

CORPORATE ACCESS NUMBER: 2025361599

**Government
of Alberta ■**

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
AMALGAMATION**

**PIPESTONE ENERGY CORP.
IS THE RESULT OF AN AMALGAMATION FILED ON 2023/10/03.**



**Articles of Amalgamation
For
PIPESTONE ENERGY CORP.**

Share Structure: SEE ATTACHED SCHEDULE
Share Transfers Restrictions: NONE
Number of Directors:
Min Number of Directors: 3
Max Number of Directors: 12
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE

**Registration Authorized By: DUSTIN HOFFMAN
OFFICER**

SCHEDULE TO THE ARTICLES OF

PIPESTONE ENERGY CORP.

(the "Corporation")

Share structure:

The Corporation is authorized to issue an unlimited number of common shares (the "Common Shares") and an unlimited number of preferred shares (the "Preferred Shares", and collectively with the Common Shares, the "Shares").

The following is a statement of the rights, privileges, restrictions and conditions of each class of shares in the capital of the Corporation.

A. COMMON SHARES

1. General. The voting, dividend and liquidation rights of the holders of the Common Shares are subject to and qualified by the rights, privileges, restrictions and conditions of any class of shares in the capital of the Corporation designated to be senior to the Common Shares, including the Preferred Shares.

2. Voting. Each holder of Common Shares is entitled to one vote for each Common Share held at all meetings of shareholders; to receive notice of and to attend all meetings of shareholders of the Corporation, except meetings at which only the holders of a specified class of shares (other than the Common Shares) are entitled to attend; and to vote on all matters submitted to a vote or consent of shareholders of the Corporation, except matters upon which only the holders of a specified class of shares (other than the Common Shares) are entitled to vote.

3. Dividends. The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares in the capital of the Corporation, including the rights of the Preferred Shares, to receive dividends if, as and when declared by the Board of Directors of the Corporation (the "Board") on the Common Shares.

4. Liquidation, Dissolution or Winding-up. The holders of the Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares in the capital of the Corporation, including the right of the Preferred Shares to receive the Liquidation Distribution (as defined below), to receive the remaining property of the Corporation on a liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

B. PREFERRED SHARES

Unless otherwise indicated, references to "Sections" in this Part B of this Schedule refer to the Sections of Part B of this Schedule.

1. Definitions. For purposes of this Part B, the following definitions shall apply:

1.1 "ABCA" means the Business Corporations Act (Alberta);

1.2 "Affiliate" means a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified. For the purposes of this definition, "control" when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of Person, whether through the ownership of voting securities, by contract, or otherwise; provided, however, that the Corporation and Riverstone shall not be considered Affiliates;

1.3 "Articles" shall mean the Articles of Amalgamation of the Corporation, as the same may be amended and restated from time to time;

1.4 "Board" shall mean the board of directors of the Corporation;

1.5 "Business Day" means any day, other than a Saturday or Sunday, on which banks in Calgary, Alberta and New York, New York are open for commercial banking business during normal banking hours;

1.6 "Capital Reorganization" shall have the meaning set forth in Section 5.6.3;

1.7 "Change of Control" shall mean either of the following events:

1.7.1 any arrangement, amalgamation or other business combination, or the acquisition by any Person, including any syndicate or group, of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of purchases, mergers or other acquisition transactions, of equity securities of the Corporation following which the previously existing shareholders of the Corporation are entitled to exercise less than 50% of the total voting power of all of the surviving entity's outstanding equity securities generally entitled to vote (except that such Person will be deemed to have beneficial ownership of all securities that such Person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); or

1.7.2 any sale, lease or other transfer in one transaction or a series of related transactions of all or substantially all of the consolidated assets of the Corporation and its subsidiaries, taken as a whole, to any Person other than a wholly-owned subsidiary of the Corporation;

1.8 "Clearance Certificate" shall have the meaning set forth in Section 10.8;

1.9 "Closing Sale Price" means, with respect to the Common Shares, on any applicable Trading Day, the closing price per Common Share (or if no closing price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported on the principal Securities Exchange on which the Common Shares are traded or, if the Common Shares are not traded on a Securities Exchange, then a United States or Canadian national or regional securities exchange on which the Common Shares are traded, or, if the Common Shares are not so traded, then in the over-the-counter market as reported by OTC Markets Group Inc. or a similar organization. In the absence of such a quotation, the

Closing Sale Price shall be an amount determined by the Board to be the fair market value of a Common Share;

1.10 "Common Shares" shall mean the common shares in the capital of the Corporation;

1.11 "Conversion Date" shall mean either the Optional Conversion Date or the Mandatory Conversion Date, as applicable;

