28, 2023.

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well & Rig - Adjusted Net Asset Value: R'Ohan Well & Rig Services
Amounts in CAD, unless otherwise noted

Schedule C1

	Ref.	NBV [1]	Adj		FMV	
		28-Feb-23	Low	High	Low	High
		Schedule C2	Note 1	Note 1		
Accounts receivable		106,283	-	-	106,283	106,283
Income taxes recoverable		27,344	-	-	27,344	27,344
Fixed Assets	Note 2		-	-	-	-
Service Rig #5		932,600	367,400	417,400	1,300,000	1,350,000
Equipment		41,010	(11,010)	(1,010)	30,000	40,000
Support Units		1,627	63,373	75,373	65,000	77,000
Due from related parties:						
JW Carr		300,000	-	-	300,000	300,000
CS Cross		200,000	-	-	200,000	200,000
Rohan Well		600,312	-	-	600,312	600,312
Non-capital tax losses	Note 8	-	20,243	20,243	20,243	20,243
Total assets		**2,209,176**	**440,006**	**512,006**	**2,649,182**	**2,721,182**
Line of credit		(51,985)	-	-	(51,985)	(51,985)
Accounts payable and accrued liabilities		(22,311)	-	-	(22,311)	(22,311)
Due to Rohan Rig		(105,376)	(10,901)	(10,901)	(116,278)	(116,278)
Future income tax		(20,000)	20,000	20,000	-	-
Total liabilities		**(199,672)**	**9,099**	**9,099**	**(190,574)**	**(190,574)**
Adjusted net asset value		**2,009,504**	**449,104**	**521,104**	**2,458,608**	**2,530,608**
Less: Latent Taxes	Note 4				(108,246)	(120,646)
FMV of Total Equity					**2,350,362**	**2,409,963**
% interest held by Rohan Well					100.00%	100.00%
FMV of investment in Rohan Well & Rig					**2,350,362**	**2,409,963**

Notes:

1 Net book value approximates FMV at the Valuation Date, unless otherwise noted.

2 The FMV of equipment is set out as follows:

	Cost	NBV	Market Value	
			FLV	OLV
	Note 2.1	Note 2.1	Note 2.2	Note 2.2
Service Rigs	1,717,395	932,600	1,300,000	1,350,000
Equipment	274,552	41,010	30,000	40,000
Support trucks	168,635	1,627	65,000	77,000
Total	**2,160,582**	**975,237**	**1,395,000**	**1,467,000**

2.1 Source: Internal balance sheet detail and capital asset continuity.

2.2 Oilfield Equipment Appraisal, prepared by Century Services Corp. dated June 3, 2022

3 Amount due to Rohan Rig at February 28, 2023 adjusted to reconcile to amount receivable from Rohan Well & Rig as reported on Rohan Rig financial statements.

4 Latent taxes calculated below:

	Ref.	Low	High
Corporate tax on disposition	Note 5	149,231	165,791
Forgone tax shield	Note 6	67,261	75,500
Latent tax adjustment, average		**108,246**	**120,646**

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well & Rig - Adjusted Net Asset Value: R'Ohan Well & Rig Services
Amounts in CAD, unless otherwise noted

Schedule C1

5 Calculation of corporate taxes on disposal of equipment set out below.

	Cost	UCC	Market Value: FLV	Taxable Capital Gain (Loss)	CCA Recapture (Terminal Loss)	Market Value: OLV	Taxable Capital Gain (Loss)	CCA Recapture (Terminal Loss)
Equipment	Note 2	Note 7	Note 2.2			Note 2.2		
Service Rigs	1,717,395	707,374	1,300,000	(208,697)	592,626	1,350,000	(183,697)	642,626
Equipment	274,552	37,364	30,000	(122,276)	(7,364)	40,000	(117,276)	2,636
Support trucks	168,635	1,431	65,000	(51,818)	63,569	77,000	(45,818)	75,569
			1,395,000	**(382,791)**	**648,831**	**1,467,000**	**(346,791)**	**720,831**
Taxes payable on capital gains	46.67%			-			-	
Taxes payable on net recapture	23.00%				149,231			165,791
Total Taxes					**149,231**			**165,791**

