

CATHEDRAL

CATHEDRAL ENERGY SERVICES LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

March 25, 2024



Questions? Need Help Voting?

Contact Kingsdale Advisors by telephone at

1-888-518-6824 (toll-free in North America)

or 1-437-561-5005 (text and call enabled outside North America)

Or by email at contactus@kingsdaleadvisors.com

CATHEDRAL ENERGY SERVICES LTD.

6030 - 3rd Street S.E.
Calgary, Alberta T2H 1K2

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of **CATHEDRAL ENERGY SERVICES LTD.** ("**Cathedral**" or the "**Corporation**") will be held at Cathedral's head office which is located at 6030 – 3rd Street S.E., Calgary, Alberta, Canada at 3:30 p.m. (Mountain Time) on Thursday, May 9, 2024, for the following purposes:

1. To receive the consolidated financial statements of Cathedral for the year ended December 31, 2023, together with the auditor's report thereon;
2. To fix the number of directors (collectively, the "**Directors**") of Cathedral to be elected at the Meeting at seven (7) and to elect the Directors of Cathedral to hold office until the next annual meeting of Shareholders;
3. To appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as the auditors of Cathedral until the next annual meeting of Shareholders and to authorize the Directors to fix their remuneration for the ensuing year;
4. To pass an ordinary resolution approving all unallocated entitlements under Cathedral's stock option plan, as more particularly described in the management information circular of Cathedral dated March 25, 2024 (the "**Information Circular**") accompanying this Notice of Annual and Special Meeting of Shareholders (this "**Notice of Meeting**");
5. To pass a special resolution to approve an amendment to the articles of the Corporation to change the name of the Corporation to "ACT Technology Services Ltd." or such other name as the board of directors of the Corporation (the "**Board**"), in its sole discretion, deems appropriate and as may be approved by applicable regulatory authorities, as more particularly described in the Information Circular;
6. To pass a special resolution authorizing the Board to, in its discretion, file articles of amendment to the Corporation's articles to consolidate (or reverse split) the Common Shares into a lesser number of Common Shares at a consolidation ratio to be determined by the Board but within the range of one (1) post-consolidation share for every five (5) to ten (10) pre-consolidation Common Shares, as more particularly described in the Information Circular; and
7. To transact such further and other business as may properly come before the Meeting or any adjournment thereof.

The Information Circular should be consulted for further details on matters to be acted upon.

This Notice of Meeting is accompanied by the Information Circular and a form of proxy ("**Form of Proxy**"). The Information Circular is expressly made part of this Notice of Meeting. Capitalized words that are not otherwise defined in this Notice of Meeting shall have the meaning set out in the Information Circular.

Only holders of Common Shares of Cathedral of record at the close of business on March 25, 2024 are entitled to notice of the Meeting and only those holders of the Common Shares of Cathedral of record at the close of

business on March 25, 2024, or who subsequently become Shareholders and comply with the provisions of the *Business Corporations Act* (Alberta), are entitled to vote at the Meeting.

DATED at Calgary, Alberta, this 25th day of March, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF
CATHEDRAL ENERGY SERVICES LTD.**

"Thomas Connors"

Thomas Connors

President, Chief Executive Officer and Director

If you are a registered Shareholder, please complete and submit the enclosed Form of Proxy or other appropriate form of proxy. Completed forms of proxy must be received by Odyssey Trust Company, at 67 Yonge Street, Suite 702, Toronto, Ontario M5E 1J8, Attention: Proxy Department or by fax at (800) 517-4553, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, preceding the Meeting or any adjournment or postponement thereof. You may also vote by internet voting at: <https://login.odysseytrust.com/pxlogin>; provided that you do so not less than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, preceding the Meeting or any adjournment or postponement thereof. A vote submitted via the internet must be received by 3:30 p.m. (Mountain time) on May 7, 2024 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for any adjournment(s) or postponement(s) of the Meeting. In order to be valid, forms of proxy must be returned not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof.

If you are a beneficial Shareholder, you can vote via email, phone, fax, internet, mail, or in-person. Please complete the voting instruction form from your intermediary/broker/agent and follow the instructions set out under "*Advice to Beneficial Holders of Common Shares*" in the Information Circular. A vote submitted via the internet must be received by 3:30 p.m. (Mountain time) on Tuesday, May 7, 2024 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for any adjournment(s) or postponement(s) of the Meeting. In order to be valid, forms of proxy must be returned not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof.

- Telephone: Call 1-800-474-7493 (English) or 1-800-474-7501 (French) and provide your 16-digit control number located on your voting instruction form. If you vote by telephone, you cannot appoint anyone other than the appointees named on your voting instruction form as your proxyholder.
- Online: Go to www.proxyvote.com and enter your 16-digit control number located on your voting instruction form.
- Mail: Complete, sign and date your voting instruction form and return it in the envelope provided to:

Data Processing Centre
PO Box 3700 STN Industrial Park
Markham ON L3R 9Z9

Centre De Traitement Des Donnees
CP 3700 STN Industrial Park
Markham ON L3R 9Z9

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CATHEDRAL ENERGY SERVICES LTD.

6030 - 3rd Street S.E.
Calgary, Alberta T2H 1K2

MANAGEMENT INFORMATION CIRCULAR

DATED MARCH 25, 2024

SECTION 1 PROXY INFORMATION

1.1 Purpose of Solicitation

This management information circular (this "**Information Circular**") is furnished in connection with the solicitation of proxies by management of Cathedral Energy Services Ltd. ("**Cathedral**" or the "**Corporation**") for use at the annual and special meeting of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Cathedral to be held on Thursday, May 9, 2024 (the "**Meeting**") at the time and place and for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders (the "**Notice of Meeting**") accompanying this Information Circular, and at any adjournment thereof. The Corporation has retained Kingsdale Advisors to provide a broad array of strategic advisory, governance, strategic communications, digital and investor campaign services on a global retainer basis in addition to certain fees accrued during the life of the engagement upon the discretion and direction of the Corporation. Shareholders may contact Kingsdale Advisors, the Corporation's strategic advisor by telephone at 1-888-518-6824 or 1-437-561-5005 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com. To obtain current information about voting your Cathedral Common Shares, please visit www.CathedralAGSM.com. Cathedral may also reimburse brokers and other persons holding Common Shares in their name or in the name of nominees for their costs incurred in sending proxy material to their principals in order to obtain their proxies. Solicitations may be made by mail or email and be supplemented by telephone or other personal contact by the officers, employees or agents of Cathedral without special compensation. The cost of this solicitation will be borne by Cathedral. Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of a Reporting Issuer* ("NI 54-101"), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation materials to the beneficial owners of Common Shares of Cathedral.

To ensure as many Common Shares as possible are represented at the Meeting, Registered Shareholders are strongly encouraged to complete the enclosed form of proxy (the "Form of Proxy") and return it as soon as possible in the envelope provided for that purpose. Beneficial Shareholders (as defined below) are strongly encouraged to complete the voting instruction form received from their respective intermediary / broker / agent ("Intermediary") as soon as possible and to follow the instructions set out under "*Advice to Beneficial Holders of Common Shares*" in this Information Circular.

Shareholders may contact Kingsdale Advisors, the Corporation's strategic advisor by telephone at 1-888-518-6824 or 1-437-561-5005 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com. To obtain current information about voting your Cathedral Common Shares, please visit www.CathedralAGSM.com.

1.2 Appointment and Revocation of Proxies

The information provided in this section applies to Shareholders who hold Common Shares in their own name and have a share certificate or direct registration system (DRS) statement (a "**Registered Shareholder**"). As a Registered Shareholder, you are identified on the share register maintained by the Corporation's register and transfer agent, Odyssey Trust Company, as being a Shareholder.

The persons named in the Form of Proxy are directors and/or officers of Cathedral. **A Shareholder has the right to appoint a person or entity (who need not be a Shareholder) to attend and represent him, her or it at the Meeting other than those persons named in the enclosed Form of Proxy. Such right may be exercised by inserting such other person's name in the blank space provided in the Form of Proxy or by completing another proper form of proxy.**

In order to be effective, a proxy must be forwarded so as to reach, or be deposited with, the Corporation's registrar and transfer agent, Odyssey Trust Company, at 67 Yonge Street, Suite 702, Toronto, Ontario M5E 1J8, Attention: Proxy Department or by fax at (800) 517-4553, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, preceding the Meeting or any adjournment or postponement thereof; provided that the Chairperson of the Meeting may, in his or her sole discretion, at the Meeting, elect to waive the requirement that proxies be deposited prior to the aforementioned time and accept any and all proxies deposited at or before the time of the Meeting or any adjournment thereof. The proxy must be in writing and executed by the Registered Shareholder or such Registered Shareholder's attorney authorized in writing, or if such Registered Shareholder is a corporation, by a duly authorized officer or attorney. The time limit for deposit of proxies may be waived or extended by the Chairperson of the Meeting at his or her discretion, without notice.

A Registered Shareholder may also vote by internet voting at <https://login.odysseytrust.com/pxlogin>. Votes by the internet must be received not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or any adjournment or postponement thereof. The internet may also be used to appoint a proxyholder to attend and vote at the Meeting on the Registered Shareholder's behalf and to convey a Registered Shareholder's voting instructions.

An instrument of proxy may be revoked at any time prior to the exercise thereof. You may revoke your proxy at any time before it is acted on. In order to revoke your proxy, you must send a written statement indicating you wish to have your proxy revoked. This written statement must be received by Odyssey Trust Company at the address indicated on the accompanying Notice at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement of the Meeting, or with the Chairman of the Meeting prior to Meeting's commencement on the date of the Meeting or any adjournment or postponement of the Meeting, or in any other manner permitted by law. In addition to revocation in any other manner permitted by law, a Registered Shareholder may revoke a proxy by:

- (i) depositing an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder's attorney authorized in writing or, if the Registered Shareholder is a corporation, by a duly authorized officer or attorney of the corporation:
 - (a) at the offices of the registrar and transfer agent of the Corporation, Odyssey Trust Company, at 67 Yonge Street, Suite 702, Toronto, Ontario M5E 1J8, Attention: Proxy Department or by fax at (800) 517-4553, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or any adjournment or postponement thereof;

- (b) at the registered office of the Corporation, 6030 – 3rd St. S.E., Calgary, Alberta, T2H 1K2, Canada, at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof; or
 - (c) with the Chairperson of the Meeting before the Meeting begins or, if the Meeting is adjourned or postponed, before the adjourned or postponed Meeting begins;
- (ii) completing and signing another proxy form with a later date and delivering it to Odyssey Trust Company, at 67 Yonge Street, Suite 702, Toronto, Ontario M5E 1J8, Attention: Proxy Department or by fax at (800) 517-4553, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or any adjournment or postponement thereof; or
 - (iii) personally attending at the Meeting and voting the Common Shares represented by the proxy or, if the Registered Shareholder is a corporation, by a duly authorized officer or attorney of such corporation attending at the Meeting and voting such Common Shares.

Only Registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must arrange for their respective Intermediary to revoke the proxy on their behalf in accordance with any requirements of the Intermediaries.

1.3 Voting of Proxies

All Common Shares represented at the Meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the proxy will be voted in accordance with such specifications. **In the absence of any such specifications, the management designees, if named as proxy, will vote in favour of all the matters set out herein.**

The enclosed form of proxy confers discretionary authority upon the management designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the date of this Information Circular, the Corporation is not aware of any amendments to, or variations of, or other matters that may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the management of the Corporation.

Shareholders may contact Kingsdale Advisors, the Corporation's strategic advisor by telephone at 1-888-518-6824 or 1-437-561-5005 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com. To obtain current information about voting your Cathedral Common Shares, please visit www.CathedralAGSM.com.

1.4 Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold their Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (the "**Beneficial Shareholders**") should note that only Forms of Proxy deposited by Registered Shareholders whose names appear on the records of Cathedral as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases, those Common Shares will not be registered in the Beneficial Shareholder's name on the records

Shareholders may contact Kingsdale Advisors, the Corporation's strategic advisor by telephone at 1-888-518-6824 or 1-437-561-5005 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com. To obtain current information about voting your Cathedral Common Shares, please visit www.CathedralAGSM.com.

of Cathedral. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's Intermediary or an agent of the Intermediary. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the nominee of The Canadian Depository for Securities Limited, which acts as depository for many Canadian brokerage firms). Common Shares held by Intermediaries, or their agents or nominees can only be voted (for or against resolutions (or 'withhold', if applicable)) upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries and their agents and nominees are prohibited from voting Common Shares for their clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

Applicable regulatory rules require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its Intermediary (or the agent of the Intermediary) is similar to the Form of Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (the Intermediary or agent of the Intermediary) how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a Voting Instruction Form (a "**VIF**"), mails the VIF to the Beneficial Shareholders, and asks the Beneficial Shareholders to return the VIF to Broadridge. Often Beneficial Shareholders are provided with a toll-free telephone number or a website address through either of which their Common Shares can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a VIF from Broadridge cannot use that VIF to vote Common Shares directly at the Meeting. The VIF must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted at the Meeting. **If you have any questions respecting the voting of Common Shares held through an Intermediary, please contact that Intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of its Intermediary (or an agent of the Intermediary), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the VIF provided to them and return the same to their Intermediary (or the agent of the Intermediary) in accordance with the instructions provided by such Intermediary (or agent), well in advance of the Meeting.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as non-objecting beneficial owners or "**NOBOs**". Those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as objecting beneficial owners or "**OBOs**".

Pursuant to NI 54-101, the Corporation has distributed copies of proxy-related materials in connection with this Meeting (including this Information Circular) indirectly to all Beneficial Shareholders.

Beneficial shareholders who do not object to their name being made known to the Corporation may be contacted by Kingsdale Advisors to assist in conveniently voting their Cathedral Common Shares directly

by telephone. Cathedral may also utilize the Broadridge QuickVote™ service to assist such shareholders with voting their Common Shares.

The Corporation is not relying on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of the proxy related materials in connection with the Meeting.

The Corporation will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO's Intermediary assumes the costs of delivery.

Electronic Delivery of Meeting Materials

Beneficial Shareholders are asked to consider signing up for electronic delivery (“E-delivery”) of the Meeting materials. E-delivery has become a convenient way to make distribution of materials more efficient and is an environmentally responsible alternative by eliminating the use of printed paper and the carbon footprint of the associated mail delivery process. Signing up is quick and easy, go to www.proxyvote.com and sign in with your control number, vote for the resolutions at the meeting and following your vote confirmation, you will be able to select the electronic delivery box and provide an email address. Having registered for electronic delivery, going forward you will receive your Meeting materials by email and will be able to vote on your device by simply following a link in the email sent by your financial intermediary, provided your intermediary supports this service.

Shareholders may contact Kingsdale Advisors, the Company’s strategic advisor by telephone at 1-888-518-6824 or 1-437-561-5005 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com. To obtain current information about voting your Cathedral Common Shares, please visit www.CathedralAGSM.com.

1.5 Voting Securities and Principal Holders Thereof

On a show of hands, every Shareholder present in person or represented by proxy (and entitled to vote) has one (1) vote. On a poll or ballot, every Shareholder present in person or represented by proxy has one vote for each Common Share held. Only holders of record of Common Shares as of the close of business on March 25, 2024 (the “Record Date”) are entitled to receive notice of and are entitled to vote such Common Shares at the Meeting, except to the extent that:

- (1) such person transfers his, her or its Common Shares after the Record Date; and
- (2) the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his, her or its ownership to the shares and makes a demand to the registrar of Cathedral, not later than ten (10) days before the Meeting, that his, her or its name be included on the shareholders list for the Meeting.

The by-laws of Cathedral provide that at least one (1) person present and representing, in person or by proxy, not less than five percent (5%) of the issued shares entitled to vote constitutes a quorum for meetings of Shareholders of Cathedral.

As at March 25, 2024, there were 239,663,990 Common Shares issued and outstanding.

To the knowledge of the directors and executive officers of Cathedral, the only persons or companies that beneficially own, directly or indirectly, or exercise control or direction over Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of Cathedral as of March 25, 2024 are:

Name	Number of Voting Securities Owner Directly or Indirectly or Over Which Control or Direction is Exercised	Percentage of Outstanding Voting Securities so Owned, Controlled or Directed
Dan and Staci Wilks / Wilks Brothers, LLC	29,372,234 ⁽¹⁾	12.26%

Note:

⁽¹⁾ This amount represents Common Shares held, directly or indirectly, by Dan and Staci Wilks and Wilks Brothers, LLC.

SECTION 2 PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Corporation (the “**Board**” or the “**Board of Directors**”), the only matters to be placed before the Meeting are those matters set forth in the accompanying Notice of Meeting, the particulars of which are set forth below.

2.1 Financial Statements

The consolidated financial statements of Cathedral for the year ended December 31, 2023, together with the auditor's report thereon will be placed before the Meeting. No formal action will, or is required to, be taken in respect of the financial statements at the Meeting. The consolidated financial statements of Cathedral are also available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

2.2 Election of Directors

The Board presently consists of six (6) directors, all of whom were elected at Cathedral's annual meeting of Shareholders held on May 11, 2023 to hold office until the next annual meeting of Shareholders or until their successors are duly elected or appointed in accordance with the constating documents of the Corporation and the *Business Corporations Act* (Alberta) (the “**ABCA**”), unless their office is earlier vacated. It is proposed that seven (7) Directors be elected or re-elected to serve on the Board for the forthcoming year.

Directors who have celebrated their 75th birthday may not, unless the remaining Board members agree to a specific exception, stand for election as a Director of the Corporation (the “**Director Retirement Policy**”).

The persons named in the enclosed Form of Proxy intend to vote for the election of the nominees whose names appear in the table below. The management of Cathedral has no reason to believe that any of the said nominees will be unable to serve as a director, but, should that occur prior to the Meeting, the persons named in the enclosed Form of Proxy intend to vote for another nominee in their discretion. Shareholders executing the Form of Proxy who do not wish their Common Shares to be voted in this manner should so indicate in the appropriate place on the Form of Proxy.