1.12 "Conversion Price" means the price at which the Preferred Shares shall convert into Common Shares, except as otherwise set out herein, which shall initially be \$0.85 per Common Share and which may be adjusted as set out herein;

1.13 "Conversion Ratio" shall have the meaning set forth in Section 5.1;

1.14 "Corporation" means Pipestone Energy Corp.;

1.15 "Dividend Payment Date" shall mean the date that is ten (10) days after the end of each fiscal quarter of the Corporation, commencing on September 30, 2020; provided that if such date is not a Business Day, then the next subsequent Business Day;

1.16 "Dividend Rate" shall mean the rate of 6.5% per annum;

1.17 "Dividend Record Date" shall mean March 31, June 30, September 30 and December 31, as the case may be, immediately preceding such Dividend Payment Date; provided that if such date is not a Business Day, then the next subsequent Business Day;

1.18 "Holder" and, unless the context requires, "holder" shall each mean a holder of record of one or more Preferred Shares;

1.19 "Issue Date" shall mean the original date of issuance of the Preferred Shares;

1.20 "Junior Shares" shall mean the Common Shares and each other class of shares in the capital of the Corporation established after the Issue Date by the Board, the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;

1.21 "Liquidation" shall have the meaning set forth in Section 4.1;

1.22 "Liquidation Preference" shall initially mean, with respect to each Preferred Share, \$1,000.00, as may be subsequently varied by any PIK Accruals or payments of PIK Accruals as further set out herein;

1.23 "Mandatory Premium Conversion" shall have the meaning set forth in Section 5.2.1;

1.24 "Mandatory Maturity Conversion" shall have the meaning set forth in Section 5.2.2;

1.25 "Mandatory Conversion" shall have the meaning set forth in Section 5.2.2;

- 1.26 "Maturity Date" shall mean September 15, 2025;
- 1.27 "Maturity Redemption Notice" shall have the meaning set forth in Section 6.2;
- 1.28 "Maturity Redemption Price" shall have the meaning set forth in Section 6.1;
- 1.29 "Optional Conversion Date" shall have the meaning set forth in Section 5.1;
- 1.30 "Optional Conversion Notice" shall have the meaning set forth in Section 5.1;
- 1.31 "Optional Conversion Notice Date" shall have the meaning set forth in Section 5.1;
- 1.32 "Person" shall mean any individual, corporation, general partnership, limited partnership, limited liability partnership, joint venture, association, trust, limited liability company, unincorporated organization or government or any agency or political subdivision thereof;
- 1.33 "PIK Accrual" shall have the meaning set forth in Section 2.1;
- 1.34 "Reference Property" shall have the meaning set forth in Section 5.6.3;
- 1.35 "Riverstone" means Riverstone Pipestone LP;
- 1.36 "Securities Exchange" shall mean the TSX Venture Exchange, the Toronto Stock Exchange, an exchange registered with the Securities and Exchange Commission under Section 6(a) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (or any successors thereto);
- 1.37 "Tax Act" means the Income Tax Act (Canada);
- 1.38 "Trading Day" shall mean a day during which trading in securities generally occurs on the principal Securities Exchange on which the Common Shares are traded or, if the Common Shares are not traded on a Securities Exchange, then a United States or Canadian national or regional securities exchange on which the Common Shares are traded. If the Common Shares are not so traded, "Trading Day" shall mean a Business Day;
- 1.39 "Transfer Agent" shall mean Computershare Investor Services Inc. or any other Person appointed to serve as transfer agent, registrar and dividend disbursing agent by the Corporation with respect to the Preferred Shares from time to time; and
- 1.40 "VWAP" means the volume-weighted average price of the Common Shares as displayed on Bloomberg in respect of the period from 9:30 a.m. to 4:00 p.m., Toronto time, on such Trading Day; or, if such price is not available, the market value per share of Common Shares on such Trading Day as determined using a volume-weighted average method by a nationally recognized independent investment banking firm retained by the Corporation for this purpose.

2. Dividends.

2.1 Holders shall be entitled to receive, with respect to each Preferred Share prior to any distributions made in respect of any Junior Shares, dividends on the Liquidation Preference in effect immediately after the last day of the immediately prior fiscal quarter (or if there has been no prior full fiscal quarter, the Issue Date), computed on the basis of a 360-day year consisting of twelve 30-day months, at the applicable Dividend Rate. Dividends shall compound quarterly and be payable in arrears on each Dividend Payment Date for the fiscal quarter ending immediately prior to such Dividend Payment Date (or with respect to the first Dividend Payment Date, for the period commencing on the Issue Date and ending on the last day of the fiscal quarter following the Issue Date). On any Dividend Payment Date that occurs at least two (2) years after the Issue Date, dividends may be paid in cash. Any dividends that are paid in cash shall be paid to the Holders as they appear on the books of the Transfer Agent at the close of business on the relevant Dividend Record Date. If any dividends are not paid in cash on the Dividend Payment Date, then the amount of such dividend shall automatically accrue and be added to the then applicable Liquidation Preference as of such Dividend Payment Date (in such case, a "PIK Accrual"). On any Dividend Payment Date that occurs at least two (2) years after the Issue Date, the Corporation, at its sole option, and in addition to any dividends payable pursuant to the preceding provisions of this Section 2.1, may elect to pay all or any portion of the aggregate PIK Accrual(s) that have accrued and been added to the Liquidation Preference (and not previously repaid pursuant to this sentence) up to such Dividend Payment Date, and the Liquidation Preference will be correspondingly decreased to reflect such cash payment.