6 Calculation of forgone tax shield under the scenario of an indefinite hold of assets:

Cost of Capital Assumption — Schedule D1 — 23.25%

				Tax Shield on Acquisition of Assets, Note 6.1			
	CCA Rate	UCC	Tax Shield, Existing UCC	Market Value: FLV	Tax Shield, FLV	Market Value: OLV	Tax Shield, OLV
Equipment		Note 7		Note 2.2		Note 2.2	
Service Rigs	30.0%	707,374	91,660	1,300,000	152,562	1,350,000	158,430
Equipment	20.0%	37,364	3,974	30,000	2,890	40,000	3,853
Support trucks	30.0%	1,431	185	65,000	7,628	77,000	9,036
			95,819		**163,080**		**171,320**
Forgone Tax Shield	Note 6.2				**67,261**		**75,500**

6.1 Tax shield on acquisition of assets assumes that tax basis equals FMV.
6.2 Forgone tax shield is difference between tax shield based on asset acquisition, and tax shield on existing UCC.

7 UCC calculated based on T2 Corporate Income Tax Return at September 30, 2022, and capital additions to the Valuation Date:

Description	Class	Rate	UCC 30-Sep-22	Additions 28-Feb-23	CCA to 28-Feb-23	UCC at 28-Feb-23
Service Rigs	10	30.0%	62,712	695,611	50,949	707,374
Equipment	8	20.0%	12,742	26,784	2,162	37,364
Support trucks	10	30.0%	1,634	-	203	1,431
			77,088	**722,395**	**53,314**	**746,169**

8 Rohan Well & Rig has a balance of non-capital tax losses available at the Valuation Date. FMV of these losses is calculated as follows:

Revenue, YTD February 28, 2023	Schedule C3	236,030	
Revenue, Annualized to September 2023		566,472	
EBITDA Margin, estimate	32.6%	**184,439**	*Based on average observed EBITDA margin, historical period*
Non-capital tax loss balance at September 30, 2022		**99,489**	*Source: T2 Corporate Income Tax Return, September 30, 2022*

Based on the above EBITDA margin estimate for FY23, all of the non-capital tax losses will be utilized within the 2023 tax year.

Non-capital tax loss balance at September 30, 2022		99,489
Tax rate		23.0%
Tax savings from year ended September 30, 2023		22,882
Average WACC	Schedule D1	23.25%
Discount to February 28, 2023 at WACC		0.88
FMV of Tax Losses		**20,243**

J.W. Carr Holdings Ltd. | Schedule C2
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well & Rig - Summary of Financial Position
Amounts in CAD, unless otherwise noted

	As at September 30, [1]					As at [2]
	2018	2019	2020	2021	2022	28-Feb-23
Assets						
Cash	$ 4,813	$ 90,530	$ 267,556	$ 466,955	$ -	$ -
Accounts receivable	208,538	244,644	239,306	-	-	106,283
Income taxes recoverable	2,010	-	25,544	117,038	27,344	27,344
	215,361	335,174	532,406	583,993	27,344	133,627
Fixed assets	225,711	189,437	159,174	263,381	985,776	975,237
Due from related parties	1,066,081	1,265,278	1,351,700	1,231,684	1,104,936	1,100,312
Total Assets	$ 1,507,153	$ 1,789,889	$ 2,043,280	$ 2,079,058	$ 2,118,056	$ 2,209,176
Liabilities						
Line of credit	-	-	-	-	170,672	51,985
Accounts payable and accruals	51,510	53,692	70,845	168,529	62,034	22,311
Due to related parties	-	-	-	-	-	105,376
Income taxes payable	-	11,413	-	-	-	-
	51,510	65,105	70,845	168,529	232,706	179,672
Future income taxes	41,000	36,000	27,000	13,000	20,000	20,000
Total Liabilities	$ 92,510	$ 101,105	$ 97,845	$ 181,529	$ 252,706	$ 199,672
Shareholders' equity	$ 1,414,643	$ 1,688,784	$ 1,945,435	$ 1,897,529	$ 1,865,350	$ 2,009,504
Total Liabilities and Shareholders' equity	$ 1,507,153	$ 1,789,889	$ 2,043,280	$ 2,079,058	$ 2,118,056	$ 2,209,176