Majority Voting for Directors

The Board has adopted a “Director Majority Voting Policy” for the election of directors at the Meeting. This policy requires that any nominee for director who receives a greater number of votes “withheld” than votes “for” his or her election as a director shall submit his or her resignation to the Governance Committee of the Board for consideration promptly following the meeting. This policy applies only to uncontested elections, meaning elections where the number of nominees for directors is equal to the number of directors to be elected. The Governance Committee shall consider the resignation and shall provide a recommendation to the Board. The Board will consider the recommendation of the Governance Committee and determine whether to accept it within ninety (90) days of the applicable meeting and a news release, with a copy to the Toronto Stock Exchange (“**TSX**”), will be issued by Cathedral announcing the Board's determination and fully stating the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation shall be accepted. Resignations shall be effective when accepted by the Board and resignation offers are expected to be accepted by the Board, except in situations where extenuating circumstances would warrant the applicable director to continue to serve as a member of the Board. The Board may fill any vacancy created by any such resignation or determine to leave the resulting vacancy unfilled.

As a result of this policy, a "withhold" vote is effectively the same as a vote against a director nominee in an uncontested election.

Advance Notice Bylaws

The Corporation's bylaws require advance notice for nomination of directors for consideration at a shareholder meeting. In respect of an annual meeting of shareholders, any notices of director nominations must be submitted to the Corporate Secretary no later than 30 days prior to the date of the annual meeting. The notice must include certain information about the proposed director nominee(s) (including name, age, residency, citizenship and principal occupation or employment) and the nominating shareholder. Only those director nominees that comply with applicable requirements set out in the Corporation's bylaws will be eligible for election as directors of the Corporation. The full text of the Advance Notice Bylaw is available under the Corporation's profile on SEDAR+ at www.sedarplus.ca. The Advance Notice Bylaw was filed on SEDAR+ on April 24, 2014.

Board Chairperson

The current Board of Directors has confirmed that Mr. Rod Maxwell will, subject to his re-election as a Director, be re-appointed as Chair of the Board. Each such Director's confirmation and Mr. Maxwell's re-appointment as Chair of the Board are subject to such director's re-election as a director by the Shareholders at the meeting. The Board has approved a waiver of the relevant section of the charter of the Board of Directors for the ensuing year, permitting Mr. Maxwell to continue on in his role as Board Chairperson notwithstanding that he is no longer considered to be an independent director. As noted elsewhere in this Information Circular, on November 14, 2022, in light of Mr. Maxwell no longer being considered to be an independent director, the Board created a Lead Director position, currently held by Mr. Scott Sarjeant.

Director Information

The following table sets out the names of persons proposed to be nominated by management for election as a director; all positions and offices in Cathedral held by them; the periods during which they have served as a director; their current principal occupation; and the number of Common Shares beneficially owned, directly or indirectly, by them or over which control or direction is exercised, as of the Record Date. Each director elected will hold office until the next annual meeting of Cathedral or until his successor is duly elected or appointed in accordance with the constating documents of the Corporation and the ABCA, unless his office is earlier vacated or he becomes disqualified to act as a director.

Name and Municipality of Residence	Director Since and Independence Status	Principal Occupation	Number of Common Shares Beneficially Owned or Controlled as of March 25, 2024
Arief, Nyimas Ami H. (Ami) <i>Houston, Texas</i>	N/A <i>Independent</i>	Ms. Arief is a Senior Vice President of Tellurian Production Company, the upstream division of Tellurian Inc. (NYSE American: TELL) and is a Registered Professional Engineer in the State of Texas. Previously, Ms. Arief worked with a super-major, an independent and a global financial institution, in progressively senior technical and leadership roles. In 2020, Ms. Arief was selected as one of the “25 Influential Women in Energy” by Oil and Gas Investor and Hart Energy. In addition to a Bachelor of Science in Engineering (Virginia Tech), Ms. Arief holds a Master of Business Administration (University of Houston).	Nil
Brown, Ian S. ⁽¹⁾⁽³⁾ <i>Calgary, Alberta, Canada</i>	December 2009 <i>Independent</i>	Corporate director and independent consultant since 2006. Previously, Mr. Brown was the Senior Managing Director, Raymond James Ltd. from May 1995 until December 2005. He is a Chartered Professional Accountant and is an audit financial expert.	675,486
Connors, Thomas (Tom) J. <i>Calgary, Alberta, Canada</i>	March 2021 <i>Non-Independent</i>	President and Chief Executive Officer of Cathedral since March 8, 2021. Previously, Mr. Connors held senior leadership roles, including Executive Vice-President, with an international oilfield services provider, from 2003 until 2020.	2,549,700
Goraya, Shuja ⁽²⁾⁽³⁾ <i>Houston, Texas, USA</i>	July 2021 <i>Independent</i>	Chief Technical Officer of Precision since July 2018. Previously, Mr. Goraya was the SVP Technology and Operations of National Energy Services Reunited (NESR), an oilfield services provider in the MENA and Asia Pacific regions, from November 2017 to July 2018, and the Vice President, Drilling Group North America of Schlumberger Limited, an international oilfield services company, from May 2017 to November 2017.	Nil

Name and Municipality of Residence	Director Since and Independence Status	Principal Occupation	Number of Common Shares Beneficially Owned or Controlled as of March 25, 2024
Maxwell, Roderick (Rod) D. <i>Calgary, Alberta, Canada</i>	October 2000 <i>Non-Independent</i>	Executive Director of Cathedral. Mr. Maxwell became a non-independent Executive Director of Cathedral, effective October 25, 2022, due to his expanded role working directly with the President & CEO on strategic business initiatives. Prior to that date, Mr. Maxwell was an independent, non-executive director. Mr. Maxwell is also a Managing Director of StoneBridge Merchant Capital Corp., a private equity investment firm, located in Calgary, Alberta, that invests in growing private companies. Effective October 25, 2022, Mr. Maxwell became a non-independent executive director of Cathedral, due to his expanded role working directly with the President & CEO on strategic business initiatives.	8,702,364
Sarjeant, Scott ⁽¹⁾⁽³⁾⁽⁴⁾ <i>Calgary, Alberta, Canada</i>	April 2003 <i>Independent</i>	Corporate director and private investor since June 2020. Prior thereto, Mr. Sarjeant was President and CEO of Premiax Financial Corp., a non-bank financial institution involved in leasing and other financial businesses targeted at the energy industry, since April 2003.	1,315,798
Tremblay, Dale E. ⁽¹⁾⁽²⁾ <i>Lila, Bohol, Philippines</i>	October 2015 <i>Independent</i>	Corporate director and independent businessman. From December 2009 to December 2013, Mr. Tremblay was the Chairman and Chief Executive Officer of Western Energy Services Corp., an oilfield drilling and well servicing company in western Canada and portions of the U.S.	577,086

Notes:

- (1) Member of the Audit Committee of which Mr. Brown is the Chair.
- (2) Member of the Compensation Committee of which Mr. Tremblay is the Chair.
- (3) Member of the Governance Committee of which Mr. Sarjeant is the Chair.
- (4) Mr. Sarjeant was appointed Lead Director when the position was created on November 14, 2022.

Committees of the Board of Directors

The Board currently has three (3) committees. Membership in these committees (comprised exclusively of independent directors), is currently as follows:

Audit Committee	Compensation Committee	Governance Committee
Ian Brown – Chair	Dale Tremblay – Chair	Scott Sarjeant – Chair
Scott Sarjeant	Shuja Goraya	Ian Brown
Dale Tremblay	<i>Vacant</i> ⁽¹⁾	Shuja Goraya

Note:

- (1) Vacant since November 6, 2023. Mr. J.R. Boyles was previously a member of this Committee prior to his resignation from the Board.

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The Board intends to update the Committee memberships following the Meeting to have at least three (3) members on each Committee.

Meetings of the Board of Directors and its Committees During 2023

The individual attendance record for meetings of the Board and its committees is set forth in the section below entitled “Statement of Corporate Governance Practices”.

Director Equity Ownership Requirement

With a view to further aligning the interests of members of the Board with those of the Shareholders, effective January 1, 2023, the Corporation implemented a policy whereby independent directors hold the level of Common Share ownership as outlined below:

Role	Ownership Level
Independent Directors	3x annual base cash retainer

Independent directors must reach this level of ownership within the later of five (5) years from the effective date of the policy (January 1, 2023), or five (5) years from the date the independent director is appointed or elected to the director position. In order to avoid the need to continuously monitor and adjust holdings based on fluctuations in the market price of Cathedral’s common shares, for purposes of calculating compliance with this guideline, the value of shareholdings is calculated based on the greater of:

- (1) The current market value of the Common Shares;
- (2) The market value of the Common Shares as at December 31 of the immediately preceding year; and
- (3) The acquisition cost of such Common Shares.

Once the applicable threshold is met, further purchases or acquisitions are not required if the value of the common shares held decreases solely as a result of a decline in the trading price.

The table below demonstrates the ownership of all Directors (independent and non-independent) as of December 31, 2023 and as of the Record Date:

Name	Requirement = 3x annual base cash retainer within 5 years			
	Holdings as at December 31, 2023	Value as at December 31, 2023 ⁽¹⁾	Holdings as at March 25, 2024	Value as at March 25, 2024 ⁽²⁾
Brown, Ian	675,486	\$472,840	675,486	\$594,428
Connors, Tom	2,549,700	\$1,784,790	2,549,700	\$2,243,736
Goraya, Shuja	-	\$nil	-	\$nil
Sarjeant, Scott	1,315,798	\$921,059	1,315,798	\$1,157,902
Tremblay, Dale	577,086	\$403,960	577,086	\$507,836

Notes:

- (1) The closing price of Cathedral’s Common Shares on December 31, 2023 was \$0.70.
- (2) The closing price of Cathedral’s Common Shares on March 25, 2024 was \$0.88.

Cease Trade Orders, Bankruptcies and Penalties or Sanctions

To the knowledge of management, no proposed director of Cathedral is, as of the date of this Information Circular, or within ten (10) years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including Cathedral) that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemptions under securities legislation, that was in effect for a period of more than thirty (30) consecutive days, that was issued: (i) while that person was acting in such capacity; or (ii) after that person ceased to act in such capacity but which resulted from an event that occurred while that person was acting in such capacity.

Other than as set forth below, to the knowledge of management, no proposed director of Cathedral is, as of the date of this Information Circular, or within ten (10) years prior to the date hereof has been, a director or executive officer of any company (including Cathedral) that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

- Dale Tremblay was a director of GASFRAC Energy Services Inc. ("**GASFRAC**") between May 27, 2014 and February 13, 2015. Pursuant to court supervised creditor protection proceedings commenced under the *Companies' Creditors Arrangement Act* ("**CCA**"), GASFRAC sold most of its operating assets and intellectual property to a third-party service industry competitor on April 7, 2015 and subsequently completed a court approved CCA Plan of Compromise and Arrangement pursuant to which a third-party service industry competitor acquired 100% equity ownership of GASFRAC as an operating entity on July 7, 2015. Mr. Tremblay was also a director of ATK Oilfield Transportation Inc. ("**ATK**"), a private oilfield services company, until April 1, 2016. ATK was placed into receivership following an application by its creditors on April 1, 2016.
- Rod Maxwell was a director of Iona Energy Inc. ("**Iona**"), a public oil and gas company that held assets in the United Kingdom's North Sea, until November 24, 2015, being the date on which Iona announced that it was highly likely that its wholly owned United Kingdom subsidiaries, Iona Energy (UK) Company plc ("**Iona UK**") and Iona UK Huntington Limited ("**Iona Huntington**") would commence insolvency procedures. All of the board of directors and officers of Iona, including Mr. Maxwell, resigned effective November 24, 2015. On January 6, 2016, representatives of FTI Consulting LLP were appointed as joint administrators of Iona UK and Iona Huntington.
- Ian Brown was a director of Lightstream Resources Ltd., a public oil and gas company that commenced proceedings under the CCA on September 26, 2016. Effective December 29, 2016, concurrent with the completion of the sale of all of the assets and business of Lightstream Resources Ltd. to a third party, all directors, including Mr. Brown, resigned from the board of directors.

To the knowledge of management, no proposed director of Cathedral has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of management, no proposed director of Cathedral has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The Board of Cathedral recommends that shareholders vote FOR the election of each of the above-mentioned Director nominees.

2.3 Appointment of Auditor

The current auditor of Cathedral is PricewaterhouseCoopers LLP, Chartered Professional Accountants ("PWC").

PWC were appointed as auditor for Cathedral on August 17, 2023, following the resignation of KPMG LLP ("KPMG") at the request of the Board. In accordance with Section 4.11 of National Instrument 51-102 Continuous Disclosure Obligations ("NI 51-102"), a copy of the "reporting package" (as such term is defined in NI 51-102) is attached to this Information Circular as Schedule "A". As indicated in the "Notice of Change of Auditor" contained in the reporting package: (a) there have been no modified opinions expressed in KPMG's reports on Cathedral's financial statements relating to the "relevant period" (as defined in subparagraph 4.11(1) of NI 51-102); and (b) there have been no "reportable events" (as defined in subparagraph 4.11(1) of NI 51-102). The resignation of KPMG was accepted by the audit committee of Cathedral (the "**Audit Committee**") and the Board, and the appointment of PWC was approved by the Audit Committee and the Board. Letters from KPMG and PWC confirming their agreement with the statements contained in the Notice of Change of Auditor are included in the reporting package attached hereto as Schedule "A".

The Board proposes to nominate PWC to serve as auditor of Cathedral until the next annual meeting of Shareholders.

Information with respect to auditor's fees and the disclosure required by Section 5.1 of National Instrument 52-110 – *Audit Committees* is contained in the Corporation's Annual Information Form for the year ended December 31, 2023, which is available on SEDAR+ at www.sedarplus.ca.

The Board of Cathedral recommends that shareholders vote FOR the appointment of PWC as auditors for Cathedral until the next annual meeting of Shareholders and authorize the Board to fix their remuneration for the ensuing year.

2.4 Approval of Unallocated Entitlements under the Stock Option Plan

Shareholders will be asked at the Meeting to pass an ordinary resolution approving the unallocated options under the Corporation's stock option plan (the "**Stock Option Plan**") for the three-year period commencing following the Meeting. Rule 613(a) of the Toronto Stock Exchange Company Manual (the "**TSX Manual**") requires that every three years after institution of a security-based compensation arrangement that does not have a fixed maximum number of securities issuable, all unallocated options, rights or other entitlements under that security-based compensation arrangement must be approved by a majority of the listed issuer's directors and shareholders. The Stock Option Plan was last approved by Shareholders on May 13, 2021 at Cathedral's annual and special meeting for the year ended December 31, 2020.

Pursuant to the TSX Manual, listed issuers are permitted to have unallocated stock options under security-based compensation arrangements that do not have a fixed number of securities issuable re-load to the security-based compensation plan. The Stock Option Plan is a reloading plan, as the number of authorized but unissued Common Shares that may be subject to stock options granted under the Stock Option Plan is ten percent (10%) of the number of issued and outstanding Common Shares from time to time.

Cathedral has 239,663,990 Common Shares outstanding as at the date hereof and therefore pursuant to the Stock Option Plan is able to grant Options to purchase up to 23,966,399 Common Shares. As at the date hereof, Cathedral has granted options to acquire 22,593,700 Common Shares, representing approximately 9.43% of the issued and outstanding Common Shares, resulting in 1,372,699 unallocated stock option entitlements being currently available for grant under the Stock Option Plan, representing approximately 0.57% of the issued and outstanding Common Shares. Accordingly at the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve unallocated option entitlements under the Stock Option Plan. See "Statement of Executive Compensation – Stock Option Plan" herein for a more detailed description of the Stock Option Plan.

Cathedral believes that its Stock Option Plan is an important element of its total compensation program to enable it to provide a competitive compensation package to its staff and officers. In addition, Cathedral is aware that many of its senior staff, including its officers, joined Cathedral because they believe in its business plan and wish to participate in the equity upside which they believe exists with Cathedral. The elimination of such opportunity would, in the opinion of Cathedral, materially hamper Cathedral's ability to retain a significant portion of its senior staff, and impede its ability to hire new staff in the future.

For the foregoing reasons, by resolution dated March 26, 2024, the directors of Cathedral approved the renewal of all unallocated stock options under the Stock Option Plan, with the next such renewal required on or before May 9, 2027. The Board recommends that Shareholders vote in favour of this resolution.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the following ordinary resolution:

"BE IT RESOLVED as an ordinary resolution of the shareholders of Cathedral Energy Services Ltd. ("**Cathedral**") that:

- (a) All unallocated stock option entitlements under the Cathedral stock option plan (the "**Stock Option Plan**") are hereby authorized and approved;
- (b) Cathedral be and is hereby authorized to continue granting options under the Stock Option Plan until May 9, 2027, being the date that is three years from the date of this shareholder approval of unallocated option entitlements under the Stock Option Plan; and
- (c) Any one director or officer of Cathedral be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolution."

Pursuant to the requirements of the TSX, the foregoing resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy. Previously allocated stock options will continue unaffected by the approval or disapproval of the foregoing resolution. Previously granted stock options will not be available for reallocation if they are cancelled or terminated prior to exercise and the foregoing resolution is not approved. If the foregoing resolution is not approved, there will be no further stock options granted pursuant to the Stock Option Plan.

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A copy of the Stock Option Plan will be made available to any Shareholder upon request. Unless otherwise directed, it is the intention of the persons designated in the Form of Proxy to vote proxies in favour of the above resolution.

The Board of Cathedral recommends that shareholders vote FOR the approval of the unallocated entitlements under the Stock Option Plan.