2.2 Notwithstanding anything to the contrary herein, if any Preferred Shares are converted into Common Shares pursuant to Section 5 or are redeemed by the Corporation pursuant to Section 6, accrued but unpaid dividends on such Preferred Shares will be calculated based on the number of whole days between the last Dividend Payment Date and the effective date of the applicable redemption, conversion, liquidation or Change of Control, and such accrued dividends shall be considered a PIK Accrual.

2.3 The Corporation shall not declare, pay or set aside any dividends on the Common Shares unless the holders of the Preferred Shares then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding Preferred Share in an amount at least equal to the product of: (i) the dividend payable per Common Share and (ii) the Conversion Ratio, which dividend shall be in addition to any quarterly dividends required to be paid pursuant to Section 2.1. For greater certainty, the foregoing limitation shall not apply to dividends on Common Shares payable in Common Shares in respect of which any adjustment to the Conversion Price is made pursuant to Section 5.6.

2.4 The Corporation shall not declare, pay or set aside any dividends on the Common Shares if, immediately following the payment of such dividend, the Corporation would be unable to satisfy the Liquidation Preference.

3. Voting and Protective Provisions.

3.1 The holders of Preferred Shares shall be entitled to receive notice of, to attend and to vote, in person or by proxy, at all meetings of shareholders of the Corporation and shall vote with the Common Shares at any such meeting (or in respect of

any written consent in lieu thereof) as a single class as if all Preferred Shares had converted into Common Shares in accordance with Section 5 as of the record date for determining shareholders entitled to vote on such matter or, if no such record date is established, the date such vote is taken or any written consent of shareholders is solicited. In addition, holders of the Preferred Shares shall be entitled to vote separately as a class as contemplated by Section 176 of the ABCA and where otherwise required by applicable law. If a separate class vote is required by law in respect of the Preferred Shares, each holder of Preferred Shares shall be entitled to one vote for each Preferred Share at any such meeting (or in respect of a written consent in lieu thereof).

3.2 At any time when Preferred Shares are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, amalgamation or otherwise, do any of the following without (in addition to any vote required by law or the Articles of the Corporation) the written consent or affirmative vote of the holders of a majority of the Preferred Shares then issued and outstanding, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void ab initio, and of no force or effect:

3.2.1 amend, alter or repeal any provision of the Articles or by-laws of the Corporation in a manner adversely affecting the rights or privileges of the Preferred Shares; or

3.2.2 enter into a Change of Control transaction if each Common Share is valued at less than the then applicable Conversion Price in such transaction.

4. Liquidation Rights.

4.1 In the event of any liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary (a "Liquidation"), the Holders of the Preferred Shares then outstanding shall be entitled to be paid a liquidating distribution (the "Liquidation Distribution") out of the assets of the Corporation available for distribution to its shareholders before any payment shall be made to the holders of Junior Shares by reason of their ownership thereof, an amount per Preferred Share equal to the greater of (i) the Liquidation Preference and (ii) the amount such Preferred Share would have been entitled to receive had it been converted into Common Shares at the then applicable Conversion Ratio pursuant to Section 5 immediately prior to such Liquidation. If upon any such Liquidation, the assets of the Corporation available for distribution to its shareholders shall be insufficient to pay the holders of Preferred Shares the full amount to which they shall be entitled under this Section 4.1, the holders of Junior Shares shall not be entitled to receive any distributions and the holders of Preferred Shares shall share ratably in any of the assets available for distribution in proportion to the respective amounts that would otherwise be payable in respect of the Preferred Shares held by them upon such distribution if the Liquidation Distribution were paid in full.

4.2 In the event of any Liquidation, after the payment of the Liquidation Distribution with respect to all outstanding Preferred Shares, the remaining assets of the Corporation shall be distributed ratably among the holders of Common Shares.