Notes:
1 Source: Unaudited External Financial Statements as at September 30, 2018 to 2022.
2 Source: Internal balance sheet at February 28, 2023

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Rohan Well & Rig - Summary of Operating Results
Amounts in CAD, unless otherwise noted

Schedule C3

	Ref.	For the year ended September 30, [1] 2018	2019	2020	2021	2022	5. mos 28-Feb-23 Note 2
Revenue		$ 1,164,472	$ 1,407,128	$ 1,156,376	$ 371,532	$ -	$ 236,030
% growth			*20.8%*	*-17.8%*	*-67.9%*	*-100.0%*	*n/a*
Direct costs	Note 3	758,017	822,487	637,205	278,500	-	62,875
Gross margin		406,455	584,641	519,171	93,032	-	173,155
% of contract revenue		*34.9%*	*41.5%*	*44.9%*	*25.0%*	*n/a*	*73.4%*
Expenses							
Employee benefits		30,542	36,798	29,833	7,413	-	-
Insurance and licenses		8,502	8,525	8,502	8,502	8,502	-
Professional fees		3,927	3,500	3,555	3,500	3,780	3,519
Bank charges and interest		3,840	1,694	-	653	1,269	4,945
Office		243	1,138	257	76	2,128	-
		47,054	51,655	42,147	20,144	15,679	8,464
Income (loss) from operations		359,401	532,986	477,024	72,888	(15,679)	164,692
Other income (expense)							
Management fees		(117,000)	(123,000)	(111,000)	(99,000)	(29,500)	(10,000)
Amortization		(43,568)	(36,274)	(30,263)	(35,793)	-	(10,539)
		(160,568)	(159,274)	(141,263)	(134,793)	(29,500)	(20,539)
Net income (loss)		$ 198,833	$ 373,712	$ 335,761	$ (61,905)	$ (45,179)	$ 144,153
Calculation of EBITDA							
Operating income (loss)		359,401	532,986	477,024	72,888	(15,679)	164,692
Add: interest and bank charges		3,840	1,694	-	653	1,269	4,945
EBITDA		$ 363,241	$ 534,680	$ 477,024	$ 73,541	$ (14,410)	$ 169,636
% of contract revenue		*31.2%*	*38.0%*	*41.3%*	*19.8%*	*n/a*	*71.9%*

Notes:

1 Source: Unaudited external financial statements for years ended FY18 to FY22.
2 Source: Internal income statement for period October 1, 2022 to February 28, 2023.
3 We note that internal income statement for period February 28, 2023 does not include an allocation of payroll expense from Rohan Rig.

J.W. Carr Holdings Ltd.