2.5 Approval of Name Change

The Shareholders will be asked to consider, and if thought appropriate, approve, with or without variation, a special resolution authorizing the Board to approve an amendment to the articles of the Corporation to change the name of the Corporation to "ACT Energy Technologies Ltd." or such other name as the Board, in its sole discretion, deems appropriate and which all applicable regulatory authorities, including the TSX, may accept (the "Name Change"). The Name Change is subject to TSX approval.

If all necessary approvals are obtained, the Corporation currently anticipates proceeding with the Name Change.

The special resolution which management intends to place before the Meeting authorizing the change of the name of the Corporation is as follows:

"BE IT RESOLVED as a special resolution of the Corporation that:

- (a) the name of the Corporation be changed to "ACT Energy Technologies Ltd." or such other name as the Board, in its sole discretion, deems appropriate and subject to the approval of all applicable regulatory authorities;
- (b) any one director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation (whether under corporate seal or otherwise), to execute and deliver articles of amendment to the Registrar under the *Business Corporations Act* (Alberta) ("ABCA"), and all documents and instruments and to take such other actions as such director or officer may deem necessary or desirable to implement the foregoing special resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions;
- (c) upon the articles of amendment having become effective in accordance with the ABCA, the articles of the Corporation are amended accordingly;
- (d) the shareholders of the Corporation hereby expressly authorize the Board to revoke this resolution before it is acted upon without requiring further approval, ratification or confirmation of the shareholders in that regard; and
- (e) any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this resolution."

To be effective, the resolution in respect of the Name Change must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares present in person or

by proxy at the Meeting. **The Board of Cathedral recommends that shareholders vote FOR the special resolution approving the Name Change.**

2.6 Share Consolidation

Shareholders will be asked at the Meeting to approve a special resolution authorizing the Board to effect, at such time as the Board deems appropriate, but in any event no later than one year after the Meeting, a share consolidation (or reverse stock split) of our issued and outstanding Common Shares (the “**Share Consolidation**”) at a Share Consolidation ratio to be determined by our Board but within the range of one post-consolidation Common Share for every five (5) to ten (10) pre-consolidation Common Shares, subject to our Board’s authority to decide not to proceed with the Share Consolidation.

The full text of the special resolution to be considered and if thought advisable, passed, by shareholders is set forth below (the “**Share Consolidation Resolution**”).

Our Board believes that a range of Share Consolidation ratios will provide it with the flexibility to implement the Share Consolidation in a manner designed to optimize the anticipated benefits of the Share Consolidation to us and our shareholders.

In determining which precise Share Consolidation ratio within the range of ratios to implement, if any, following the receipt of shareholder approval, the Board may consider, among other things, factors such as:

- the historical trading prices and trading volume of the Common Shares;
- the then prevailing trading price and trading volume of the Common Shares and the anticipated impact of the Share Consolidation on the trading of our Common Shares;
- threshold prices of brokerage houses or institutional investors that could impact their ability to invest or recommend investments in our Common Shares;
- minimum listing requirements of the TSX; and
- prevailing general market and economic conditions and outlook for the trading of our Common Shares.

Background to and Reasons for the Share Consolidation

Our primary objective in proposing the Share Consolidation is to attempt to raise the trading price of our Common Shares. Our Board is of the opinion that it may be in our and our shareholders best interests to consolidate our Common Shares, to enhance their marketability. Additionally, an increase in the price per Common Shares could increase the interest of institutional and other investors in our Common Shares and may expand the pool of investors that may consider investing in our Common Shares. For example, certain institutional investors may have policies that prohibit them from purchasing stock below a minimum price and the Share Consolidation may help to attract such investors.

Although approval for the Share Consolidation is being sought at the Meeting and, if approved, the Share Consolidation would not become effective until the Board determines it to be in our and our shareholders best interests and articles of amendment are filed to implement the Share Consolidation. The special resolution will also authorize the Board to elect not to proceed with, and abandon, the Share

Consolidation at any time if it determines, in its sole discretion, that the Share Consolidation is not in our and our shareholders best interests. The Share Consolidation is subject to shareholder approval and acceptance by the TSX.

Effects of the Share Consolidation

General

If the Share Consolidation is implemented, its principal effect will be to proportionately decrease the number of issued and outstanding Common Shares by a factor equal to the consolidation ratio. At the close of business on March 25, 2024, the closing price of the Common Shares on the TSX was \$0.88 per share, and there were 239,663,989 Common Shares issued and outstanding. Based on the number of Common Shares issued and outstanding on March 25, 2024, immediately following the completion of the Share Consolidation, for illustrative purposes only, (i) assuming a Share Consolidation ratio of one (1) for five (5), the number of new Common Shares issued and outstanding (disregarding any resulting fractional shares) will be 47,932,798 shares; and (ii) assuming a Share Consolidation ratio of one (1) for ten (10), the number of new Common Shares issued and outstanding (disregarding any resulting fractional shares) will be 23,966,399 shares.

We do not expect the Share Consolidation itself will have any economic effect on holders of Common Shares or securities convertible into or exercisable to acquire Common Shares, except to the extent the Share Consolidation will result in fractional shares. See "No Fractional Shares" below.

Our shares will continue to be listed on the TSX under the symbol "CET", or such symbol as may be authorized by the TSX following the name change. The post-Share Consolidation shares will be considered a substituted listing with new CUSIP and ISIN numbers. Voting rights and other rights of the holders of shares prior to the implementation of the Share Consolidation will not be affected by the Share Consolidation, other than as a result of the creation and disposition of fractional shares as described below. For example, a holder of 2% of the voting power attached to the outstanding shares immediately prior to the implementation of the Share Consolidation will generally continue to hold 2% of the voting power attached to the shares immediately after the implementation of the Share Consolidation. The number of registered shareholders will not be affected by the Share Consolidation.

The Share Consolidation may result in some shareholders owning "odd lots" of fewer than 100 shares. Odd lot shares may be more difficult to sell and increase transaction cost. The Board believes, however, that these potential effects are outweighed by the anticipated benefits of the Share Consolidation.

Effect on Stock Options

Subject to TSX approval, where required:

- The exercise or conversion price and/or the number of our Common Shares issuable under any of our outstanding stock options will be proportionately adjusted upon the implementation of the Share Consolidation;
- The number of our Common Shares reserved for issuance under the Stock Option Plan will be proportionately reduced.

Effect on Beneficial Shareholders

Beneficial shareholders (i.e. non-registered shareholders) holding Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing the Share Consolidation than those that will be put in place for registered shareholders. If shareholders hold their Common Shares through an intermediary and they have questions in this regard, they are encouraged to contact their intermediaries.

Effect on Share Certificates

If the Share Consolidation is approved by shareholders and subsequently implemented, those registered shareholders who will hold at least one new post-Share Consolidation Common Share will be required to exchange their share certificates representing old pre-Share Consolidation Common Shares for new share certificates representing new post-Share Consolidation Common Shares or, alternatively, a Direct Registration System (a DRS) Advice/Statement representing the number of new post-Share Consolidation Common Shares they hold following the Share Consolidation. The DRS is an electronic registration system which allows shareholders to hold Common Shares in their name in book-based form, as evidenced by a DRS Advice/Statement rather than a physical share certificate.

If the Share Consolidation is implemented, we or our transfer agent will mail to each registered shareholder a letter of transmittal. Each registered shareholder must complete and sign a letter of transmittal after the Share Consolidation takes effect. The letter of transmittal will contain instructions on how to surrender to the transfer agent the certificate(s) representing the registered shareholder's old pre-Share Consolidation Common Shares. The transfer agent will send to each registered shareholder who follows the instructions provided in the letter of transmittal a new share certificate representing the number of new post-Share Consolidation Common Shares to which the registered shareholder is entitled rounded up or down to the nearest whole number or, alternatively, a DRS Advice/Statement representing the number of new post-Share Consolidation Common Shares the registered shareholder holds following the Share Consolidation. Beneficial shareholders (i.e., non-registered shareholders) who hold their Common Shares through intermediaries (securities brokers, dealers, banks, financial institutions, etc.) and who have questions regarding how the Share Consolidation will be processed should contact their intermediaries with respect to the Share Consolidation. See "Effect on Beneficial Shareholders" above.

Until surrendered to the transfer agent, each share certificate representing old pre-Share Consolidation Common Shares will be deemed for all purposes to represent the number of new post-Share Consolidation Common Shares to which the registered shareholder is entitled as a result of the Share Consolidation. Until registered Shareholders have returned their properly completed and duly executed letter of transmittal and surrendered their old share certificate(s) for exchange, registered shareholders will not be entitled to receive any distributions, if any, that may be declared and payable to holders of record following the Share Consolidation.

Any registered shareholder whose old certificate(s) have been lost, destroyed or stolen will be entitled to a replacement share certificate only after complying with the requirements that we and our transfer agent customarily apply in connection with lost, stolen or destroyed certificates.

The method chosen for delivery of share certificates and letters of transmittal to our transfer agent is the responsibility of the registered shareholder and neither we nor our transfer agent will have any liability in respect of share certificates and/or letters of transmittal which are not actually received by the transfer agent.

REGISTERED SHAREHOLDERS SHOULD NEITHER DESTROY NOR SUBMIT ANY SHARE CERTIFICATE UNTIL HAVING RECEIVED A LETTER OF TRANSMITTAL.

No Fractional Shares

No fractional shares will be issued pursuant to the Share Consolidation. In lieu of any such fractional shares, each registered shareholder otherwise entitled to a fractional share following the implementation of the Share Consolidation will receive the nearest whole number of post Share Consolidation Common Shares. For example, any fractional interest representing less than 0.5 of a post Share Consolidation Common Share will not entitle the holder thereof to receive a post-Share Consolidation Common Share and any fractional interest representing 0.5 or more of a post-Share Consolidation Common Share will entitle the holder thereof to receive one whole post-Share Consolidation Common Share. In calculating such fractional interests, all Common Shares registered in the name of each registered shareholder will be aggregated.

No Dissent Rights

Shareholders are not entitled to exercise any statutory dissent rights with respect to the proposed Share Consolidation.

Accounting Consequences

If the Share Consolidation is implemented, net income or loss per share, and other per share amounts, will be increased because there will be fewer shares issued and outstanding. In future financial statements, net income or loss per share and other per share amounts for periods ending before the Share Consolidation took effect would be recast to give retroactive effect to the Share Consolidation.

Risks Associated with the Share Consolidation

No Guarantee of an Increased Share Price or Improved Trading Liquidity

Reducing the number of issued and outstanding shares through the Share Consolidation is intended, absent other factors, to increase the per share market price of the post-Share Consolidation shares. However, the market price of the shares will also be affected by our financial and operational results, our financial position, including our liquidity and capital resources, industry conditions, the market's perception of our business and other factors, which are unrelated to the number of shares outstanding. Having regard to these other factors, there can be no assurance that the market price of the shares will increase following the implementation of the Share Consolidation.

Although we believe that establishing a higher market price for our shares could increase investment interest for our shares by potentially expanding the pool of investors that may consider investing in our shares, including investors whose internal investment policies prohibit or discourage them from purchasing stocks trading below a certain minimum price, there is no assurance that implementing the Share Consolidation will achieve this result.

If the Share Consolidation is implemented and the market price of our shares (adjusted to reflect the Share Consolidation ratio) declines, the percentage decline as an absolute number and as a percentage of our overall market capitalization may be greater than would have occurred if the Share Consolidation had not been implemented. Both our total market capitalization and the adjusted market price of our shares following a consolidation or reverse split may be lower than they were before the consolidation or reverse

split took effect. The reduced number of shares that would be outstanding after the Share Consolidation is implemented could adversely affect the liquidity of the shares.

Shareholders may hold Odd Lots following the Share Consolidation

The Share Consolidation may result in some shareholders owning "odd lots" of fewer than 100 shares on a post-Share Consolidation basis. Odd lot shares may be more difficult to sell, or may attract greater transaction costs per share to sell, and brokerage commissions and other costs of transactions in odd lots may be higher than the costs of transactions in "round lots" of even multiples of 100 shares. If the Share Consolidation results in a substantial number of shareholders holding an odd lot, it could adversely affect the liquidity of the shares.

Form of Special Resolution

The full text of the Share Consolidation Resolution is set forth below. The Share Consolidation Resolution will require approval by two-thirds of the votes cast on the matter at the meeting.

"BE IT RESOLVED as a special resolution of the Corporation that:

- (a) Cathedral Energy Services Ltd. (the "**Corporation**") be and it is hereby authorized to file articles of amendment under the *Business Corporations Act* (Alberta) to amend its articles of amalgamation to change the number of issued and outstanding common shares of the Corporation (the "**Common Shares**") by consolidating the issued and outstanding Common Shares on the basis of up to one (1) new post-consolidation Common Share for every ten (10) pre-consolidation Common Shares and no less than one (1) new post-consolidation Common Share for every five (5) pre-consolidation Common Shares (the "**Share Consolidation**"), such amendment to become effective at a date in the future to be determined by the board of directors when the board of directors considers it to be in the best interests of the Corporation to implement such a Share Consolidation, but in any event not later than one year after the date on which this resolution is approved, subject to approval of the Toronto Stock Exchange;
- (b) the amendment to the articles of amalgamation giving effect to the Share Consolidation will provide that no fractional Common Shares will be issued in connection with the Share Consolidation and that the number of post-consolidation Common Shares to be received by a registered shareholder will be rounded up, in the case of a fractional interest that is 0.5 or greater, or rounded down, in the case of a fractional interest that is less than 0.5, to the nearest whole number of Common Shares that such holder would otherwise be entitled to receive upon the implementation of the Share Consolidation;
- (c) notwithstanding that this special resolution has been duly adopted by the shareholders of the Corporation, the board of directors of the Corporation be and it is hereby authorized, in its sole discretion, to revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the shareholders of the Corporation; and
- (d) any director or any officer of the Corporation be, and each of them is hereby, authorized and directed for and in the name and on behalf of the Corporation, to execute and deliver such notices and documents, including, without limitation, the articles of amendment to the Registrar under the *Business Corporations Act* (Alberta), and to do such acts and things as in the opinion of that person, may be necessary or desirable to give effect to this special resolution, such determination

to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

The Board of Cathedral recommends that shareholders vote FOR the Share Consolidation Resolution.

2.7 Other Matters to be Acted Upon

There are no other matters to be considered at the Meeting which are known to the directors or senior officers of Cathedral at this time. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the Form of Proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting, and other matters which may properly come before the Meeting or any adjournment thereof.

SECTION 3 STATEMENT OF EXECUTIVE COMPENSATION

The Compensation Committee of the Board of Directors is responsible for administering the compensation programs with respect to the following officers of the Corporation, who are classified as “Named Executive Officers” pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (each a “NEO” and collectively, the “NEOs”) for 2023:

Name		Title
Connors, Thomas (Tom) J.	-	President and Chief Executive Officer
MacFarlane, P. Scott ⁽¹⁾	-	Interim Chief Financial Officer
Harns, W. Lee	-	President, Altitude Energy Partners (US Operations)
Clark, Tyler	-	Executive Vice President, Altitude Energy Partners (US Operations)
Maxwell, Roderick (Rod)	-	Executive Chair of the Board

Notes:

⁽¹⁾ Mr. Scott MacFarlane was appointed as Interim Chief Financial Officer effective January 14, 2023.

3.1 Compensation Discussion and Analysis

The Compensation Committee is currently comprised of Messrs. Dale E. Tremblay (Chair) and Shuja Goraya. All of the members of the Compensation Committee are considered to be independent (see the sections entitled "*Corporate Governance – Composition of the Board*" and "*Corporate Governance – Compensation Committee*" herein).

Mr. Tremblay has held various senior executive positions of publicly traded and private companies, which has provided Mr. Tremblay with extensive experience in human resources and compensation matters. During a significant portion of Mr. Tremblay’s tenure as senior executive he was responsible for human resources. In addition, Mr. Tremblay has experience being a director and compensation committee member.

Mr. Goraya is the Chief Technology Officer for Precision Drilling Corporation and has extensive experience in human resources and compensation matters as a senior executive in various public companies.

Responsibilities of the Compensation Committee

The Compensation Committee, amongst other things, establishes policies regarding the remuneration of senior-most executive officers of the Corporation, as well as for continuously supervising the implementation of such policies. In fulfilling this mandate, the Compensation Committee:

- Works with management to set the total compensation package for new executive officers whenever the hiring of such officers requires the approval of the Board.
- Annually reviews the base salaries and total compensation packages of the NEOs to ensure that such packages are competitive within an oil and gas services industry comparison group and properly motivate performance and promote the retention of Cathedral's management.
- Annually reviews the yearly performance of the President and Chief Executive Officer ("CEO") of Cathedral, and of the other NEOs.

- Continuously monitors the number of stock options held by the CEO and other NEOs to ensure there is a balance of stock options issued in the context of the overall compensation plan.

Executive Compensation Analysis

The objective of Cathedral's executive compensation policy is to provide total compensation that is competitive and to balance the fixed and variable components of executive compensation in order to attract the most competent people, so that they remain in their positions and are motivated to act in the best interests of Cathedral. An emphasis is placed on providing a competitive and fair fixed salary, with additional "at-risk" short and long-term incentives reflective of Cathedral's performance.

The executive total compensation package is arrived at by considering a number of factors including a comparison with an oil and gas services industry comparison group. The Compensation Committee reviews the compensation program of its senior-most executive officers, including its NEOs, on a periodic basis. In April and October of 2022, those reviews took into consideration improving industry fundamentals in the U.S. and Canada, an increase in revenues and Adjusted EBITDAS⁽¹⁾ on a year-over-year basis, transformation of the executive leadership group, completion of five (5) strategic acquisitions in 2022, one of which has been transformative in Cathedral's strategy to build size and scale in North America, and improved balance sheet strength and the Common Share price performance during 2022⁽²⁾. In 2023, the Compensation Committee continued a detailed compensation program review, with the assistance of an executive compensation consultant (described below).