5. Conversion.

5.1 The Holders shall have the right, at any time, to

convert their Preferred Shares, in whole or in part, into that number of Common Shares for each Preferred Shares equal to the quotient of (i) the Liquidation Preference then in effect divided by (ii) the Conversion Price then in effect (such quotient, the "Conversion Ratio"). To convert Preferred Shares into Common Shares pursuant to this Section 5.1, such Holder shall give written notice (the "Optional Conversion Notice") to the Corporation, which Optional Conversion Notice shall be irrevocable once delivered and shall be signed by such Holder or its duly authorized attorney or agent, stating that such Holder elects to so convert Preferred Shares. The Optional Conversion Notice shall state therein: (A) the number of Preferred Shares to be converted, (B) the name or names and address(es) in which such Holder wishes the Common Shares to be registered and delivered, (C) the Holder's computation of the number of Common Shares to be received by such Holder, (D) the conversion date (the "Optional Conversion Date"), being a Business Day not less than two (2) nor, unless such conversion is contingent in accordance with clause (F) below, more than five (5) Business Days after the date upon which the Optional Conversion Notice is received by the Corporation (the "Optional Conversion Notice Date"), (E) the Conversion Price on the Optional Conversion Date and (F) whether the conversion is to be contingent (including as to timing) upon the closing of an underwritten offering of Common Shares for which the Preferred Shares will be converted or the closing of an announced arrangement, amalgamation, consolidation or other transaction or event to which the Corporation is a party in which the Common Shares would be exchanged or converted or become exchangeable for or convertible into cash or other securities or property. If no Optional Conversion Date is specified in the Optional Conversion Notice, the Optional Conversion Date shall be deemed to be the fifth Business Day after the Optional Conversion Notice Date. If a Holder validly delivers the Optional Conversion Notice in accordance with this Section 5.1, the Corporation shall deliver the Common Shares on the Optional Conversion Date.

5.2 The Preferred Shares shall automatically convert as follows:

5.2.1 at any time after the second (2nd) anniversary of the Issue Date, in the event the Closing Sale Price is greater than 200% of the then applicable Conversion Price for twenty (20) days over a thirty (30) day trading period (including the last Trading Day of such trading period) and the Corporation has an effective shelf prospectus covering resales of the underlying Common Shares to be received upon conversion of the Preferred Shares, all of the Preferred Shares that are outstanding at such time shall be automatically converted into Common Shares at the then applicable Conversion Ratio (the "Mandatory Premium Conversion");

5.2.2 to the extent that the Common Shares are trading in excess of the then applicable Conversion Price on the date that is thirty (30) days prior to the Maturity Date, all of the Preferred Shares that are outstanding on the Maturity Date shall be automatically converted into that number of Common Shares at the then applicable Conversion Ratio (the "Mandatory Maturity Conversion"; and, together with the Mandatory Premium Conversion, the "Mandatory Conversion") and Section 6.1 shall not apply;

5.3 The Corporation shall, within ten (10) days of the effective date of the Mandatory Conversion, give notice to each Holder stating that the Mandatory Conversion has been triggered, and shall state therein (A) the conversion date (the "Mandatory

Conversion Date"), (B) the Conversion Ratio on the Mandatory Conversion Date, (C) the Corporation's computation of the number of Common Shares to be received by the Holder, (D) the basis of satisfaction of the conditions for such Mandatory Conversion as set forth in Section 5.2 and (E) the surrender locations specified in Section 5.4 (if applicable). The Corporation shall deliver the Common Shares as soon as reasonably practicable, but not later than two Business Days after the Mandatory Conversion Date.

5.4 Upon conversion, each Holder shall surrender to the Corporation the certificates representing any Preferred Shares held in certificated form to be converted during usual business hours at its principal place of business or the offices of its duly appointed Transfer Agent maintained by it.

5.5 On the applicable Conversion Date, dividends shall cease to accrue on the Preferred Shares so converted and all other rights with respect to the Preferred Shares so converted, including the rights, if any, to receive notices, will terminate, except only the rights of Holders thereof to receive the number of Common Shares into which such Preferred Shares have been converted. As promptly as practical after the conversion of any Preferred Shares into Common Shares, the Corporation shall deliver or cause to be delivered to the applicable Holder a book-entry only statement evidencing the Common Shares to which such Holder is entitled. If less than all the Preferred Shares surrendered by a Holder pursuant to Section 5.3 are to be converted, the Holder shall be entitled to receive, at the expense of the Corporation, a new certificate or book-entry only statement evidencing the Preferred Shares that are not to be converted.