Calculation of Fair Market Value of R'Ohan Well Services

Weighted Average Cost of Capital - CAPM Approach

Amounts in CAD, unless otherwise noted

Schedule D1

Guideline Companies	Ticker	Total Book Value of Total Debt	Market Value of Equity	Total Market Value of Capital	Debt to Equity	Historical Debt to Equity	Marginal Tax Rate	Unadjusted Equity Beta	Unlevered Equity Beta
Note 1		Note 2				Note 3			
Secure Energy Services Inc.	TSX:SES	1,031	2,626	3,657	39.3%	68.2%	26.0%	2.49	1.65
Precision Drilling Corporation	TSX:PD	1,154	1,052	2,205	109.7%	252.5%	26.0%	3.18	1.11
Trican Well Service Ltd.	TSX:TCW	42	785	827	5.4%	8.8%	26.0%	2.06	1.94
Ensign Energy Services Inc.	TSX:ESI	1,457	610	2,067	238.8%	nmf	26.0%	3.11	n/a
Calfrac Well Services Ltd.	TSX:CFW	355	454	809	78.2%	280.8%	26.0%	1.93	0.63
PHX Energy Services Corp.	TSX:PHX	62	390	453	16.0%	24.9%	26.0%	2.28	1.93
Total Energy Services Inc.	TSX:TOT	135	363	498	37.1%	90.0%	26.0%	2.09	1.25
STEP Energy Services Ltd.	TSX:STEP	170	338	507	50.2%	225.0%	26.0%	2.58	0.97
Cathedral Energy Services Ltd.	TSX:CET	98	257	356	38.2%	103.7%	26.0%	2.50	1.42
KLX Energy Services Holdings, Inc.	NasdaqGS:KLXE	475	223	698	212.9%	nmf	27.0%	2.08	n/a
CWC Energy Services Corp.	TSXV:CWC	43	114	157	37.7%	59.7%	26.0%	1.69	1.17
Western Energy Services Corp.	TSX:WRG	132	108	240	122.0%	nmf	26.0%	1.62	n/a
High Arctic Energy Services Inc	TSX:HWO	6	70	76	8.1%	14.8%	26.0%	2.24	2.02
AKITA Drilling Ltd.	TSX:AKT.A	95	67	162	142.0%	198.1%	26.0%	1.84	0.75
Essential Energy Services Ltd.	TSX:ESN	11	53	63	20.4%	34.5%	26.0%	1.75	1.39
Average					**77.1%**	**113.4%**			**1.35**
Mean, excluding high and low					**70.1%**	**107.1%**			**1.36**
Median					**39.3%**	**79.1%**			**1.32**

Symbol	Symbol	Low	High	Notes
Unlevered Beta		1.36	1.36	Selected above
Debt/Equity		53.8%	53.8%	=d%/(1-d%)
Tax rate		23.0%	23.0%	Tax rate in jurisdiction in which subject company is headquartered
Relevered equity beta	ß	1.92	1.92	
Risk-free rate	Rf	4.1%	4.1%	20 year U.S. Treasury Constant Maturity Yields as at the Valuation Date
Equity risk premium	Rp	6.0%	6.0%	Equity Risk Premium per Kroll Cost of Capital Navigator
Size Risk Premium	Rs	11.0%	11.0%	10Z decile, Source: Guide to Cost of Capital, Kroll
Company-specific premium	α	4.0%	6.0%	Refer to our Report for further discussion
Cost of equity	**Ke**	**30.7%**	**33.5%**	Rf + (Rp * ß) + Rs + α
Pre-tax cost of debt	i	8.9%	8.9%	Consideration of 20Y BB and B-Rated US Corporate Bond Yields (Energy Sector)
Tax rate	t	23.0%	23.0%	Selected above
Cost of debt	**Kd**	**6.8%**	**6.8%**	i * (1 - t)
Capital structure: Debt as % of total capital	d%	35.0%	35.0%	Note 4
After-tax WACC	**WACC**	**22.50%**	**24.00%**	Ke * (1-d%) + Kd * d%

Notes:

Source: S&P Capital IQ

1 Refer to description in Schedule D3
2 Book value of debt used as an approximation of market value. For purposes of calculating capital structure preferred equity, if any, was added to debt at book value.
3 Average debt to market capitalization, for five-year period prior to the Valuation Date
4 Selected based on understanding of debt capacity, and consideration of observed capital structure of somewhat comparable public companies, above.
5 NMF - not meangingful figure

J.W. Carr Holdings Ltd. **Schedule D2**
Calculation of Fair Market Value of R'Ohan Well Services
Public Company Trading Multiples
In millions CAD, except share price