Notes:

- (1) Adjusted EBITDAS is a non-Generally Accepted Accounting Principles term and is defined as net income before finance costs, unrealized foreign exchange on intercompany balances, income tax expense, depreciation, amortization, non-recurring costs (including acquisition and restructuring costs and provision), write-down of inventory and share-based compensation.
- (2) Based upon volume-weighted average price for the Common Shares of \$0.36 for 2021 and \$0.93 for 2022.

Compensation Consultant

On an as needed basis, the Compensation Committee retains the services of an independent consultant for advice, research and analysis about executive compensation. The Compensation Committee takes the information provided by the independent consultant into consideration but ultimately makes its own recommendations and decisions.

In 2023, the Compensation Committee retained Lane Caputo Compensation Inc. (the "**Compensation Consultant**"), who is independent from the Corporation, to assist it in reviewing our compensation programs. The Compensation Consultant's engagement included: (i) review of Cathedral's current approach to executive compensation and the appropriateness of our peer group of companies for benchmarking compensation; (ii) review the alignment of the Corporation's current approach to executive compensation to its business strategy within the context of peer and best practices; (iii) a review of the design and structure of the Corporation's long term incentive plans and compare to the structures and performance metrics adopted by our peer group; (iv) a review of Cathedral's non-executive director compensation; and (v) the development of recommendations for the Compensation Committee's consideration.

The aggregate fees billed by the Compensation Consultant for services rendered in 2023 were as follows:

Year Ended December 31	Executive Compensation Related Fees	All Other Fees
2023	\$39,219	\$0

Role of Management

In addition to the support of the Compensation Consultant, management regularly provides data, analysis and recommendations to the Compensation Committee specific to our compensation programs and policies. Management administers the programs and policies as directed by the Compensation Committee and provides ongoing review of the effectiveness of our compensation programs, and the alignment with our strategic objectives.

The Compensation Committee holds in-camera sessions without management present, at the conclusion of each meeting, to discuss compensation decisions and any other matters relating to the design and governance of the executive compensation programs.

2023 Compensation Benchmarking Peer Group

The Compensation Committee normally reviews and considers compensation data from a comparative group of oil and gas services companies within Cathedral's sector. In 2023, the Compensation Consultant conducted a detailed review of the appropriateness of our peer group of companies for benchmarking executive compensation. Following discussions with the Compensation Committee and management, the following peer group was selected based on factors including the company's industry, stage of development, size, geographical similarity of operations, and the country in which its headquarters is located.

Canadian Pay Peers (2023 – 11 peers)	Sector
Black Diamond (TSX: BDI)	Energy Sector Modular Buildings
CES Energy Solutions Corp. (TSX: CEU)	Oil & Gas Fluids and Chemicals
CWC Energy Services Corp. (TSXV: CWC)	Oil and Gas Drilling & Services
Essential Energy Services Ltd. (TSX: ESN)	Oil & Gas Equipment & Services
McCoy Global Inc. (TSX: MCB)	Oil & Gas Equipment & Services
Pason Systems Inc. (TSX: PSI)	Energy Services Technology
PHX Energy Services Corp. (TSX: PHX)	Oil & Gas Equipment & Services
Source Energy Services Ltd. (TSX: SHLE)	Energy Sector Logistics Management
STEP Energy Services Ltd. (TSX: STEP)	Oil & Gas Equipment & Services
Trican Well Services Ltd. (TSX: TCW)	Oil & Gas Equipment & Services
Western Energy Services Corp. (TSX: WRG)	Oil & Gas Drilling & Services
United States Pay Peer (2023 – 5 peers)	Sector
KLX Energy Services Holdings, Inc. (NASDAQ GS: KLXE)	Oil & Gas Equipment & Services
Independence Contract Drilling, Inc. (NYSE: ICD)	Oil and Gas Drilling & Services
Mammoth Energy Services, Inc. (NASDAQ: TUSK)	Oil & Gas Equipment & Services
Dril-Quip, Inc. (NYSE: DRQ)	Oil & Gas Equipment & Services
TETRA Technologies, Inc. (NYSE: TTI)	Oil & Gas Equipment & Services

In light of the high proportion of the Corporation's revenue being derived from our United States ("US") operations, for 2023, a larger pool of US peers was included in order to help ensure that compensation for our US executives is set effectively. We believe that this compensation peer group (which may differ from the peer group used to evaluate relative operational performance or share price) provides a good proxy for the competitive market for Cathedral's executive talent across our geographical operations.

Total Compensation Components

Executive compensation at Cathedral consists of a total compensation package that has the following components:

- fixed compensation, comprised of base salary, benefits and perquisites; and
- variable compensation, comprised of bonus (which is a short-term incentive program) and stock options (which are a medium to long-term incentive program).

These compensation components are discussed below with respect to the Compensation Committee's supervision of the remuneration of the NEOs.

Base Salary

Cathedral's NEO positions are normally compared to other similar executive officer positions in companies included in the peer comparison group, and the salary data gathered is analyzed to establish appropriate salary ranges. The Compensation Committee then considers the experience, qualifications and past performance of each individual NEO and other senior executive officers, along with issues of pay equity within Cathedral's executive group, before either setting the initial salary for a new executive officer or awarding annual pay increases to current executives.

In response to the decline in oil and natural gas drilling in North America related to the decline in oil prices experienced in March 2020, effective April 1, 2020, Cathedral implemented a wage roll back program with such roll backs ranging from 20-25%. In response to improved industry fundamentals and business prospects, the roll back in base salary was eliminated in late 2021.

In 2022, in response to further improved industry conditions and the acquisition activity during the year resulting in a significant increase in the Corporation's size and scale, the CEO's base salary increased to \$400,000 per annum, effective as of July 1, 2022. Further, due to and in recognition of his increased involvement with the CEO and the executive management team on strategic acquisition activity and financing strategies, Mr. Maxwell's role evolved from that of an independent director to a non-independent executive director. As Chair of the Board, effective October 26, 2022, Mr. Maxwell assumed the title of Executive Chair and began to receive compensation at 50% of the level of the CEO, being \$200,000 per year. Normal course annual increases became effective for employees at all levels who had not otherwise received an increase in 2022, on January 1, 2023.

Effective January 1, 2024, the NEOs annual base salaries or annual consulting fees are as follows:

Name	Title	Annual Base Compensation – effective January 1, 2024
Connors, Tom	President & CEO	CAD \$525,000
MacFarlane, Scott	Interim Chief Financial Officer	CAD \$340,000
Harns, Lee	President, Altitude	USD \$375,000
Clark, Tyler	Executive Vice President	USD \$315,000
Maxwell, Rod ⁽¹⁾	Executive Chair	CAD \$262,500

⁽¹⁾ Mr. Maxwell's compensation is set at 50% of the level of the President & CEO.

Benefits and Perquisites

The benefits program and perquisites awarded to each NEO is generally consistent with the benefits program and perquisites available to other employees within Cathedral's organization.

Employees in Canada:

Cathedral offers a group registered savings plan (the "**Group RSP**") to all of our employees in Canada, pursuant to which Cathedral matches employee contributions of up to two percent (2%) of the employee's regular earnings. In response to the projected decline in oil and natural gas drilling in North America related to the decline in oil prices experienced in March 2020, Cathedral suspended matching employee contributions to the Group RSP effective June 2020. In response to improved industry conditions, Cathedral reinstated the Group RSP effective January 1, 2023.

Employees in the United States:

In the US, our subsidiaries maintain group 401(k) plans (the "**401(k) Plans**"), which are generally available to employees of the subsidiaries, including NEOs and other senior executive officers based in the United States. Depending on the specific subsidiary, these 401(k) Plans provide for employer matching of up to 2% or 5% of an employee's regular earnings.

Bonuses

Annual bonuses for NEOs is an "at-risk" form of compensation based on the financial performance of Cathedral, as well as individual performance, measured during the calendar year. Bonuses, if any, for NEOs are included within a company-wide bonus pool established by the Board annually in advance, based upon the recommendation by the Compensation Committee, giving consideration to the Quantitative Goals (as defined below) and taking into account the NEO's individual performance. The approved bonus pool is subject to percentage caps, approved on an annual basis, based on the Adjusted EBITDAS and pre-tax income of the Corporation achieved in the applicable year.

For 2021, 2022 and 2023, the Compensation Committee reviewed the performance of the President and CEO in part based on certain quantitative goals generally related to financial performance of Cathedral (the "**Quantitative Goals**"). The Quantitative Goals related to the following:

- financial performance of Cathedral;
- balance sheet strength; and
- Common Share price performance.

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The Compensation Committee also considered other quantitative and qualitative factors related to the overall performance of the CEO during the year; notably, the factors set out under the heading "*Executive Compensation Analysis*". The Compensation Committee reviewed the performance of the other NEOs based on their contribution to the achievement of the Quantitative Goals, as well as other qualitative factors related to the performance of each individual NEO. As part of the bonus determination process, the Compensation Committee reviews the CEO's evaluation of both his own goals and performance and that of the other NEOs.

The weighting of bonus compensation components is generally as follows:

- Quantitative Goals – 75%; and
- other qualitative factors relating to individual performance during the year – 25%.

The Compensation Committee holds one or more meetings following the end of each year to consider such matters and to consider a bonus for each NEO. The CEO's input is obtained in the form of specific bonus recommendations together with comments on the individual performance of each NEO and each other senior executive officer. The Compensation Committee then delivers its bonus recommendations to the Board, including for the CEO. These recommendations are discussed and, if deemed acceptable, approved during a session comprised only of the independent directors held in-camera.

The Compensation Committee considers bonuses to be a highly variable component of the compensation package. With respect to the Quantitative Goals, no bonuses may result if annual results are below expectations and Quantitative Goals are not achieved. Even in instances where Quantitative Goals are attained, the Corporation may still not be in a financial position to pay bonuses. Despite significant achievements during 2021, as noted under the heading "*Executive Compensation Analysis*", it was the CEO's recommendation to not pay bonuses for 2021.

For the 2022 year, due to the extraordinary performance of Cathedral in the year as measured by the Quantitative Goals, and exceptional individual performance of each NEO in the year which contributed to the growth of the Corporation, annual bonuses were paid at the maximum level applicable to each NEO eligible to receive an annual bonus.

In late 2022, further to the recommendation of the Compensation Committee, the Board approved certain changes to the bonus plan for the assessment of annual bonuses beginning in 2023. This revised bonus plan further formalizes the annual bonus evaluation, the process for establishing the annual bonus pool, the roles within Cathedral that are eligible to participate in the annual bonus program, and the threshold / target / maximum payout levels for eligible employees. Further refinements to this bonus plan will be made as needed.

In addition to annual bonuses, as part of the bonus plan described above, the Compensation Committee may periodically recommend to the Board the payment of extraordinary discretionary bonuses to NEOs and other employees, where circumstances are deemed appropriate for the exercise of such discretion. In both 2022 and in 2023, certain NEOs and other senior executives received discretionary bonuses in recognition of the efforts and achievements of these specific individuals related to our various acquisitions and the ongoing integration efforts required in connection with those acquisitions.

Stock Options

The issuance of stock options to NEOs is intended to encourage Common Share ownership and to motivate executives to focus on a culture that will result in improving Cathedral's financial performance, the effect of which should lead to increases in the market value of Cathedral's Common Shares. Cathedral's stock option plan (the "**Stock Option Plan**") is discussed under "*Stock Option Plan*" below.

The Board has delegated to the Compensation Committee the authority to determine, from time to time, the number of stock options granted by Cathedral, the time during which such stock options vest and the method of vesting, and the grant date or dates. In fulfilling such responsibility, the Compensation Committee continuously monitors the number of stock options held by the NEOs, and attempts to keep such holdings at an appropriate level for each respective role.

Compensation Risk Assessment and Mitigation

As part of the annual review of executive compensation, the Compensation Committee considers risk assessment and mitigation to ensure our executive compensation program does not encourage management to take inappropriate or excessive risks. Based upon its most recent review, the Compensation Committee has concluded that there do not appear to be any risks arising from the compensation programs that are reasonably likely to have a material adverse effect on the Corporation.

The executive compensation program includes several mechanisms to ensure risk-taking behavior falls within reasonable risk tolerance levels, including:

- a balanced pay mix between fixed and variable (at-risk) and between short and long-term incentives that defer awarded value;
- having a cap on short-term incentive awards;
- establishment of performance criteria and corresponding objectives which represent a balance of performance and the quality and sustainability of such performance;
- establishment of a compensation package in the context of competitive company compensation practices (comparison group);
- establishment of a compensation package that aligns the interests of executives with that of the Shareholders;
- explicit restrictions on hedging of equity awards by executives; and
- utilizing longer-term incentive plans for diversification and alignment with risk realization periods.

Under Cathedral's policies, neither an officer or director is permitted to purchase financial instruments, including, for greater certainty, prepaid forward variable contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in the market value of Cathedral equity securities granted as compensation or held, directly or indirectly, by any officer or director.

As an additional oversight procedure and risk mitigation feature to support managing compensation risk, on March 26, 2024, the Board approved and implemented a Compensation Recoupment (Clawback) Policy, which provides the Compensation Committee with the authority to direct the Corporation to seek reimbursement of some or all of the incentive compensation paid to a NEO in the event of an accounting restatement resulting from misconduct by a NEO.

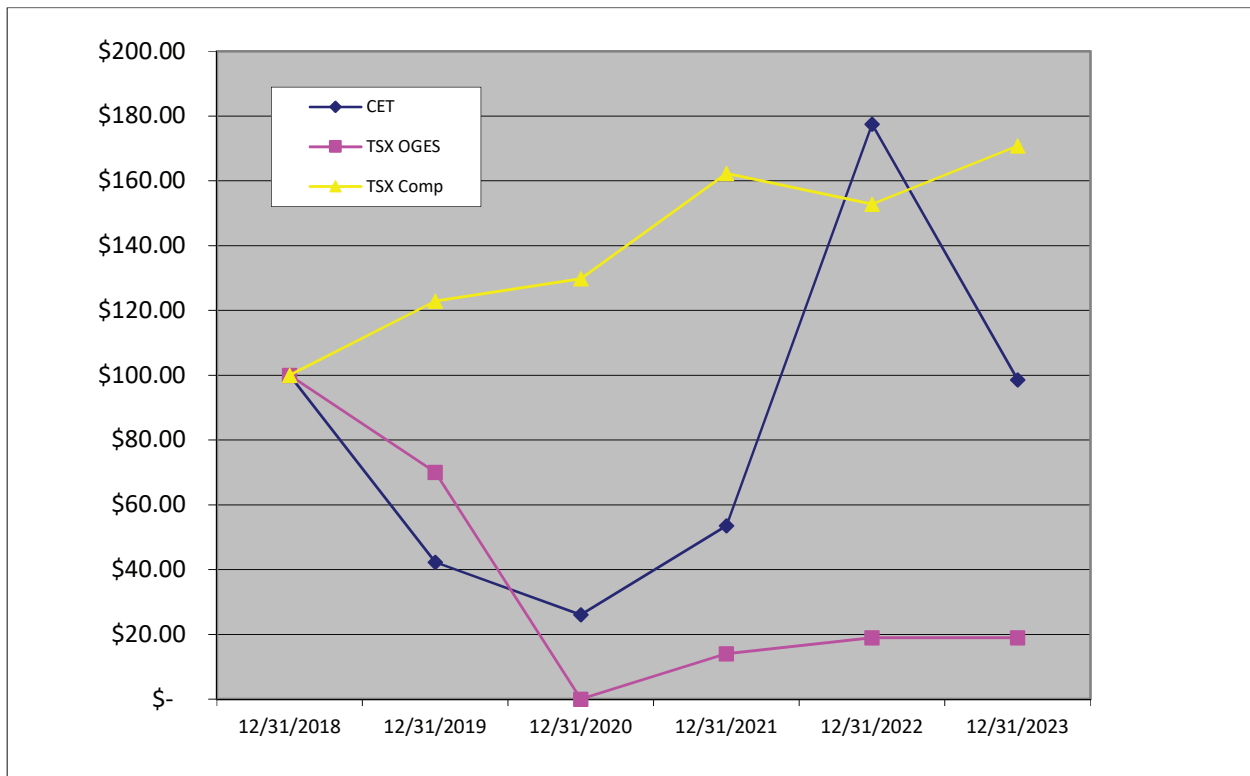
Performance Graph

The following graph compares the yearly percentage change in the cumulative Shareholder total return (assuming reinvestment of dividends/distributions) over the last five (5) years on the Common Shares ("CET") assuming a \$100 investment was made on December 31, 2018, with the cumulative total returns of the S&P/TSX Composite Index ("TSX Comp") and S&P/TSX Oil & Gas Equipment & Services Index ("TSX OGES").

	2018	2019	2020	2021	2022	2023
CET	100	42.25	26.06	53.52	177.46	98.59
TSX Comp	100	122.88	129.76	162.32	152.83	170.79
TSX OGES	100	70.00	-- ⁽¹⁾	14.00	19.00	19.00

Note:

⁽¹⁾ In 2020, pricing was unavailable due to a lack of eligible constituents.



While a significant portion of the compensation of the NEOs is performance-based, it is difficult to correlate compensation to the trends shown in the above performance graph. As described under "Compensation Discussion and Analysis", base salaries are not determined on benchmarks or a specific formula but are set to be competitive with industry levels and reflect the value of the services provided by the NEO, irrespective of Common Share price movements. The annual bonus plan is based on the achievement of certain Quantitative Goals for the fiscal year, which relate to, in addition to Common Share price performance, the financial performance of Cathedral, balance sheet strength, business milestones achieved and other qualitative factors, which are not necessarily reflected in the trading prices of our Common Shares. The value of stock options granted pursuant to the Stock Option Plan is directly affected by changes in trading prices of our Common Shares.