5.6 The Conversion Price shall be subject to the following adjustments:

5.6.1 If the Corporation pays a dividend (or other distribution) in Common Shares to all of the holders of the Common Shares, in their capacity as holders of Common Shares, then the Conversion Price in effect immediately following the record date for such dividend (or distribution) shall be adjusted in accordance with the following formula:

$$CP1 = CP0 \times OS0$$

0S1 where:

CP0 = the Conversion Price in effect immediately prior to the opening of business on the record date for such dividend or distribution;

CP1 = the Conversion Price in effect immediately after the opening of business on record date for such dividend or distribution;

OS0 = the number of Common Shares outstanding immediately prior to the record date for such dividend or distribution; and 0S1 = the sum of (A) the number of Common Shares outstanding immediately prior to the record date for such dividend or distribution and (B) the total number of Common Shares constituting such dividend.

5.6.2 If the Corporation subdivides, combines or reclassifies the Common Shares into a greater or lesser number of Common Shares, then the Conversion Price in effect immediately following the effective date of such share subdivision, combination or reclassification shall be adjusted in accordance with the following formula:

CP1 = CP0 X 050 0S1 where:

CP0 = the Conversion Price in effect immediately prior to the open of business on the effective date of such subdivision, combination or reclassification, as the case may be;

CP1 = the Conversion Price in effect immediately after the open of business on the effective date of such subdivision, combination or reclassification, as the case may be;

OS0 = the number of Common Shares outstanding immediately before giving effect to such subdivision, combination or reclassification; and 0S1 = the number of Common Shares outstanding immediately after giving effect to such subdivision, combination or reclassification.

5.6.3 In the case of: (A) any recapitalization, reclassification or change of the Common Shares (other than changes resulting from a subdivision or combination), (B) any consolidation, merger, amalgamation or combination involving the Corporation, (C) any sale, lease or other transfer to a third party of the consolidated assets of the Corporation and its subsidiaries substantially as an entirety, or (D) any statutory share exchange, as a result of which the Common Shares are converted into, or exchanged for, shares, other securities, other property or assets (including cash or any combination thereof) (any such transaction or event, a "Capital Reorganization"), then, at and after the effective time of such Capital Reorganization, the right to exchange each Preferred Share shall be changed into a right to exchange such share into the kind and amount of shares, other securities or other property or assets (or any combination thereof) that a holder of a number of Common Shares equal to the Conversion Ratio immediately prior to such Capital Reorganization would have owned or been entitled to receive upon such Capital Reorganization (such shares, securities or other property or assets, the "Reference Property"). If the Capital Reorganization causes the Common Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of shareholder election), then the Reference Property into which the Preferred Shares will be exchangeable shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Shares that affirmatively make such an election. The Corporation shall notify Holders of such weighted average as soon as practicable after such determination is made. None of the foregoing provisions shall affect the right of a Holder of Preferred Shares to exercise its rights pursuant to Section 5.1 prior to the effective time of such Capital Reorganization. Notwithstanding Section 5.6.3 to 5.6.6, no adjustment to the Conversion Price shall be made for any Capital Reorganization to the extent shares, securities or other property or assets become the Reference Property receivable upon exchange of Preferred Shares. The Corporation shall not enter into any agreement for a transaction constituting a Capital Reorganization unless (i) such agreement provides for or does not interfere with or prevent (as applicable) conversion of the Preferred Shares into the Reference Property in a manner that is consistent with and gives effect to this Section 5.6.3, and (ii) to the extent that the Corporation is not the surviving entity in such Capital Reorganization or will be dissolved in connection with such Capital Reorganization, proper provision shall be made in the agreements governing such Capital Reorganization for the conversion of the Preferred Shares into the Reference Property and, in the case of a Capital Reorganization constituting any sale, lease or other transfer to a third party of the consolidated assets

of the Corporation and its subsidiaries substantially as an entirety, an exchange of Preferred Shares for the shares of the Person to whom the Corporation's assets are conveyed or transferred, having voting powers, preferences, and other special rights as nearly equal as possible to those provided in these Articles.

5.6.4 In case the Corporation takes any action affecting the Preferred Shares or the Common Shares other than actions described in this Section 5.6, which in the opinion of the Board, would materially adversely affect the rights of the holders of the Preferred Shares (including their conversion rights), the Conversion Price will be adjusted in such manner and at such time, by action of the Board, subject to the prior written consent of the Securities Exchange on which the Common Shares are then listed if required, as the Board in its sole discretion may determine to be equitable in the circumstances.

5.6.5 Notwithstanding anything herein to the contrary, no adjustment under this Section 5.6 need be made to the Conversion Price unless such adjustment would require an increase or decrease of at least \$0.01. Any lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment, if any, which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least \$0.01 of the Conversion Price.