Ticker	Company Name	Market Cap	TEV	Revenue LTM	Revenue NTM	EBITDA LTM	EBITDA NTM	EBITDA % LTM	EBITDA % NTM	EV/EBITDA LTM	EV/EBITDA NTM	NWC % Revenue	Capex % Revenue
TSX:SES	Secure Energy Services Inc.	2,626	3,735	8,002	1,656	519	591	6.5%	35.7%	7.2x	6.3x	1.7%	1.2%
TSX:PD	Precision Drilling Corporation	1,052	2,184	1,617	2,040	301	660	18.6%	32.3%	7.3x	3.3x	3.3%	11.4%
TSX:TCW	Trican Well Service Ltd.	785	769	866	978	187	244	21.6%	25.0%	4.1x	3.1x	13.2%	12.0%
TSX:ESI	Ensign Energy Services Inc.	610	2,036	1,577	1,967	349	516	22.1%	26.3%	5.8x	3.9x	8.6%	11.1%
TSX:CFW	Calfrac Well Services Ltd.	454	875	1,499	1,895	198	350	13.2%	18.5%	4.4x	2.5x	14.3%	5.3%
TSX:PHX	PHX Energy Services Corp.	390	423	536	676	69	138	12.9%	20.5%	6.1x	3.1x	14.7%	13.7%
TSX:TOT	Total Energy Services Inc.	363	493	760	843	127	165	16.8%	19.6%	3.9x	3.0x	11.2%	7.5%
TSX:STEP	STEP Energy Services Ltd.	338	510	989	1,205	169	231	17.1%	19.2%	3.0x	2.2x	8.0%	8.4%
TSX:CET	Cathedral Energy Services Ltd.	257	358	298	541	50	132	16.8%	24.5%	7.1x	2.7x	17.7%	10.4%
NasdaqGS:KLXE	KLX Energy Services Holdings, Inc.	223	660	1,058	1,256	121	212	11.4%	16.9%	5.5x	3.1x	8.6%	4.6%
TSXV:CWC	CWC Energy Services Corp.	114	166	205	-	45	-	21.7%	-	3.7x	-	17.5%	12.3%
TSX:WRG	Western Energy Services Corp.	108	229	200	282	38	63	18.9%	22.2%	6.0x	3.7x	8.9%	17.1%
TSX:HWO	High Arctic Energy Services Inc	70	55	80	-	0	-	0.3%	-	nmf	-	nmf	5.1%
TSX:AKT.A	AKITA Drilling Ltd.	67	157	201	254	34	50	16.8%	19.8%	4.7x	3.1x	9.4%	8.9%
TSX:ESN	Essential Energy Services Ltd.	53	66	150	176	10	31	6.7%	17.4%	6.6x	2.2x	31.3%	6.5%
	Average, excl. high and low							**15.3%**	**22.3%**	**5.4x**	**3.1x**	**11.3%**	**9.0%**
	Median							**16.8%**	**20.5%**	**5.6x**	**3.1x**	**10.3%**	**8.9%**
	Low							**0.3%**	**16.9%**	**3.0x**	**2.2x**	**1.7%**	**1.2%**
	High							**22.1%**	**35.7%**	**7.3x**	**6.3x**	**31.3%**	**17.1%**