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For the 2022 year, annual bonuses were paid to NEOs and other employees for the first time since early 2015, when annual bonuses were paid with respect to the 2014 year. This was due, in part, to the strong year-over-year improvement in Cathedral's Common Share price performance, which also drives the valuation of stock options granted over the year and correlates with the trend noted in Cathedral's Common Share price performance reflected in the performance graph. Annual bonuses were again paid to NEOs and other executives with respect to the 2023 year.

Option-Based Awards

See the sections entitled "*Compensation Discussion and Analysis*" and "*Stock Option Plan*" for a description of Cathedral's Stock Option Plan and the process Cathedral uses to grant option-based awards.

Summary Compensation Table

Securities legislation requires the disclosure of the compensation received by the NEOs of the Corporation for the three most recently completed financial years. A "NEO" or "Named Executive Officer" includes: (a) the Chief Executive Officer of the Corporation, (b) the Chief Financial Officer of the Corporation, and (c) each of the three most highly compensated executive officers of the Corporation whose total compensation was, individually, more than \$150,000 for that financial year.

The following table sets forth the total compensation paid to or earned by the NEOs for Cathedral's fiscal year ended December 31, 2023, as well as a description of all other applicable compensation provided to the NEOs. Amounts earned but not paid are reflected in the year in which the compensation was earned.

Name and Principal Position	Year Ended Dec. 31	Salary (\$)	Option- Based Awards (\$) ⁽⁹⁾	Non-Equity Incentive Plan Compensation – Annual Incentive Plan (\$) ⁽¹⁰⁾	All Other Compensation (\$) ⁽¹¹⁾	Total Compensation (\$)
Connors, Thomas J. (Tom) ⁽¹⁾ <i>President & Chief Executive Officer</i>	2023	400,000	588,735	690,000	26,784	1,705,519
	2022	370,000 ⁽⁸⁾	672,668	880,000	24,389	1,947,057
	2021	233,750	165,782	-	18,624	418,156
MacFarlane, P. Scott ⁽²⁾⁽³⁾ <i>Interim Chief Financial Officer</i>	2023	-	336,420	215,000	356,407	907,827
	2022	-	-	-	-	-
	2021	-	-	-	-	-
Harns, W. Lee ⁽⁴⁾⁽⁵⁾ <i>President, Altitude Energy Partners (US Operations)</i>	2023	405,000	140,175	537,000	44,689	1,126,864
	2022	193,899	693,570	368,962	24,723	1,281,154
	2021	-	-	-	-	-
Clark, Tyler ⁽⁴⁾⁽⁵⁾ <i>Executive Vice President, Altitude Energy Partners (US Operations)</i>	2023	337,500	56,070	470,000	202,717	1,066,287
	2022	153,151	443,860	303,635	24,723	925,369
	2021	-	-	-	-	-
Maxwell, Roderick (Rod) ⁽¹⁾⁽⁶⁾⁽⁷⁾ <i>Executive Chair</i>	2023	-	152,829	345,000	200,000	697,829
	2022	-	571,909	-	105,000	676,909
	2021	-	-	-	-	-

Notes:

⁽¹⁾ Mr. Connors and Mr. Maxwell, who are also directors of the Corporation, do not receive any additional compensation for acting as directors of Cathedral.

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- (2) Mr. MacFarlane became the Interim Chief Financial Officer effective January 14, 2023. Compensation reported for Mr. MacFarlane is for the full 2023 year, as he earned consulting fees over the full year. The role of Chief Financial Officer was held, until January 13, 2023, by Mr. Chad A. Robinson. Mr. Robinson's 2023 compensation has been excluded from the table. His total earnings for the period from January 1 to January 13, 2023 was \$21,132, comprised of base salary and allowances (\$13,863) and the payout of vacation pay (\$7,269). All option-based awards previously granted to Mr. Robinson were unvested and therefore forfeited as of January 13, 2023.
- (3) Mr. MacFarlane is not an employee of the Corporation and does not receive a salary. He provides services to the Corporation pursuant to a consulting agreement. As the Interim Chief Financial Officer, Mr. MacFarlane meets the definition of a NEO. He receives a monthly consulting fee (2023 annualized = \$325,000), included in the column "All Other Compensation". When awarded, Mr. MacFarlane may also receive variable compensation amounts, for example pursuant to the annual bonus plan, the Stock Option Plan and such other compensation awards or plans as may be approved by the Compensation Committee from time to time.
- (4) Mr. Harns and Mr. Clark joined Cathedral on July 13, 2022 in connection with the acquisition of Altitude Energy Partners, LLC. Compensation reported for 2022 reflects this partial year. Mr. Clark was not a NEO in 2022.
- (5) Mr. Harns and Mr. Clark reside in the US and accordingly compensation is paid to these NEOs in US dollars. For the purposes of this table, and throughout this Information Circular unless otherwise noted, cash compensation paid in US dollars was converted to Canadian dollars using the following exchange rates:

Date	Average Annual Exchange Rate
2023	US \$1.00 = CAD \$1.35
2022	US \$1.00 = CAD \$1.30
2021	US \$1.00 = CAD \$1.28

- (6) Mr. Maxwell is not an employee of the Corporation and does not receive a salary. He, through a controlled corporation, provides ongoing management services and strategic advice to the Corporation. The services provided by Mr. Maxwell expanded over time and in late 2022 he became the Corporation's Executive Chair of the Board. Due to this expanded role, Mr. Maxwell meets the definition of a NEO for 2023. Mr. Maxwell's controlled corporation receives a monthly consulting fee (2023 annualized = \$200,000), for the services provided to the Corporation, included in the column "All Other Compensation". When awarded, Mr. Maxwell or his controlled corporation may also receive variable compensation amounts, for example pursuant to the annual bonus plan, the Stock Option Plan and such other compensation awards or plans as may be approved by the Compensation Committee from time to time.
- (7) In 2022, Mr. Maxwell did not meet the definition of a NEO and his compensation for that year was reported, in the Information Circular dated April 14, 2023, in the Director Summary Compensation Table. Those values have been reproduced in this table under "Option-Based Awards" and "All Other Compensation".
- (8) Effective January 1, 2022, Mr. Connors' annual base salary was \$340,000. Effective July 1, 2022, his base salary was increased to \$400,000, for an annualized base salary in 2022 of \$370,000. His base salary remained \$400,000 in 2023.
- (9) **Option-Based Awards:** Value is based on the grant date fair value of the stock options calculated using the Black-Scholes methodology based on the following key assumptions and estimates:

	Grant Date Fair Value	Black-Scholes Pricing Model – Assumptions		
		Average Risk-Free Interest Rate	Average Expected Life	Expected Volatility
August 2023	0.56	3.79%	3 years	90.34%
April 2023	0.56	3.79%	3 years	90.34%
October 2022	0.56	3.72%	3 years	103.04%
July 2022	0.39	3.12%	3 years	103.99%
August 2021	0.30	0.38%	3 years	97.62%

This methodology was selected due to its acceptance as an appropriate evaluation model used for similar sized oil and gas service companies and is consistent with the Corporation's financial reporting under Generally Accepted Accounting Principles ("GAAP").

- ⁽¹⁰⁾ **Non-Equity Incentive Plan Compensation – Annual Incentive Plan:** The annual incentive amounts are the cash bonuses earned for each year indicated. The 2023 figures reported for all NEOS, and the 2022 figures reported for Mr. Connors, Mr. Harns and Mr. Clark, include discretionary bonuses approved and paid to these NEOs (and to certain other executives not included in the table) to recognize and reward the efforts and achievements of these individuals primarily in connection with the Corporation’s various acquisitions, and the integration into its business of the Corporations’ various acquisitions. The annual bonus amounts and the discretionary bonus amounts are as follows:

2023			
Name	Discretionary Bonus	Annual Bonus	Total
Connors, Tom	420,000	270,000	690,000
MacFarlane, Scott	50,000	165,000	215,000
Harns, Lee	324,000	213,000	537,000
Clark, Tyler	329,000	141,000	470,000
Maxwell, Rod	210,000	135,000	345,000

2022			
Name	Discretionary Bonus	Annual Bonus	Total
Connors, Tom	325,000	555,000	880,000
Harns, Lee	219,905	149,057	368,962
Clark, Tyler	151,817	151,817	303,635

The 2022 discretionary bonuses for Mr. Connors and Mr. Harns were, in the 2022 information circular, included in the column “All Other Compensation”. For the convenience of the reader, all bonus amounts for 2022 and 2023 are included in this Information Circular in the “Annual Incentive Plan” column.

Depending on the timing of the bonus payments relative to the date of this Information Circular, prior year numbers may be adjusted as appropriate to reflect final payment amounts.

- ⁽¹¹⁾ **All Other Compensation:** Amounts include the following:
- (i) **Group RSP or 401(k) Plans company match:** For Canadian-based employees, beginning January 1, 2023, up to 2% of a participating employee’s base salary may be matched in cash contributions made by the Corporation to the group RRSP plan. For US-based employees of our subsidiary, Altitude Energy Partners, LLC, in 2023 a 2% company match was available in connection with that subsidiary’s 401(k) Plan.
 - (ii) **Benefits:** Our benefits programs in Canada and in the US offer competitive comprehensive medical and dental coverage and cost sharing. Benefits programs offered to NEOs are the same benefits as are offered to all employees in the applicable division.
 - (iii) **Perquisites:** Our executives receive limited perquisites, such as club memberships and executive health programs, consistent with our industry peers and which form a part of their competitive compensation packages. The availability of some perquisites varies by position.

The amounts reported as “All Other Compensation” for each NEO include the following:

- **Mr. Connors:** A vehicle allowance, a cellphone allowance, the employer portion of benefits premiums and an executive health program.
- **Mr. MacFarlane:** Consulting fee and a portion of the cost of benefits premiums.
- **Mr. Harns:** The employer portion of benefits premiums and a club membership.
- **Mr. Clark:** A cellphone allowance, the employer portion of benefits premiums and a one-time tax gross-up payment of USD \$125,855 (CAD \$169,904) received in connection with the release from escrow in 2023 of certain share awards granted to Mr. Clark in connection with Cathedral’s purchase of Altitude in July 2022.
- **Mr. Maxwell:** Consulting fee only.

Currencies

Unless otherwise noted, all monetary amounts disclosed under the heading "Statement of Executive Compensation" are in Canadian dollars, which is the same currency that is used by Cathedral in its consolidated financial statements.

3.2 Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets forth all stock options granted to the NEOs that were outstanding as at December 31, 2023.

Name	Grant Date (yyyy-mm-dd)	Number of securities underlying unexercised options (#) ⁽¹⁾⁽²⁾	Option exercise price (\$)	Option expiration date (yyyy-mm-dd)	Value of unexercised in-the-money options (\$) ⁽³⁾
Connors, Tom	2022-07-19	1,160,000	0.60	2025-07-19	116,000
	2022-10-28	400,000	0.87	2025-10-28	Nil
	2023-08-21	<u>1,050,000</u>	0.86	2026-08-21	<u>Nil</u>
Total:		2,610,000			116,000
MacFarlane, Scott	2023-04-26	550,000	0.95	2026-04-26	Nil
	2023-08-21	<u>50,000</u>	0.86	2026-08-21	<u>Nil</u>
Total:		600,000			Nil
Harns, Lee	2022-07-19	1,500,000	0.60	2025-07-19	150,000
	2022-10-28	200,000	0.87	2025-10-28	Nil
	2023-08-21	<u>250,000</u>	0.86	2026-08-21	<u>Nil</u>
Total:		1,950,000			150,000
Clark, Tyler	2022-07-19	1,000,000	0.60	2025-07-19	100,000
	2022-10-28	100,000	0.87	2025-10-28	Nil
	2023-08-21	<u>100,000</u>	0.86	2026-08-21	<u>Nil</u>
Total:		1,200,000			100,000
Maxwell, Rod	2021-08-12	61,666	0.50	2024-08-12	12,333
	2022-07-19	370,000	0.60	2025-07-19	37,000
	2022-10-28	770,766	0.87	2025-10-28	Nil
	2023-08-21	<u>272,568</u>	0.86	2026-08-21	<u>Nil</u>
Total:		1,475,000			49,333

Notes:

⁽¹⁾ The number of unexercised stock options as at December 31, 2023.

⁽²⁾ The securities underlying the stock options granted are Common Shares. The stock options granted vest at the rate of 33% on the date that is 12 months following the grant date, 33% on the date that is 18 months following the grant date, and 34% on the date that is 24 months following the grant date.

- (3) All stock option values have been determined based on the closing price on the TSX for the Common Shares on December 31, 2023, being \$0.70, minus the exercise price. "In-the-money" means that the exercise price for the stock option was less than \$0.70 on December 31, 2023.

Incentive Plan Awards – Value Vested or Earned during the Year

The following table sets forth the value of option-based awards that vested, and the value of non-equity incentive plan compensation earned by each NEO, in the year ended December 31, 2023.

Name	Option-based awards - Value vested during the year (\$) ⁽¹⁾	Non-equity incentive plan compensation - Value earned during the year (\$)
Connors, Tom	405,533	690,000
MacFarlane, Scott	32,633	215,000
Harns, Lee	120,000	537,000
Clark, Tyler	80,000	470,000
Maxwell, Rod	61,358	345,000

Notes:

- (1) Represents the value that would have been realized if the stock options had been exercised on their vesting dates in 2023.
- (2) Non-equity incentive plan compensation earned for the 2023 year by NEOs includes the annual cash bonus and a discretionary bonus paid to certain executives in 2023. The exchange rate used to convert the bonuses awarded to Mr. Harns and Mr. Clark is USD \$1.00 = CAD \$1.35.

Refer to the section entitled "*Compensation Discussion and Analysis*", the notes to the Summary Compensation Table, and the section entitled "*Stock Option Plan*", for a description of all Stock Option Plan (as defined below) based awards and their significant terms.

3.3 Executive Stock Ownership Requirement

With a view to further aligning management's interests with those of the Shareholders, effective January 1, 2023, Cathedral implemented a policy whereby the executive officers at the levels listed below hold the level of Common Share ownership as outlined below:

Role	Ownership Level
President & Chief Executive Officer	2x annual base salary
Chief Operating Officer	2x annual base salary
Chief Financial Officer	2x annual base salary
Executive Director	2x annual base salary
Divisional Presidents	1x annual base salary

Executive officers must reach this level of ownership within the later of five (5) years from the January 1, 2023 effective date of this guideline (being January 1, 2028), or five (5) years from the date the executive officer is promoted, appointed or elected to the executive officer or director position. In order to avoid the need to continuously monitor and adjust holdings based on fluctuations in the market price of

Cathedral's common shares, for purposes of calculating compliance with this guideline, the value of shareholdings is calculated based on the greater of:

- (1) The current market value of the Common Shares;
- (2) The market value of the Common Shares as at December 31 of the immediately preceding year;
and
- (3) The acquisition cost of such Common Shares.

Once the applicable threshold is met, further purchases or acquisitions are not required if the value of the Common Shares held decreases solely as a result of a decline in the trading price.

The shareholdings of the NEOs, and value as of December 31, 2023, is as follows:

Name	Ownership as at December 31, 2023 ⁽¹⁾	Value as at December 31, 2023 ⁽²⁾	Multiple of 2023 base compensation ⁽³⁾	Ownership Requirement (\$)	Date Requirement Applies
Connors, Tom	2,549,700	\$1,784,790	2 x \$400,000	\$800,000	January 1, 2028
MacFarlane, Scott	524,984	\$367,489	2 x \$325,000	\$650,000	January 1, 2028
Harns, Lee	11,203,431	\$7,842,402	1 x \$405,000	\$810,000	January 1, 2028
Clark, Tyler ⁽⁴⁾	718,350	\$502,845	N/A	N/A ⁽⁴⁾	N/A
Maxwell, Rod	8,640,698	\$6,048,489	2 x \$200,000	\$400,000	January 1, 2028

Notes:

- (1) Includes Common Shares owned, beneficially owned or controlled by the NEO.
- (2) The closing price of Cathedral's Common Shares on December 31, 2023 was \$0.70.
- (3) The exchange rate used to convert amounts applicable to Mr. Harns is USD \$1.00 = CAD \$1.35.
- (4) The share ownership requirement does not currently apply to the role held by Mr. Clark.

3.4 Stock Option Plan

The Stock Option Plan was originally implemented in 2009 and was most recently amended by the Board on March 3, 2015. The purpose of the Stock Option Plan is to advance the interests of Cathedral or any of its subsidiaries or affiliates by encouraging the directors, officers, employees, service providers and consultants of Cathedral or any of its subsidiaries or affiliates (each, a "**Participant**") to acquire Common Shares, thereby increasing their proprietary interest in Cathedral, encouraging them to remain associated with Cathedral or any of its subsidiaries or affiliates and furnishing them with additional incentive in their efforts on behalf of Cathedral or any of its subsidiaries or affiliates in the conducts of their affairs.

The Stock Option Plan shall be administered by the Board, or a committee thereof, who at its discretion from time to time may grant options to Participants to purchase Common Shares in accordance with the rules of the TSX, subject to the following limitations (the "**SOP Limitations**"):

- (i) the maximum number of Common Shares issuable at any time pursuant to the Stock Option Plan shall be ten percent (10%) of the issued and outstanding Common Shares, and such maximum number shall increase or decrease as the number of issued and outstanding Common Shares shall increase or decrease, but in any case subject to adjustments described below;

- (ii) the number of Common Shares reserved for issuance pursuant to the Stock Option Plan and any other option agreements to any one person shall not exceed five percent (5%) of the outstanding Common Shares;
- (iii) the number of Common Shares issuable at any time to insiders pursuant to the Stock Option Plan and all other security-based compensation arrangements of Cathedral shall not exceed ten percent (10%) of the issued and outstanding Common Shares;
- (iv) the number of Common Shares issued to insiders within a one (1) year period pursuant to the Stock Option Plan and all other security-based compensation arrangements of Cathedral shall not exceed ten percent (10%) of the issued and outstanding Common Shares;
- (v) the number of Common Shares of Cathedral reserved for issue under stock options granted to non-employee directors of Cathedral be limited to one percent (1%) of the Common Shares outstanding from time to time;
- (vi) maximum annual equity grant to non-employee directors of Cathedral limited to \$100,000 per non-employee director as calculated under the Black-Scholes pricing model of stock options granted during the year; and
- (vii) the number of Common Shares issuable within one (1) year pursuant to the Stock Option Plan and all other established or proposed share compensation arrangements of Cathedral, to any one insider and such insider's associates shall not exceed five percent (5%) of the outstanding Common Shares.