5.6.6 Notwithstanding any other provisions of this Section 5.6, rights or warrants distributed by the Corporation to holders of Common Shares, in their capacity as holders of Common Shares, entitling the holders thereof to subscribe for or purchase shares in the capital of the Corporation (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (A) are deemed to be transferred with such Common Shares; (B) are not exercisable; and (C) are also issued in respect of future issuances of Common Shares, shall be deemed not to have been distributed for purposes of this Section 5.6 (and no adjustment to the Conversion Price under this Section 5.6 will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Price shall be made under Section 5.6.1. In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to an Conversion Price under this Section 5.6 was made, (1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, such Conversion Price shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder or holders of Common Shares with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Shares as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants that shall have expired or been terminated without exercise thereof, such Conversion Price shall be readjusted as if such expired or terminated rights and warrants had not been issued. To the extent that the Corporation has a rights plan or agreement in effect upon exchange of the Preferred Shares, which rights plan provides for rights or warrants of the type described in this clause, then upon exchange of Preferred Shares the Holder will receive, in addition to the Common Shares to which he is entitled, a corresponding

number of rights in accordance with the rights plan, unless a Trigger Event has occurred and the adjustments to the Conversion Price with respect thereto have been made in accordance with the foregoing. In lieu of any such adjustment, the Corporation may amend such applicable stockholder rights plan or agreement to provide that upon exchange of the Preferred Shares the Holders will receive, in addition to the Common Shares issuable upon such exchange, the rights that would have attached to such Common Shares if the Trigger Event had not occurred under such applicable stockholder rights plan or agreement.

5.6.7 The Corporation reserves the right to make such reductions in the Conversion Price in addition to those required in the foregoing provisions as it considers advisable in order that any event treated for federal income tax purposes as a dividend of shares or share rights will not be taxable to the recipients. In the event the Corporation elects to make such a reduction in the Conversion Price, the Corporation shall comply with the requirements of any securities laws and regulations thereunder if and to the extent that such laws and regulations are applicable in connection with the reduction of the Conversion Price.

5.7 If the Corporation shall take a record of the holders of its Common Shares for the purpose of entitling them to receive a dividend or other distribution on the Common Shares, and shall thereafter (and before the dividend or distribution has been paid or delivered to shareholders) abandon its plan to pay or deliver such dividend or distribution, then thereafter no adjustment in any Conversion Price then in effect shall be required by reason of the taking of such record.

5.8 Upon any increase or decrease in the Conversion Price, then, and in each such case, the Corporation promptly shall deliver to each Holder a certificate signed by an officer of the Corporation, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the increased or decreased Conversion Price then in effect following such adjustment.

5.9 The delivery of book-entry only notices for Common Shares upon the conversion of Preferred Shares shall be made without charge to the Holder or recipient of Preferred Shares, and such notices shall be delivered in the respective names of, or in such names as may be directed by, the applicable Holder.

6. Mandatory Redemption on Maturity Date.

6.1 Unless the Preferred Shares are converted pursuant to Section 5.2, on the Maturity Date, the Corporation shall redeem the outstanding Preferred Shares by issuing, in respect of each Preferred Share, a number of Common Shares equal to the then applicable Liquidation Preference divided by the VWAP for the 20 Trading Days immediately preceding the Maturity Date multiplied by 95% (the "Maturity Redemption Price").

6.2 The Corporation shall give notice of such redemption to the Holders as such Holders' names appear (as of the close of business on the Business Day next preceding the day on which notice is given) on the books of the Transfer Agent at the address of such Holders shown therein no more than sixty (60) days and no less than thirty (30) days prior to the Maturity Date. Such notice (the "Maturity Redemption Notice") shall state: (i) the Maturity Date, (ii) the formula for determining the Maturity

Redemption Price and (iii) the place where any Preferred Shares in certificated form are to be redeemed and shall be presented and surrendered for payment of the Maturity Redemption Price therefor. For the avoidance of doubt, in the event the Corporation gives a Maturity Redemption Notice and the Mandatory Maturity Conversion is subsequently triggered, the Maturity Redemption Notice shall be of no further force and effect and there shall be no redemption of the Preferred Shares.

6.3 After the Corporation gives a Maturity Redemption Notice, the Corporation shall provide the Transfer Agent with a treasury direction instructing the Transfer Agent to issue such number of Common Shares to the holders as is necessary to satisfy the Maturity Redemption Price. Upon the issuance of Common Shares representing the aggregate Maturity Redemption Price, such Preferred Shares shall be deemed to be redeemed.

7. No Fractional Shares. No fractional Common Shares or securities representing fractional Common Shares shall be delivered upon the conversion of the Preferred Shares, whether voluntary or mandatory. Instead, the Corporation shall round up to the next whole share the number of Common Shares to be delivered to any particular Holder upon such conversion.

8. Change of Control.

8.1 The Corporation shall provide written notice to the Holders advising of the particulars of any proposed Change of Control. Such notice shall be delivered to Holders at least fifteen Business Days prior to the proposed closing date for such Change of Control. The written notice to Holders shall provide at least the same level and amount of disclosure as the Corporation provides to holders of the Common Shares.