Source: S&P Capital IQ
NMF = not meaningful figure

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Public Company Descriptions

Schedule D3

Company Name	Ticker	Description
Secure Energy Services Inc.	TSX:SES	Secure Energy Services Inc., an energy services company, provides solutions to upstream oil and natural gas companies operating primarily in Canada and the United States.
Precision Drilling Corporation	TSX:PD	Precision Drilling Corporation, a drilling company, provides onshore drilling, completion, and production services to exploration and production companies in the oil and natural gas and geothermal industries in North America and the Middle East. The company operates in two segments, Contract Drilling Services and Completion and Production Services.
Trican Well Service Ltd.	TSX:TCW	Trican Well Service Ltd., an equipment services company, provides various specialized products, equipment, services, and technology for use in the drilling, completion, stimulation, and reworking of oil and gas wells in Canada.
Ensign Energy Services Inc.	TSX:ESI	Ensign Energy Services Inc., together with its subsidiaries, provides oilfield services to the crude oil and natural gas industries in Canada, the United States, and internationally.
Calfrac Well Services Ltd.	TSX:CFW	Calfrac Well Services Ltd., together with its subsidiaries, provides specialized oilfield services in Canada, the United States, and Argentina.
PHX Energy Services Corp.	TSX:PHX	PHX Energy Services Corp. provides horizontal and directional drilling technology and services to oil and natural gas exploration and development companies in Canada, the United States, and internationally.
Total Energy Services Inc.	TSX:TOT	Total Energy Services Inc. provides various products and services to the oil and natural gas industry primarily in Canada, the United States, and Australia.
STEP Energy Services Ltd.	TSX:STEP	STEP Energy Services Ltd., an oilfield service company, provides integrated coiled tubing, fluid and nitrogen pumping, and hydraulic fracturing to service oil and natural gas industry in Canada and the United States.
Cathedral Energy Services Ltd.	TSX:CET	Cathedral Energy Services Ltd., together with its subsidiaries, offers directional drilling services to oil and natural gas companies in western Canada and the United States.
KLX Energy Services Holdings, Inc.	NasdaqGS:KLXE	KLX Energy Services Holdings, Inc. provides drilling, completions, production, and well intervention services and products to the onshore oil and gas producing regions of the United States.
CWC Energy Services Corp.	TSXV:CWC	CWC Energy Services Corp., operates as a contract drilling and well servicing company, provides oilfield services to oil and gas exploration and production companies in Canada and the United States.
Western Energy Services Corp.	TSX:WRG	Western Energy Services Corp. operates as an oilfield service company in Canada and the United States.
High Arctic Energy Services Inc	TSX:HWO	High Arctic Energy Services Inc., an oilfield services company, provides oilfield services to exploration and production companies in Canada and Papua New Guinea.
AKITA Drilling Ltd.	TSX:AKT.A	AKITA Drilling Ltd. operates as an oil and gas drilling contractor in Canada and the United States.
Essential Energy Services Ltd.	TSX:ESN	Essential Energy Services Ltd., together with its subsidiaries, provides oilfield services to oil and gas exploration and production companies.

Source: S&P Capital IQ

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Precedent Market Transactions
Amounts in CAD, unless otherwise noted