Where the terms "insider", "associates" and "security based compensation arrangements" are used they have the meaning ascribed to such terms under the policies of the TSX or other regulatory body having jurisdiction and "outstanding Common Shares" shall be determined pursuant to the policies of the TSX or other regulatory body having jurisdiction.

Options granted under the Stock Option Plan will have an exercise price not less than the "**Market Price**" on the date of grant. "Market Price", on any date, shall be the volume weighted average of the prices at which the Common Shares traded on the TSX for the five (5) trading days on which the Common Shares traded on the said exchange immediately preceding such date. Each option shall expire on the date set out in the respective option agreement (the "**Expiry Date**"), provided that any options granted under the Stock Option Plan shall expire not later than ten (10) years from the date of grant. If an option is to expire during a period when the Participant is prohibited by Cathedral from trading in Common Shares pursuant to its blackout policies (a "**Blackout Period**"), or within ten (10) business days of expiry of such Blackout Period, the term of such option be extended for a period of ten (10) business days immediately following the end of the Blackout Period (the "**Blackout Extension Period**").

The Stock Option Plan provides that appropriate adjustments in the number of Common Shares issuable under the Stock Option Plan will be made upon the occurrence of certain events including the reclassification, change, subdivision, redivision, or consolidation of the issued Common Shares. The Stock Option Plan also includes provisions in the event that Cathedral amalgamates, consolidates with or merges with another corporation and the entitlement of an optionee on such occurrence.

The Board, or a committee thereof, at its sole discretion, may determine the method of vesting, if any, of Cathedral stock options granted under the Stock Option Plan. All stock options are subject to the applicable rules and regulations of all regulatory authorities having jurisdiction, including the TSX. Stock

options granted under the Stock Option Plan are non-assignable, non-transferable and are subject to early termination in the event of the death of the optionee or the optionee ceasing to be a Participant.

Upon the death of an optionee, their respective stock options shall terminate on the date determined by the Board, or a committee thereof, which date shall not be later than the earlier of the Expiry Date and the date which is twelve (12) months after the date of death. If the optionee ceases to be a Participant, the stock option shall terminate on the date prescribed by the Board which shall be not be later than the earlier of the Expiry Date and the date which is twelve (12) months after the date that the optionee ceases to be a Participant.

The Board has the right to amend, to suspend, terminate or discontinue the Stock Option Plan or any option agreement, or any portion thereof, and may do so without shareholder approval, subject to those provisions of applicable law, if any, that require approval of shareholders or any governmental regulatory body, and the policies of the TSX. Except as expressly set forth in the Stock Option Plan, no action of the Board or Shareholders shall alter or impair the rights of an optionee, under any award previously granted to the optionee.

Under the Stock Option Plan, the Board has the power and authority to approve the following types of amendments to the Stock Option Plan or any option agreement, without further approval of the Shareholders, including:

- (a) amendments of a "housekeeping nature", including for the purpose of curing any ambiguity, inconsistency, error or omission in the Stock Option Plan;
- (b) amendments necessary to comply with the provisions of applicable law (including the rules, regulations and policies of the TSX);
- (c) amendments necessary in order for stock option awards to qualify for favourable treatment under applicable taxation laws;
- (d) amendments respecting administration of the Stock Option Plan;
- (e) amendments regarding the terms and conditions in which vesting of stock options occurs, including the acceleration of vesting;
- (f) amendments necessary to suspend or terminate stock options or the Stock Option Plan in accordance with applicable law; and
- (g) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law.

Approval will be required from holders of Common Shares for the following types of amendments:

- (a) amendments to the number of Common Shares issuable under the Stock Option Plan;
- (b) amendments that increase the percentage of Common Shares reserved for issuance and issuable to non-employee directors of Cathedral as set out in paragraph (e) of the SOP Limitations;

- (c) amendments that increase the maximum value of the annual equity grant to non-employee directors of Cathedral as set out in paragraph (f) of the SOP Limitations;
- (d) any amendment regarding the terms and conditions in respect of the Cathedral option price in respect of stock options granted pursuant to the Stock Option Plan;
- (e) any amendment regarding the extension of the Expiry Date as set out in the applicable stock option agreement in respect of stock options granted pursuant to the Stock Option Plan;
- (f) any amendment that permits stock options granted pursuant to the Stock Option Plan to become transferrable or assignable, other than for normal estate planning purposes;
- (g) any amendment to the amendment provisions of the Stock Option Plan as set out in this paragraph; and
- (h) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regularities and polices of the TSX).

Under the Stock Option Plan, in the event of:

- (a) any disposition of substantially all of the assets of the Corporation, on the dissolution, merger, amalgamation or consolidation of the Corporation, with or into any other corporation, or the merger, amalgamation or consolidation of any other corporation into the Corporation, or
- (b) any change in control of the Corporation,

a stock option may be exercised in respect of any or all of the remaining optioned Common Shares.

For the purpose of the Stock Option Plan, a "change of control" is deemed to have occurred at any time when:

- (a) any person, any associate or affiliate of such person or any person acting jointly or in concert with any of them, becomes the beneficial owner, directly or indirectly, of securities of the Corporation carrying more than 30% of the votes entitled to vote generally on the election of directors of the Corporation by way of acquisition, merger, arrangement, reorganization, business combination or other transaction; or
- (b) the shareholders of the Corporation shall have approved an amalgamation, merger, arrangement, reorganization, business combination or other transaction involving the Corporation and any other person, or persons, as a result of which persons who were members of the Board immediately prior to such transaction represent less than a majority of the members of the Board of the amalgamated, merged, arranged, reorganized, combined or successor corporation following the consummation thereof.

Unallocated Entitlements

On May 13, 2021, at Cathedral's annual and special meeting for the year ended December 31, 2020, the Shareholders approved the unallocated stock option entitlements under the Stock Option Plan pursuant to Rule 613(a) of the TSX Company Manual.

3.5 Pension Plan Benefits

Cathedral and its operating entities do not have pension plan benefits to which the NEO's are eligible to participate in.

3.6 Termination and Change of Control Benefits

The Corporation (directly or through a subsidiary) is party to employment agreements with each of:

- (a) Tom Connors, the President and Chief Executive Officer of Cathedral, effective March 8, 2021, as amended and restated April 23, 2023;
- (b) Lee Harns, President, Altitude Energy Partners (US Operations), effective July 14, 2022; and
- (c) Tyler Clark, Executive Vice President, Altitude Energy Partners, LLC, effective July 14, 2022.

Such individuals are collectively referred to herein as the "**Executives**" and their respective employment agreements are collectively referred to herein as the "**Employment Agreements**". The Employment Agreements provide for a base salary, benefits and allowances, bonuses and participation in the Stock Option Plan, and contain confidentiality, non-competition and non-solicitation restrictions. Certain other senior management and senior executive personnel are also parties to employment agreements entered into with Cathedral, which contain similar provisions.

The following table summarizes the termination provisions available to the Executives according to the Employment Agreements under each of the compensation programs. The specific provisions of the Stock Option Plan govern the treatment of unvested and vested stock options on the cessation of employment, including on change of control.

Executive	Employment Agreement – Severance Payable on Termination without Cause
Connors, Tom	<p>An amount equal to 18 months of Termination Pay, with “Termination Pay” being: (a) base annual salary plus an additional 5% in lieu of continued benefits, divided by twelve; and (b) Mr. Connors’ average annual bonus over the past three years or such lesser period of time he has been employed with Cathedral, divided by twelve.</p> <p>Payment for outstanding and accrued vacation pay.</p> <p>In the event of a Change of Control (as defined in the applicable employment agreement), Mr. Connors has the option to terminate his Employment Agreement for a "good reason" (as defined in the applicable Employment Agreement) at any time within twelve (12) months after the effective date of the Change of Control, upon 90 days' written notice to the Corporation.</p>
Harns, Lee	<ul style="list-style-type: none"> • An amount equal to twelve (12) months' base salary; and • A pro-rata amount of annual bonus, if any, (valued as of termination date) with the Corporation having the option to utilize the pro-rata amount of the annual bonus payment, if any, by utilizing the average annual bonus over the past three (3) years. <p>Payment for outstanding and accrued vacation pay.</p> <p>Provide a lump sum payment to replace benefits (health, dental, life insurance and disability).</p> <p>In the event of a Change of Control (as defined in the applicable employment agreement), Mr. Harns has the option to terminate his Employment Agreement for a "good reason" (as defined in the applicable Employment Agreement) at any time within twelve (12) months after the effective date of the Change of Control, upon 90 days' written notice to the Corporation.</p>
Clark, Tyler	<ul style="list-style-type: none"> • An amount equal to twelve (12) months' base salary; and • A pro-rata amount of annual bonus, if any, (valued as of termination date) with the Corporation having the option to utilize the pro-rata amount of the annual bonus payment, if any, by utilizing the average annual bonus over the past three (3) years. <p>Payment for outstanding and accrued vacation pay.</p> <p>Provide a lump sum payment to replace benefits (health, dental, life insurance and disability).</p> <p>In the event of a Change of Control (as defined in the applicable employment agreement), Mr. Clark has the option to terminate his Employment Agreement for a "good reason" (as defined in the applicable Employment Agreement) at any time within twelve (12) months after the effective date of the Change of Control, upon 90 days' written notice to the Corporation.</p>

For these purposes, "Change of Control" means the acquisition of:

- (a) the Common Shares; and/or
- (b) the securities convertible into, exercisable for or carrying the right to purchase Common Shares ("**Convertible Securities**"),

as a result of which a person, group of persons or persons acting jointly or in concert, or persons associated or affiliated within the meaning of the ABCA with any such person, group of persons or any of such persons (collectively, the "**Acquirors**") who beneficially own Common Shares or convertible securities such that, assuming only the conversion or exercise of convertible securities beneficially owned by the Acquirors, the Acquirors would beneficially own Common Shares which entitle them to cast more than 50% of the

votes attaching to all Common Shares in the capital of Cathedral which may be cast to elect members of the Board.

The following table provides the estimated incremental payment (pursuant to terms of the respective employment agreements) to NEOs with employment agreements for termination without cause (or upon a change of control as described above) if such termination occurred on December 31, 2023:

Named Executive	Months of Termination Pay payable	Annual Base Salary (\$)	Avg. Annual Bonus (3-years) (\$)	Benefits (5%) (\$)	Unpaid Vacation (\$)	Total Incremental Obligation (\$)
Connors, Tom	18	400,000	523,333	20,000	48,077	1,463,077
Harns, Lee	12	405,000	301,987	20,250	48,678	775,915
Clark, Tyler	12	337,500	267,513	16,875	40,565	662,453

The Stock Option Plan and related stock option agreements provide for the following treatment of unvested and vested stock options on the cessation of employment, including on change of control:

Type	Stock Options
Resignation	Vested stock options must be exercised by the close of business on the 60 th day following the effective date of resignation or prior to expiry, whichever is earlier; unvested stock options are forfeited.
Retirement	Vested stock options must be exercised by the close of business on the 60 th day following the effective date of retirement or prior to expiry, whichever is earlier; unvested stock options are forfeited; unless the individual otherwise continues to be an eligible Participant under the Stock Option Plan.
Termination without cause	Vested stock options must be exercised by the close of business on the 60 th day following the effective date of termination or prior to expiry, whichever is earlier; unvested stock options are forfeited.
Termination with cause	Vested stock options must be exercised by the close of business on the 60 th day following the effective date of termination or prior to expiry, whichever is earlier; unvested stock options are forfeited.
Death or disability	Vesting is accelerated as of the date of death or disability, and are exercisable within one year of date of death or disability or prior to expiry date, whichever is earlier.
Change of Control	Vesting is accelerated.

The following table provides the incremental payment (pursuant to terms of the stock option agreements) to NEOs for termination in connection with a change of control if such termination occurred on December 31, 2023:

Named Executive	# of Stock Options Outstanding	Total Incremental Obligation (\$)
Connors, Tom	2,610,000	116,000
MacFarlane, Scott	600,000	Nil
Harns, Lee	1,950,000	150,000
Clark, Tyler	1,200,000	100,000
Maxwell, Rod	1,475,000	49,333

Note:

- ⁽¹⁾ The value of the accelerated stock options has been calculated based on the difference between the exercise price of such accelerated stock options and the closing market price on the TSX on December 31, 2023, of \$0.70.

SECTION 4 DIRECTOR COMPENSATION

Cathedral's overall approach regarding compensation of the independent members of the Board is to provide competitive levels of total compensation and to attract and retain suitable and qualified directors who are committed to Cathedral. The Compensation Committee, after referring to compensation paid to directors of other Canadian comparable public companies, makes a recommendation to the Board as to appropriate compensation for the directors. The Board discusses the Compensation Committee's recommendations and provides the final approval.

4.1 Independent Directors – Retainers, Fees and Other Compensation

Independent Director compensation for 2023, and current 2024 compensation, is as follows:

Compensation Description	2023	2024
Base Retainer	\$60,000	\$60,000
Base Retainer – Lead Director	\$10,000	\$20,000
Committee Chair Retainer – Audit Committee	\$10,000	\$20,000
Committee Chair Retainer – Compensation Committee	\$10,000	\$20,000
Committee Chair Retainer – Governance Committee	\$10,000	\$20,000
Meeting Attendance Fee	\$1,500	\$1,500

The Board compensation program also periodically includes a medium-to-long-term incentive, which up to and including the 2022 year was in the form of stock options. See the section entitled "*Stock Option Plan*". No stock options were awarded to independent Directors in 2023.

Cathedral does not provide any non-equity incentive plan compensation to non-management Directors.

4.2 Director Summary Compensation Table

The following table sets forth the value of all compensation provided to members of the Board, who are not also NEOs, for the 2023 year.

Independent Director	Fees earned (\$) ⁽¹⁾	Option-based awards 2 ⁽³⁾ (\$)	All Other Compensation (\$)	Total (\$)
Boyles, J.R. ⁽³⁾	73,950	Nil	Nil	73,950
Brown, Ian S.	101,500	Nil	Nil	101,500
Goraya, Shuja ⁽⁴⁾	112,000	Nil	Nil	112,000
Sarjeant, Scott	106,500	Nil	Nil	106,500
Tremblay, Dale ⁽⁴⁾	131,000	Nil	Nil	131,000
			TOTAL:	524,950

Notes:

⁽¹⁾ Fees earned include the annual base cash retainer and, where applicable, the cash retainer for committee chairs and the Lead Director position.

⁽²⁾ No option-based awards were granted to independent Directors in 2023.

Shareholders may contact Kingsdale Advisors, the Corporation's strategic advisor by telephone at 1-888-518-6824 or 1-437-561-5005 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com. To obtain current information about voting your Cathedral Common Shares, please visit www.CathedralAGSM.com.

- ⁽³⁾ Mr. Boyles resigned from the Audit Committee and the Compensation Committee on November 6, 2023, and resigned from the Board on November 9, 2023.
- ⁽⁴⁾ Fees earned in 2023 include a fee of \$25,000 paid to each of Mr. Goraya and Mr. Tremblay for their participation in a special committee.

4.3 Director Fees – Breakdown

The following table sets forth the breakdown of fees earned by members of the Board, who are not also NEOs, for the most recently completed financial year.

Independent Director	Board Retainer (\$)	Lead Director Retainer (\$)	Committee Chair Retainer (\$)	Board Meeting Fees (\$)	Committee Meeting Fees (\$)	Other (\$)	Total (\$)
Boyles, J.R. ⁽¹⁾	51,450	N/A	N/A	9,000	13,500	Nil	73,950
Brown, Ian	60,000	N/A	10,000	15,000	16,500	Nil	101,500
Goraya, Shuja ⁽²⁾	60,000	N/A	N/A	13,500	13,500	25,000	112,000
Sarjeant, Scott	60,000	5,000	10,000	15,000	16,500	Nil	106,500
Tremblay, Dale ⁽²⁾	60,000	N/A	10,000	15,000	21,000	25,000	131,000
						TOTAL:	524,950

Notes:

- ⁽¹⁾ Mr. Boyles resigned from the Audit Committee and the Compensation Committee on November 6, 2023, and resigned from the Board on November 9, 2023.
- ⁽²⁾ Mr. Goraya and Mr. Tremblay each received a fee of \$25,000 for participation in a special committee in 2023, reported in the column entitled “Other”.

4.4 2023 Stock Option Grants to Independent Directors

No stock options were granted to independent Directors in 2023.

Directors are currently eligible to receive grants of stock options. Grants of stock options are recommended by the CEO, CFO and the Executive Chair, to the Compensation Committee for review and approval. Stock options are not guaranteed to be granted annually or on a pre-determined schedule but have historically been granted at the discretion of the Compensation Committee having regard to market cycles, recruitment, retention, competitive compensation, roles, responsibilities and individual performance. These factors are balanced against the number of stock options available to be granted and the requirement to restrict the volume of outstanding options below acceptable dilution thresholds. Value is realized from stock options when Cathedral’s share price appreciates over the term of the options.

4.5 Directors Outstanding Option-Based Awards

The following table sets forth the options granted to the directors of Cathedral, not including those directors who are also Named Executive Officers, to purchase or acquire securities of Cathedral, which were outstanding at the end of the financial year ended December 31, 2023.