8.2 In connection with a Change of Control, the holders of a majority of the Preferred Shares then issued and outstanding shall have the right to elect, on behalf of all of the holders of Preferred Shares, and by notice to the Corporation within 10 Business Days following receipt of notice from the Corporation required by Section 8.1, to:

8.2.1 convert all of the Preferred Shares into Common Shares based on the then applicable Conversion Ratio in accordance with Section 5;

8.2.2 if the shareholders of the Corporation will continue to own a majority of the total voting power of the surviving entity following such Change of Control, to retain their Preferred Shares in accordance with their terms; or

8.2.3 if the shareholders of the Corporation will not continue to own a majority of the total voting power of the surviving entity following such Change of Control, receive an equity security in the surviving entity that has substantially the same rights, preferences and privileges as the Preferred Shares; provided that in the event of a Change of Control or other business combination transaction involving the Corporation and any other Person (i) that is a holder of Preferred Shares or an Affiliate of a holder of Preferred Shares, or (ii) of which a holder of Preferred Shares or an Affiliate of a holder of Preferred Shares (A) is a "related party" (as that term is defined under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions), (B) owns, or controls or directs, directly or indirectly, through any number of intermediaries, 20% or more of the aggregate principal amount of the Person's outstanding debt

securities or (C) owns, or controls or directs, directly or indirectly, through any number of intermediaries, 10% or more of the Person's outstanding non-voting equity securities, then no such election shall be available or made and each holder of Preferred Shares shall be entitled to receive, pursuant to the Change of Control or other business combination transaction, proceeds or consideration equal in value to the greater of (a) the Liquidation Preference and (b) the amount such holder would have been entitled to had the holder converted its Preferred Shares into Common Shares at the Conversion Ratio immediately prior to the Change of Control or other business combination transaction.

8.3 If an election is made pursuant to Section 8.2.1 convert all of the Preferred Shares into Common Shares in connection with a Change of Control, the Conversion Ratio shall be determined immediately prior to the consummation of the Change of Control and the effective date of conversion shall be the date and time immediately prior to the consummation of the Change of Control. In the event such Change of Control is not consummated in accordance with its terms, such conversion shall be of no force and effect.

8.4 For greater certainty, this Section 8 shall not affect or derogate in any manner the rights of the holders of the Preferred Shares to consent to a Change of Control in the circumstances set out in Section 3.2.2.

9. Adjustments for Splits and Combinations of Preferred Shares. In the event that the Corporation at any time or from time to time after the Issue Date effects a stock split, subdivision, reverse stock split, recapitalization, combination or reclassification of the outstanding Preferred Shares, then references to the number of Preferred Shares held by a Holder and the Liquidation Preference shall be appropriately adjusted to reflect such split, subdivision, stock dividend or combination.

10. Miscellaneous.

10.1 With respect to any notice to a Holder required to be provided hereunder, neither failure to mail such notice, nor any defect therein or in the mailing thereof, to any particular Holder shall affect the sufficiency of the notice or the validity of the proceedings referred to in such notice with respect to the other Holders or affect the legality or validity of any vote upon any such action (assuming due and proper notice to such other Holders). Any notice which was mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder receives the notice.

10.2 Preferred Shares that have been issued and reacquired by the Corporation in any manner, including Preferred Shares purchased or redeemed or exchanged or converted, shall (upon compliance with any applicable provisions of the laws of the Province of Alberta) upon such reacquisition be automatically cancelled by the Corporation and shall not be reissued.

10.3 The Preferred Shares shall be issuable only in whole shares.

10.4 All Common Shares issued upon conversion of the Preferred Shares will, upon issuance by the Corporation, be duly and validly issued, as fully paid and nonassessable Common Shares.

10.5 All notice periods referred to herein shall commence: (i) when made, if made by hand delivery, and upon

confirmation of receipt, if made by email or facsimile; (ii) one Business Day after being deposited with a nationally recognized next-day courier, postage prepaid; or (iii) three Business Days after being deposited in the mail by first-class mail, postage prepaid. Notice to any Holder shall be given to the registered address set forth in the Corporation's records for such Holder.

10.6 Any payments required to be made hereunder on any day that is not a Business Day shall be made on the next succeeding Business Day without interest or additional payment for such delay. All payments required hereunder shall be made by wire transfer of immediately available funds in Canadian Dollars to the Holders in accordance with the payment instructions as such Holders may deliver by written notice to the Corporation from time to time.

10.7 For the purposes of Section 191(4) of the Tax Act, the "specified amount" in respect of each Preferred Share shall be \$970.00.