Schedule D4

Announcement Date	Target	Target Description	Buyer	Implied EV ($ CAD Millions)	EV / EBITDA
8-Mar-23	Greene's Energy Group, LLC	Provides integrated testing, rentals, and specialty services to the onshore and offshore oil and gas industry.	KLX Energy Services Holdings, Inc.	46.8	2.2x
18-Jul-22	Well servicing business and associated rentals assets of High Arctic Energy Services Inc.	As of July 27, 2022, Well servicing business and associated rentals assets of High Arctic Energy Services Inc. was acquired by Precision Drilling Corporation.	Precision Drilling Corporation	38.2	ND
25-Feb-22	Cordy Oilfield Services Inc.	Provides energy, municipal, and construction services in Canada.	Vertex Resource Group Ltd.	27.6	5.2x
14-Feb-22	Macro Enterprises Inc.	Provides pipeline and facilities construction, and maintenance services to the oil and gas industry in western Canada.	Undisclosed	130.8	3.4x
11-Feb-22	Operating Assets of Discovery Downhole Services, Inc.	Operating assets of Discovery Downhole Services, Inc. comprises downhole services.	Cathedral Energy Services Ltd.	20.8	ND
2-Feb-22	Fossil Power Systems, Inc.	Designs, manufactures, supplies, and services firing equipment and safety systems for power generation, pulp and paper, and petrochemical industries.	Babcock & Wilcox Enterprises, Inc.	75.1	ND
24-Jan-22	Roughrider International Ltd	Engages in the distribution of energy systems and equipment for industries.	McKay Métis Group Ltd.	21.0	ND
3-Jan-22	Pioneer Well Service Rig and Wireline Businesses	Comprises well service rig and wireline business.	Clearwell Dynamics, LLC	54.9	ND
3-Nov-21	KM Crude by Rail Canada Corp.	KM Crude by Rail Canada Corp. is based in Calgary, Canada.	Keyera Corp.	11.2	ND
29-Jun-21	Drilling Rigs and Certain Related Assets of Nabors Drilling Canada Limited	Drilling Rigs and Certain Related Assets of Nabors Drilling Canada Limited comprises drilling rigs and related assets.	Ensign Drilling Inc.	117.5	ND
17-May-21	Patriot Well Solutions LLC	Provides wellsite and pressure pumping equipment and services to the oil and gas industry.	Ranger Energy Services, Inc.	13.7	ND
27-Apr-21	AirScience Technologies Inc. (nka:Pyro Green-Gas Inc.)	Engages in the production and supply of gas separation, air emission, and pollution control systems for chemical, oil and gas, power, ethanol, and other industries.	PyroGenesis Canada Inc.	5.5	ND
2-Mar-21	MAD Oilfield Solutions Inc.	An oilfield solutions company, provides fluid hauling, industrial cleaning, waste management, hydro-excavating, and other services.	Vertex Resource Group Ltd.	20.6	ND
5-Oct-20	Weir Oil & Gas, Inc.	Manufactures and supplies pressure pumping and pressure control equipment to upstream markets.	Caterpillar Inc.	537.5	ND
10-Sep-20	SPC Flow Business Unit of Oilfield Equipment Segment of Baker Hughes Company	Comprises business of manufacturing and selling or pressure pump and wellhead products.	Pelican Energy Partners LP	42.8	ND
10-Aug-20	Trinidad Drilling Ltd.	Designs, builds, and operates rigs in in Canada, the United States, Mexico, and the Middle East.	Ensign Energy Services Inc.	44.6	ND
4-May-20	Quintana Energy Services Inc.	Provides oilfield services to onshore oil and natural gas exploration and production companies operating in conventional and unconventional plays in the United States.	KLX Energy Services Holdings, Inc.	102.7	2.2x
23-Feb-20	Strad Inc.	Provides rental equipment and matting solutions to the oil and gas, pipeline, power transmission and distribution, mining, and construction sectors.	Undisclosed	125.8	4.3x
17-Jun-19	C&J Energy Services, Inc.	Provides well construction, well completion, well support, and other complementary oilfield services and technologies to oil and gas exploration and production companies throughout the continental United States.	Keane Group, Inc. (nka:NexTier Oilfield Solutions Inc.)	1,056.3	2.8x
29-Oct-18	Adler Hot Oil Service, LLC.	Provides oilfield services for the hot oil and water heating industry.	Enservco Corporation	17.1	4.5x
30-Oct-17	C&J Energy Services, Inc.	C&J Canada is a leading well servicing company operating in the Western Canadian Sedimentary Basin with 75 service rigs (44 marketed rigs) and 13 swabbing rigs (9 marketed rigs) operating from six strategic locations in AB.	CWC Energy Services	22.5	2.8x
Low					2.2x
High					5.2x
Median					3.1x
Mean, excl. high and low					3.3x

Source: Capital IQ

J.W. Carr Holdings Ltd.
Calculation of Fair Market Value of R'Ohan Well Services
Private Equity Transaction Data
Amounts in USD millions, unless otherwise noted

Schedule D5

NAICS Code: 213111	Drilling Oil and Gas Wells					
TEV Range	TEV $	Revenues $	TTM Rev Growth %	EBITDA Margin %	TEV/Revs	TEV / EBITDA
10 - 100	38.1	32.0	29.5	38.5	1.2x	4.8x
Total	38.1	32.0	29.5	38.5	1.2x	4.8x

NAICS Code: 213112	Support Activities for Oil and Gas Operations					
TEV Range	TEV $	Revenues $	TTM Rev Growth %	EBITDA Margin %	TEV/Revs	TEV / EBITDA
10 - 25	18.6	18.9	40.0	26.6	1.2x	4.5x
25 - 50	34.6	32.7	20.7	28.5	1.3x	4.4x
50 - 250	80.5	55.1	88.9	42.7	2.0x	4.8x
Total	33.6	29.2	40.7	29.7	1.3x	4.5x

Source: GF Data