Name	Option-Based Awards				
	Grant Date	# of securities underlying unexercised options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options (\$) ⁽²⁾
Boyles, J.R. ⁽¹⁾	19-Jul-22	180,000	0.60	19-Jul-25	18,000
	28-Oct-22	<u>120,000</u>	0.87	28-Oct-25	<u>Nil</u>
	Total:	300,000			18,000
Brown, Ian S.	12-Aug-21	69,400	0.50	12-Aug-24	13,880
	19-Jul-22	180,000	0.60	19-Jul-25	18,000
	28-Oct-22	<u>120,000</u>	0.87	28-Oct-25	<u>Nil</u>
Total:	369,400			31,880	
Goraya, Shuja	12-Aug-21	69,400	0.50	12-Aug-24	13,880
	19-Jul-22	180,000	0.60	19-Jul-25	18,000
	28-Oct-22	<u>120,000</u>	0.87	28-Oct-25	<u>Nil</u>
Total:	369,400			31,880	
Sarjeant, Scott	12-Aug-21	69,400	0.50	12-Aug-24	13,880
	19-Jul-22	180,000	0.60	19-Jul-25	18,000
	28-Oct-22	<u>120,000</u>	0.87	28-Oct-25	<u>Nil</u>
Total:	369,400			31,880	
Tremblay, Dale	12-Aug-21	69,400	0.50	12-Aug-24	13,880
	19-Jul-22	180,000	0.60	19-Jul-25	18,000
	28-Oct-22	<u>120,000</u>	0.87	28-Oct-25	<u>Nil</u>
Total:	369,400			31,880	

Notes:

- ⁽¹⁾ Mr. Boyles resigned from the Board on November 9, 2023. Stock options granted to him during his tenure as a Director are included in this table.
- ⁽²⁾ Reflects the closing market price on the TSX on December 31, 2023 of \$0.70, minus the exercise price.

4.6 Incentive Plan Awards – Value Vested or Earned during the Year

The following table sets forth the value vested or earned during the year of option-based awards and non-equity incentive plan compensation paid to members of the Board, who are not also NEOs, during the most recently completed financial year.

Name of Independent Director	Option-based awards - Value vested during the year (\$) ^{(1) (2)}	Non-equity incentive plan compensation - Value earned during the year (\$)
Boyles, J.R.	14,400	Nil
Brown, Ian	38,227	Nil
Goraya, Shuja	38,227	Nil
Sarjeant, Scott	38,227	Nil
Tremblay, Dale	38,227	Nil

Notes:

⁽¹⁾ Includes stock options which vested pursuant to the Stock Option Plan during 2023.

⁽²⁾ One-third of options granted vest on each of the 12-month, 18-month and 24-month anniversaries of the grant date. As such, two-thirds of the stock options granted in 2021, and one-third of stock options granted to each Director in 2022, vested and became exercisable in 2023. The value of option-based awards is calculated based on the difference between the market value of the Common Shares underlying the stock options on the applicable vesting date (February 12, 2023, July 19, 2023, August 12, 2023 and October 28, 2023) and the exercise price of the options. This reflects the aggregate value of the stock options that would have been realized had the vested stock options been exercised on the vesting date.

SECTION 5 EQUITY COMPENSATION PLANS

Equity Compensation Plan Information as at December 31, 2023

The following table sets forth summary information regarding Cathedral's equity compensation plans as at the end of the most recently completed financial year. There were 241,655,057 Common Shares outstanding as of December 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by the security holders ⁽¹⁾	23,074,333	\$0.71	1,091,173
Equity compensation plans not approved by the security holders	N/A	-	N/A

Note:

⁽¹⁾ See section entitled "Stock Option Plan".

Annual Burn Rate Under Equity Compensation Plans

The following sets forth the number of Options granted during the periods noted below and the potential dilutive effect of such Options.

Period	Options Granted	Weighted average Common Shares outstanding	Burn Rate
2021	5,053,400	65,030,795	7.8% ⁽¹⁾
2022	16,646,066	162,550,576	10.24% ⁽²⁾
2023	6,847,568	237,562,365	2.88% ⁽³⁾

Notes:

- ⁽¹⁾ The burn rate for 2021 includes the one-time issuance of Options to three (3) senior executives, including Mr. Connors, who commenced employment with Cathedral in 2021.
- ⁽²⁾ The burn rate for 2022 includes the issuance of stock options to several employees that joined Cathedral through five (5) acquisitions completed during the year, including Lee Harns (President of Altitude Energy Partners, LLC).
- ⁽³⁾ The burn rate for 2023 includes the issuance of stock options to several employees that joined Cathedral through the acquisition of Rime Downhole Technologies, LLC.

Cathedral's annual "burn rate" (as described in Section 613(p) of the TSX Company Manual) for the past three (3) years, is calculated by dividing the number of stock options granted in the fiscal year by the weighted average number of outstanding Common Shares over the year. The burn rate varies based on the number of options granted and the total number of Common Shares issued and outstanding.

SECTION 6 STATEMENT OF CORPORATE GOVERNANCE PRACTICES

6.1 General

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the "CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides guidelines on corporate governance practices for reporting issuers such as Cathedral. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by Cathedral of its corporate governance practices. This disclosure is presented below.

6.2 Board of Directors

Composition of the Board

The majority of the members of the current Board are independent for the purposes of NI 58-101 (four of six), and following the AGM, a majority (five of seven) will be independent.

A written description of the duties and responsibilities of the Board Chairperson is contained in the Board Charter attached to this Information Circular as Schedule "B". NI 58-101, when taken together with Section 1.4 of National Instrument 52-110 – *Audit Committees* ("NI 52-110"), provides that a member is "independent" if the member has no direct or indirect material relationship with the issuer, a "material relationship" being one which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.

The following table sets forth the Board members and the Board's determination of the independence of its members who are standing for re-election at the Meeting.

Director	Independence Status	Basis for Determination of Non-Independence
Arief, Ami	Independent	Not applicable - no material relationship
Brown, Ian	Independent	Not applicable - no material relationship
Connors, Tom	Not independent	Mr. Connors is considered to have a material relationship with Cathedral, as an executive officer of Cathedral.
Goraya, Shuja	Independent	Not applicable - no material relationship
Maxwell, Rod	Not Independent	Effective October 1, 2022, Mr. Maxwell is considered to have a material relationship with Cathedral, due to his substantial influence on the Corporation's business approach, strategies and practices.
Sarjeant, Scott	Independent	Not applicable - no material relationship
Tremblay, Dale	Independent	Not applicable - no material relationship

Mr. Maxwell is the Board Chairperson and subject to his re-election as a Director at the Meeting, the Board intends to re-elect Mr. Maxwell as its Chairperson for the ensuing year. Effective as of October 1, 2022, the Board determined that Mr. Maxwell was no longer an independent director, due to his increased involvement in Cathedral's strategic initiatives and growth strategy. He is now considered to be non-independent and was removed from membership in the Audit Committee and the Compensation Committee as a result of this determination of non-independence.

Cathedral’s bylaws do not permit a second or casting vote by the Chairperson in the event of a tie.

Lead Director

In 2022, in connection with the determination that the Board Chairperson was not independent, the Board approved the recommendation of the Governance Committee to establish a Lead Director role, which would be assumed by the Chair of the Governance Committee (who is an independent Director), or at the discretion of the independent Directors, by another independent Director. The Lead Director is charged with providing independent leadership to the Board. Mr. Sarjeant currently serves as Lead Director. He was appointed to this role when the position was created on November 14, 2022, shortly after the Board Chair, Mr. Maxwell, was determined to be non-independent.

Other Reporting Issuer Directorships

No Board members are directors of other reporting issuers.

In-Camera Sessions of the Independent Directors

At the end of each Board and committee meeting in 2023, the Board or the committee is to meet and did meet without management and non-independent directors present.

2023 Board and Committee Meeting Attendance

The following table sets out the attendance of members at meetings of the Board and committees of the Board during 2023.

Director	Meetings Attended				Overall Attendance
	Board	Audit Committee	Compensation Committee	Governance Committee	
Boyles, J.R. ⁽¹⁾	6 of 7	5 of 6	4 of 4	N/A	88%
Brown, Ian	10 of 10	8 of 8	N/A	3 of 3	100%
Connors, Tom	10 of 10	N/A	N/A	N/A	100%
Goraya, Shuja	9 of 10	N/A	6 of 6	3 of 3	95%
Maxwell, Rod	10 of 10	N/A	N/A	N/A	100%
Pustanyk, Randy ⁽²⁾	3 of 3	N/A	N/A	N/A	100%
Sarjeant, Scott	10 of 10	8 of 8	N/A	3 of 3	100%
Tremblay, Dale	10 of 10	8 of 8	6 of 6	N/A	100%

Notes:

⁽¹⁾ Mr. Boyles resigned from the Audit Committee and the Compensation Committee on November 6, 2023, and resigned from the Board on November 9, 2023.

⁽²⁾ Mr. Pustanyk did not stand for re-election to the Board and therefore his term ended at the annual meeting of shareholders, on May 11, 2023.

Since December 31, 2023, the Board has held one (1) meeting, the Audit Committee has held one (1) meeting, the Compensation Committee has held one (1) meeting and the Governance Committee has held one (1) meeting.

Mandate of the Board

The Board has approved a mandate which includes among other duties and responsibilities: to approve and monitor the strategic, business and financial plans of Cathedral; to supervise performance and succession planning of senior officers; to assess the principal risk factors relating to the business of Cathedral; and to monitor and oversee the integrity of financial reporting and disclosure. Every member of the Board is required to act honestly and in good faith and in the best interests of Cathedral and to exercise the care, diligence and skill of a reasonably prudent person. Responsibilities not delegated to senior management or to a committee of the Board remain those of the full Board. The written mandate of the Board is contained in the Board Charter attached to this Information Circular as Schedule "B". The Board Charter includes, among other things, written descriptions of the role and responsibilities of the Chairman of the Board and the chair of each committee of the Board.

Position Descriptions

The Board has developed a written job description for the CEO. In addition to the written job description, the Board develops corporate objectives which the CEO is responsible to meet through its annual budget and strategic plan review, and otherwise as required. The Compensation Committee evaluates the CEO against those objectives and reports the results of the evaluation to the Board.

Orientation and Continuing Education of Board Members

Cathedral has no formal program for orientation of new directors; existing directors provide orientation and education to new directors on an informal basis. New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by Cathedral. In addition, management of Cathedral makes itself available for discussion with all Board members. There is no formal continuing education program for Board members; however, directors are encouraged to seek applicable educational opportunities that are available to them, as they have a fiduciary duty to Cathedral and are expected to ensure they obtain knowledge or training they consider necessary to meet their obligations.

Measures to Encourage Ethical Business Conduct

The Board has adopted a written Code of Business Conduct and Ethics (the "**Code**") that encourages and promotes a culture of ethical business conduct. A copy of such document is available on Cathedral's website (www.cathedralenergyservices.com), which provides for a mechanism to report possible violations of the Code on a confidential, anonymous basis. At each quarterly review of financial results, management provides the Board with a report on compliance with the Corporation's policies, which includes the Code. Such report would identify issues and how they have been resolved or the status of the resolution to such issue if identified.

In addition to the Code, the Board has adopted a "Whistleblower Policy" wherein employees of Cathedral are provided with the mechanics by which they may raise concerns regarding questionable accounting, internal accounting controls or auditing matters, or reporting of fraudulent financials information on a confidential anonymous basis. Any situation that involves, or may reasonably be inferred to involve, a conflict between a director's personal interests and the interests of Cathedral are required to be disclosed as to the nature and extent of such director's interest. A director in a conflict of interest may not, subject to certain exceptions set forth in the ABCA, vote or participate in a discussion on a matter in respect of which a director has a material interest.

Director Skills and Experience

Directors are only nominated if they have an appropriate mix of skills, knowledge and business experience, and a history of achievement. A mix of skills and experiences is critical for the Board in providing effective oversight over, and support of, our future growth.

To assist in assessing the composition of the Board and as a tool to assess and recruit potential candidates for the Board, in 2022 the Governance Committee began to develop a “director skills and experience matrix”. Once fully developed, this matrix will facilitate the identification of any skills or experience gaps present in the composition of the Board, assist with succession planning for the Board, and assist in ensuring that the age range, gender and other diversity indicators present in members of the Board are appropriate to enable the Board as a whole to carry out its responsibilities effectively.

In addition to the items identified in the matrix, any candidates for the Board of must exhibit the highest degree of professionalism, integrity, values and independent judgment.

Diversity Policy

The Board believes that the key to effective board membership is to source individuals that, having regard to an extensive group of factors which includes diversity and the range of necessary skills, experience, commitment and qualifications that are best suited to fostering effective leadership and decision-making at Cathedral. In early 2023 in connection with normal course succession planning, a search process was initiated to identify successors for current members of the Board, with a focus on women candidates. This initiative has been undertaken in connection with the development of a director skills matrix, which began in 2022. The skills matrix is used to periodically assess the composition of the Board and as a tool to assist in the assessment and recruitment of potential candidates for the Board.

On March 26, 2024, the Board adopted a written policy relating to the identification and nomination of diverse candidates, including women, to the Board (the “**Diversity Policy**”). The Diversity Policy formalizes the Board’s practice of considering the representation of women in identifying and nominating board candidates, a practice which is also in place when making executive officer appointments. While paramount importance is given to identifying the right candidate for each role, the Board will consider not only gender diversity but also race and age diversity on the Board, and the need to maximize the effectiveness of the Board and its decision-making abilities. The Board acknowledges the importance of diversity in enriching its discussions and its corporate governance. The level of diversity in leadership roles is one of several factors used in its search process for new directors and officers.

In the Diversity Policy, the Board has not adopted quotas or targets specifically addressing the level of representation of women on its Board or in executive officer positions. The Board and management will continue to fill roles based on the skills, experience, character and behavioural qualities that are most important to determine the value which an individual could bring to the Corporation.

In connection with our succession planning initiative, a female nominee, Ms. Ami Arief, is being presented for election to the Board at the Meeting. If all Directors presented for election are elected at the Meeting, one of the seven Directors (14%) will be female.

Cathedral currently has two (2) female executives at the Vice President level, which as of the Record Date represents approximately 15% of the executive management team holding positions at the vice president level or above.

Board Term Limits

Other than with respect to the Director Retirement Policy, described above, Cathedral does not currently have a policy for Director term limits. The Board believes there are benefits to be achieved by continuity and directors having in depth knowledge of each aspect of the Corporation's business, which necessarily takes time to develop. Fixed term limits would have the effect of forcing directors off the Board who have developed increased insight into the Corporation and who, therefore, can be expected to provide an increased contribution to the Board. However, the Board recognizes there is benefit to adding new perspectives to the Board, and there is value in turnover and to adding additional members to a board in order to provide fresh ideas and views. The Board believes that it is critical to have an appropriate balance between long-term directors with extensive knowledge that understand the business of the Corporation and the industries we operate in and new directors that add new experience and perspectives to the Board. The Board's focus is on maintaining the proper mix of skills, experience and diversity.

Nomination of Board Members

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience. In selecting new candidates, the Board considers the skills and competencies of each potential director and those required by the Board as a whole.

The Board does not have a Nominating Committee, and these functions are currently performed by the Governance Committee.

6.3 Board Committees and Committee Composition

Under the ABCA and the bylaws of Cathedral, the Board may appoint a committee of directors and delegate to such committee any of the powers of the directors, subject to the ABCA. During the year ended December 31, 2023, there were 3 (three) committees formally appointed by the Board: the Audit Committee, the Compensation Committee and the Governance Committee. All committees are composed entirely of independent Directors.

The Board has developed a mandate for each of the Audit Committee, the Compensation Committee and the Governance Committee which the Board reviews annually. Cathedral does not have a position description for the Chair of each Board committee. The Board Charter (refer to Schedule "B") includes the role and responsibilities of committee chairs. The Board reviews the recommendations of all its committees, and decides on whether and how to implement such recommendations.

The Governance Committee reviews the makeup of the Board and its Committees on an annual basis. The composition of the Committees of the Board, effective as of January 1, 2024 is as follows:

Independent Director	Year appointed to the Board	Committee		
		Audit Committee ⁽¹⁾	Compensation Committee	Governance Committee
Brown, Ian	2009	Chair		X
Goraya, Shuja	2021		X	X
Sarjeant, Scott	2003	X		Chair
Tremblay, Dale	2015	X	Chair	

Notes:

⁽¹⁾ All members of the Audit Committee are financially literate under NI 52-110. Further, each member of the Audit Committee is considered to be audit financial expert due to one or more of the following criteria being met: (i) being a Chartered Professional Accountant; (ii) having been a former CFO of a public company; and/or (iii) having meaningful audit experience.

Subject to the re-election at the Meeting of each of the current independent Directors, each is expected to remain on the committee indicated above. Following the Meeting and subject to her election as a new Director, Ms. Arief will be appointed to one or more committees of the Board.

For additional information, including the mandate and responsibilities regarding the Audit Committee, please refer to the Audit Committee section in the Annual Information Form of Cathedral for the year ended December 31, 2023 available on SEDAR+ at www.sedarplus.ca.

The Audit Committee meets with Cathedral's auditors regularly, independent of management, and has direct communication channels with Cathedral's external auditors to discuss and review specified issues as appropriate.

The Compensation Committee has approved a mandate which includes, among other duties and responsibilities: monitoring the performance and compensation of senior management and reviewing and providing recommendations to the Board with respect to implementation and variation of option, compensation and incentive plans, including those applicable to the directors of Cathedral. For further information see "*Compensation Discussion and Analysis – Director Compensation*".

The Governance Committee has approved a mandate which includes, among other duties and responsibilities: monitoring the effectiveness of the system of governance within Cathedral; assessing the effectiveness of the Board as a whole, committees of the Board and the contributions of individual members; and identifying, recommending, orienting and educating new directors.

6.4 Assessment of Directors, the Board and Board Committees

The members of the Board, through the Governance Committee, conduct an annual evaluation of performance and effectiveness of each member of the Board and of the Board and each of its committees as a whole.