10.8 The Corporation shall be entitled to deduct and withhold from any dividends paid on the Preferred Shares or consideration payable to any Holder pursuant to a disposition or conversion of the Preferred Shares, such amounts as the Corporation is required to deduct and withhold with respect to such payment under the Tax Act, provided, however, that Corporation shall cooperate with the Holders in obtaining a certificate issued under subsection 116(2) or 116(4) of the Tax Act (a "Clearance Certificate") with respect to any disposition or conversion of Preferred Shares and shall permit the Holders to provide reasonable security for payment of any withholding obligation of the Corporation under section 116 of the Tax Act until a Clearance Certificate is issued or for any period during which the Canada Revenue Agency shall permit funds to be held and not remitted. To the extent that amounts are so withheld, such withheld amounts shall be treated as having been paid to the Holder in respect of whom such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

10.9 All dollar amounts specified in this Part B are in Canadian Dollars.

SCHEDULE TO THE ARTICLES OF

PIPESTONE ENERGY CORP.

Other rules or provisions:

- (a) The directors may appoint from time to time one or more directors within the limits provided in the Business Corporations Act (Alberta).
- (b) Meetings of the shareholders may be held outside Alberta.

Amalgamate Alberta Corporation - Registration Statement

Alberta Registration Date: 2023/10/03

Corporate Access Number: 2025361599

Business Number:

Service Request Number: 40598004
Alberta Corporation Type: Named Alberta Corporation
Legal Entity Name: PIPESTONE ENERGY CORP.
Business Number:
French Equivalent Name:
Nuans Number:
Nuans Date:
French Nuans Number:
French Nuans Date:

REGISTERED ADDRESS

Street: 421 - 7 AVENUE SW, SUITE 4000
Legal Description:
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

RECORDS ADDRESS

Street: 421 - 7 AVENUE SW, SUITE 4000
Legal Description:
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

ADDRESS FOR SERVICE BY MAIL

Post Office Box:
City:
Province:
Postal Code:
Email Address: CAL-ANNUAL-DOCS@MCCARTHY.CA
Share Structure: SEE ATTACHED SCHEDULE
Share Transfers Restrictions: NONE
Number of Directors:
Min Number Of Directors: 3
Max Number Of Directors: 12
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE

Professional Endorsement Provided:
Future Dating Required:
Registration Date: 2023/10/03

Agent for Service

Agent for Service Type: Primary
Last Name: GOLDMAN
First Name: ALYSON
Middle Name:
Firm Name: MCCARTHY TETRAULT LLP
Street: 421 - 7 AVENUE SW, SUITE 4000
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9
Email Address: CAL-ANNUAL-DOCS@MCCARTHY.CA

Director

Last Name: TICHIO
First Name: ROBERT
Middle Name:
Street/Box Number: 712 FIFTH AVENUE, 51ST FLOOR
City: NEW YORK
Province: NEW YORK
Postal Code: 10019
Country:
Named On Stat Dec:

Last Name: SHAH
First Name: JESAL
Middle Name:
Street/Box Number: 712 FIFTH AVENUE, 51ST FLOOR
City: NEW YORK
Province: NEW YORK
Postal Code: 10019
Country:
Named On Stat Dec:

Last Name: ANDERSON
First Name: KIM
Middle Name:
Street/Box Number: 888 - 3 STREET SW, SUITE 3700

City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5
Country:
Named On Stat Dec:

Last Name: RITCHIE
First Name: GORDON
Middle Name:
Street/Box Number: 888 - 3 STREET SW, SUITE 3700
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5
Country:
Named On Stat Dec:

Last Name: LANCASTER
First Name: WILLIAM
Middle Name:
Street/Box Number: 888 - 3 STREET SW, SUITE 3700
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5
Country:
Named On Stat Dec:

Last Name: ROSSALL
First Name: JOHN
Middle Name:
Street/Box Number: 888 - 3 STREET SW, SUITE 3700
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5
Country:
Named On Stat Dec:

Last Name: BRAUN
First Name: GARTH
Middle Name:
Street/Box Number: 888 - 3 STREET SW, SUITE 3700
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5
Country:
Named On Stat Dec:

Amalgamating Corporation

Corporate Access Number	Business Number	Legal Entity Name
2021647827	741985691	PIPESTONE ENERGY CORP.
2025516721	120809421	PENNANT ENERGY INC.

Attachment

Attachment Type	Microfilm Bar Code	Date Recorded
Other Rules or Provisions	ELECTRONIC	2023/10/03
Share Structure	ELECTRONIC	2023/10/03
Articles/Plan of Arrangement/Court Order	10000807117964222	2023/10/03

Registration Authorized By: DUSTIN HOFFMAN
OFFICER

The Registrar of Corporations certifies that the information contained in this statement is an accurate reproduction of the data contained in the specified service request in the official public records of Corporate Registry.