SECTION 7 OTHER INFORMATION

7.1 Indebtedness of Directors, Executive Officers and Employees

As at the date hereof, no current or former executive officer, director or employee of Cathedral or of any of its subsidiaries is indebted: (i) to Cathedral or any of its subsidiaries; or (ii) to another entity, where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Cathedral or any of its subsidiaries.

Other than as disclosed in the table below, no director or executive officer of Cathedral, or any individual who was a director or executive officer of Cathedral at any time during the most recently completed financial year, or any associate of any such director or officer is, or has been at any time since the beginning of the most recently completed financial year of Cathedral, indebted to Cathedral or any of its subsidiaries, nor is, or at any time since the beginning of the most recently completed financial year of Cathedral has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Cathedral or any of its subsidiaries.

Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During Financial Year Ended December 31, 2023 (\$)	Amount Outstanding as at December 31, 2023 (\$)	Security for Indebtedness	Amount Forgiven During Financial Year Ended December 31, 2022 (\$)
Tom Connors, President and Chief Executive Officer	Lender	130,000	Nil	Common Shares and Warrants purchased with loan	Nil

In conjunction with Mr. Connors' appointment as the President and Chief Executive Officer of Cathedral, on February 8, 2021, the Corporation issued 650,000 units ("Units") to Mr. Connors at a price of \$0.20 per Unit, with each Unit consisting of one (1) Common Share and one-half (1/2) common share purchase warrant (each whole common share purchase warrant, a "Warrant"), using a loan (the "Loan") provided by Cathedral on commercial terms of \$130,000. The Loan accrued interest at the Canada Revenue Agency prescribed rate of 1% per annum and is repayable in full on February 6, 2026. Mr. Connors repaid the Loan in full, together with all accrued interest, on March 9, 2023.

7.2 Interest of Certain Persons and Companies in Matters to be Acted Upon

Neither Cathedral, nor any person who has been a director or senior officer of Cathedral, nor a member of the Board at any time since the beginning of Cathedral's last completed financial year, nor any proposed nominee for election as a director of Cathedral or a member of the Board, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting except as disclosed in this Information Circular.

7.3 Interest of Informed Persons in Material Transactions

Except as disclosed in this Information Circular, neither Cathedral, nor any informed person has or has had, at any time since the beginning of Cathedral's most recently completed financial year, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or

would materially affect Cathedral or any of its subsidiaries, except for any interest arising from the ownership of Common Shares where the Shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all Shareholders.

For the purposes of this Information Circular, an "**informed person**" means: (i) a director or officer of Cathedral; (ii) a director or executive officer of a person or company that is itself an informed person or a subsidiary of Cathedral; or (iii) any person or company who beneficially owns, directly or indirectly, or controls or directs, directly or indirectly, voting securities of Cathedral carrying more than ten percent (10%) of the voting rights attaching to all outstanding voting securities of Cathedral.

There may be situations in which the interests of Cathedral will conflict with those of Shareholders. In resolving any conflicts, decisions will be made on a basis consistent with the objectives and funds of each group of interested parties and the time limitations on investment of such funds, all consistent with the duty of the Board to deal fairly and in good faith with each such group of persons. In the event that the interests of the Board are in conflict with those of Shareholders, the members of the Board are obliged to make decisions acting in good faith, having regard to the best interests of Shareholders and in a manner that would not contravene their fiduciary obligations to Shareholders.

On July 22, 2021, the Corporation acquired the directional drilling business of Precision (the "**Precision Transaction**") for a purchase price of \$6,350,000 by way of the issuance to Precision of 13,400,000 Common Shares and warrants to acquire 2,000,000 Common Shares at an exercise price of \$0.60 per share until July 22, 2023. Immediately following the Precision Transaction, Precision held 17.5% of the then issued and outstanding Common Shares.

As part of the Precision Transaction, the Corporation and Precision entered into the Precision Rights Agreement pursuant to which, among other things, Precision was granted the right to nominate a member to the Board and certain customary participation rights in respect of future sales of securities by the Corporation. Precision maintained such investor rights for so long as it continued to hold 10% or more of the issued and outstanding Common Shares (calculated on a partially diluted basis giving effect to the exercise or conversion of any convertible securities which may be held by Precision). Under the terms of the Precision Transaction, the Common Shares issued to Precision are subject to contractual restrictions on resale as follows: 25% were restricted until January 22, 2022; a further 25% were restricted until July 22, 2022; and a further 50% were restricted until July 22, 2023, subject to certain exceptions.

Concurrently with the closing of the Precision Transaction, Shuja Goraya, the Chief Technology Officer of Precision, was appointed to the Board as Precision's nominee under the Precision Rights Agreement. Although Precision now holds less than 10% of the Common Shares of the Corporation, the Board decided in 2023 and again in 2024 to nominate Mr. Goraya for re-election to the Board, due to his significant contributions.

7.4 Additional Information

Additional information relating to Cathedral may be found on the SEDAR+ website at www.sedarplus.ca. Financial information regarding Cathedral is provided in Cathedral's comparative consolidated financial statements and management's discussion and analysis for its most recently completed financial year. Shareholders of Cathedral may contact Cathedral at 6030, 3rd Street S.E., Calgary, Alberta, T2H 1K2, (403) 265-2560 to request copies of Cathedral's consolidated financial statements and management's discussion and analysis.

7.5 General

All matters referred to herein for approval by Shareholders require a majority of the Shareholders voting, in person or by proxy, at the Meeting.

The contents and sending of this Information Circular have been approved by the Board. Unless otherwise stated, the information contained herein is given as of the 25th day of March, 2024.

SCHEDULE "A"

CHANGE OF AUDITOR REPORTING PACKAGE

(Attached)

CATHEDRAL ENERGY SERVICES LTD.

**NOTICE OF CHANGE OF AUDITOR
(National Instrument 51-102)**

TO: KPMG LLP

AND TO: PricewaterhouseCoopers LLP

AND TO: Alberta Securities Commission (as Principal Regulator)
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
L'Autorité des Marchés Financiers
Nova Scotia Securities Commission
Financial and Consumer Services Division, Prince Edward Island
Office of the Superintendent of Securities Service Newfoundland & Labrador
Financial and Consumer Services Commission, New Brunswick

Dear Sirs/Mesdames:

Cathedral Energy Services Ltd. (the "**Corporation**") gives the following notice in accordance with Section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"):

- (a) Effective August 17, 2023, KPMG LLP (the "**Former Auditor**") resigned as the auditor of the Corporation at the request of the Corporation;
- (b) The Audit Committee and the Board of Directors of the Corporation accepted the resignation of the Former Auditor;
- (c) The Corporation has appointed PricewaterhouseCoopers LLP (the "**Successor Auditor**") as the auditor of the Corporation effective as of August 17, 2023. The appointment of the Successor Auditor was approved by the Audit Committee and the Board of Directors of the Corporation;
- (d) There have been no modified opinions expressed in the Former Auditor's reports on the Corporation's financial statements relating to the "relevant period", as such term is defined in NI 51-102;
- (e) There have been no "reportable events", as such term is defined in NI 51-102.

DATED this 17th day of August, 2023.

CATHEDRAL ENERGY SERVICES LTD.

Per: Signed "Tom Connors"
Thomas Connors
President, Chief Executive Officer and Director



KPMG LLP
205 5th Avenue SW
Suite 3100
Calgary AB T2P 4B9
Tel 403-691-8000
Fax 403-691-8008
www.kpmg.ca

Alberta Securities Commission (as Principal Regulator)
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
L'Autorité des Marchés Financiers
Nova Scotia Securities Commission
Financial and Consumer Services Division, Prince Edward Island
Office of the Superintendent of Securities Service Newfoundland & Labrador
Financial and Consumer Services Commission, New Brunswick

17 August 2023

Dear Sir/Madam

Re: Notice of Change of Auditors of Cathedral Energy Services Ltd.

We have read the Notice of Cathedral Energy Services Ltd. dated August 17, 2023, and are in agreement with the statements contained in such Notice.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants
Calgary, Canada



August 17, 2023

To: Alberta Securities Commission (as Principal Regulator)
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
L'Autorité des Marchés Financiers
Nova Scotia Securities Commission
Financial and Consumer Services Division, Prince Edward Island
Office of the Superintendent of Securities Service Newfoundland & Labrador
Financial and Consumer Services Commission, New Brunswick

Re: Notice of Change of Auditor of Cathedral Energy Services Ltd. ("Cathedral")

We have read the statements made by Cathedral in the attached copy of change of auditor notice dated August 17, 2023, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice dated August 17, 2023.

Yours very truly,

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

SCHEDULE "B"

**CATHEDRAL ENERGY SERVICES LTD.
BOARD OF DIRECTORS CHARTER
DATED: MARCH 2020**

ROLE AND RESPONSIBILITIES

The Board of Directors (the "**Board**", each member of the Board a "**Director**") is responsible for the overall supervision of the management of the business and affairs of Cathedral Energy Services Ltd. (the "**Corporation**"). The Board is not responsible for the day-to-day management and operation of the Corporation, these responsibilities rest with management. Each Director has a fiduciary duty to act honestly and in good faith with a view to the best interests of the Corporation, and to exercise the care, diligence and skill that a reasonable prudent person would exercise in comparable circumstances. In fulfilling their fiduciary duties, each Director must act honestly, maintain confidences in respect to information involving the Corporation and, disclose conflicts of interest on any material matters involving the Corporation.

MAJOR DUTIES AND RESPONSIBILITIES

The Board discharges its duties and responsibilities directly or through its committees. In broad terms, the stewardship of the Corporation involves the Board in strategic planning, financial reporting, risk management and mitigation, senior management determination, communication planning and internal control integrity. The major responsibilities of the Board are as follows:

Supervise the determination and control in broad terms the purposes, strategic direction, goals, activities and general characteristics of the Corporation. These duties range from overseeing financial objectives, scope of operations, fundamental strategies and policies, reviewing and approving the Corporation's annual strategic plan (including annual operating and capital budgets), reviewing the Corporation's operating and financial performance results relative to established strategy, budgets and objectives, establishing a dividend policy and declaring dividends and considering and approving other specific actions that are likely to have a substantial effect on the Corporation or that the Board is legally required to take.

1. Review with senior management the mission of the Corporation, its objectives and goals, and the strategies whereby it proposes to achieve them. Monitor the Corporation's progress towards its goals and plans, and assume responsibility to revise and alter the Corporation's direction where warranted.
2. Review and approve the Corporation's annual and interim consolidated financial statements, annual and interim management's discussion and analysis, and all public disclosure documents containing audited or unaudited financial information before release, including, but not limited to, any prospectus, the Corporation's annual report, the Corporation's annual information form, the Corporation's management proxy circular and any press releases.
3. Oversee corporate financial operations, ensuring proper control mechanisms are in place to require management to obtain the Board's prior approval of:
 - a. material capital asset additions, acquisitions and disposals;

- b. material borrowings;
 - c. equity issues and repurchases;
 - d. compensation paid to senior management;
 - e. any material transactions or events outside the ordinary course of business; and
 - f. any other matter specified by the Board as requiring approval.
4. Appoint a President and Chief Executive Officer (collectively, a "CEO") and other senior officers, define their respective duties, monitor and evaluate their performance, approve their compensation, provide for adequate succession, and replace the CEO or other senior officers when appropriate.
5. Appoint a Compensation Committee and Compensation Committee Chair, oversee the activities of the Compensation Committee and receive and consider the recommendation of the Compensation Committee with respect to the compensation provided by the Corporation to senior management and Directors as Board and committee members.
6. Appoint an Audit Committee and Audit Committee Chair, oversee the activities of the Audit Committee and receive and consider the recommendation of the Audit Committee with respect to the financial systems of the Corporation and related disclosures, reports to shareholders and other related communications.
7. Oversee enterprise risk assessment and risk management systems including:
- a. discussion with senior management as guidelines and policies governing the risk assessment and risk management processes;
 - b. review and discussion of significant risks and exposures with senior management;
 - c. assess the steps management has taken to monitor, control, report and mitigate such risk to the Corporation, including insurance coverage; and
 - d. with the advice and assistance of senior management, identify and evaluate the principal risk factors relating to the Corporation's business.

Identification of enterprise risk and oversight of systems to manage it, including the review of the effectiveness and integrity of internal financial control systems, has been delegated to the Audit Committee, which is to report to the Board thereon regularly.

8. Ensure that the Corporation has in place appropriate environmental, health and safety policies, having regard to legal, industry and community standards, and ensure implementation of management systems to monitor the effectiveness of those policies.
9. Monitor and oversee the Corporation's financial reporting and disclosure system, including how the Corporation interacts with analysts, investors, other key stakeholders and the public, and how the Corporation complies with its continuous and timely disclosure obligations and avoids selective disclosure, and review all such policies at least annually, and since much of the Board's

work in this regard has been delegated to the Audit Committee, receive regular reports with respect thereto from that committee.

10. Ensure that management has systems in place for communication and relations with stakeholder groups, including, but not limited to: shareholders; the investing public; government; employees; the financial community; and the communities in which the Corporation operates. More specifically:
 - a. be accountable for the manner in which public disclosure of the Corporation's affairs is made. Require all news releases and reports issued to shareholders involving financial information are reviewed by the Board prior to their public release and that all other news releases are reviewed by the Board as appropriate;
 - b. ensuring that management maintains an investor relation function to coordinate the receipt of and response to shareholder inquiries; and
 - c. ensure the Audit Committee puts in place procedures to receive and handle complaints or concerns received by the Corporation about accounting or audit matters including those submitted anonymously by an employee of the Corporation.
11. Appoint a Governance Committee and Governance Committee Chair, oversee the activities of the Governance Committee and consider the recommendations of the Governance Committee. Through this committee, establish an appropriate system of corporate governance including practices to ensure the Board functions independently of management.
12. Oversee the Corporation's compliance with applicable laws and regulations and the operation of its business in accordance with appropriate ethical standards. To this end, the Corporation has adopted a Code of Business Conduct and Ethics.
13. Manage Board operations, including, without limitation:
 - a. subject to shareholder approval, review the Board's size and composition and when appropriate, identify new nominees;
 - b. ensure Directors meet in accordance with all legal requirements and that the independent Directors have an opportunity to meet separately on a regular basis;
 - c. review the recommendations of the Governance Committee in connection with the development of the Corporation's approach to governance issues and the Corporation's responses to the Toronto Stock Exchange guidelines or any rules or guidelines published by any and all other regulated markets upon which the Corporation's securities may be listed or quoted for trading, from time to time;
 - d. ensure that new Directors receive proper education and orientation about the Corporation, and that on an ongoing basis all Directors receive continuing education; and
 - e. periodically review the Board's role and responsibilities pursuant to this Charter, and evaluate the effectiveness of the Board, its members and its committees from time to time and if necessary and appropriate, create new or disband existing committees and

the case of new or old committees, establish and review their charters and elect chairs from time to time.

14. Review the adequacy and form of each Board member's compensation to ensure it realistically reflects the responsibilities and risks involved in being a Director.

ORGANIZATION

The Corporation's Articles of Incorporation provide that the Directors shall be elected annually by the shareholders of the Corporation, and that the Board shall consist of not less than three (3) or more than ten (10) individuals, with the exact number being determined from time to time by resolution of the Board. The Board should be of a size which facilitates effective decision-making. Directors will review the size of the Board from time to time to ensure this principle is being adhered to. Under the *Business Corporations Act* (Alberta), a minimum of 25% of the Directors must be residents of Canada.

A majority of the Board shall be independent Directors (as defined by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators), as determined by the Board. In assessing whether a Director or potential Director is independent, the Board will consider such facts as ownership of the Corporation's securities, whether the individual is an employee or officer of the Corporation or an affiliate of the Corporation and existence of any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act with the best interests of the Corporation.

The independent Directors shall appoint a Chairman of the Board from the group of independent Directors. The fundamental responsibility of the Chairman is to facilitate communication among the independent Directors.

There are currently three committees of the Board of Directors and each committee has its own charter, approved by the Board, setting out its role and mandate.

- Audit Committee – consists of a minimum of three (3) Directors, including a committee Chair, all of which are independent to the Corporation.
- Compensation Committee – consists of a minimum of three (3) Directors, including a committee Chair, all of which are independent to the Corporation.
- Governance Committee – consists of a minimum of two (2) Directors, including a committee Chair, all of which are independent to the Corporation.

EXTERNAL RESOURCES

To assist the Board in discharging its duties and responsibilities, the Board may, at the expense of the Corporation, retain persons having special expertise. In addition, individual Directors may engage outside consultants, at the expense of the Corporation, with prior approval of the Governance Committee.

NEW BOARD MEMBERS

New Board members will be provided with sufficient background materials relating to the Corporation that will provide the new Director with knowledge to understand the Corporation's business, assets, capitalization, personnel, policies and procedures, to enable them to educate themselves with regard to

the Corporation's business. In addition, the new Director will be provided with the opportunity for meetings and discussions with senior management and other Directors. Details of orientation will be tailored to the Director's individual needs.

LIMITATION ON BOARD MEMBERS' DUTIES

Nothing in this Charter is intended, or may be construed, to impose on any member of the Board a standard of care or diligence that is in any way more onerous or extensive than the standard required by law. The purposes and responsibilities outlined in this charter are meant to serve as guidelines rather than inflexible rules and the Board may adopt such additional procedures and standards it deems necessary from time to time to fulfill its responsibilities.

ROLE AND RESPONSIBILITIES OF CHAIRMAN OF THE BOARD

The Chairman of the Board shall have, among other, the following responsibilities:

1. In conjunction with the Corporation's CEO and Chief Financial Officer, plan the meetings of the Board, establish the agenda of these meetings and coordinate the activities of the Corporate Secretary in regards to the affairs of the Board and its committees.
2. Chair all meetings of the Board, ensure the proper and efficient conduct of Board meetings, ensure that all members are able to express their opinions on the topics being discussed and ensure that the decisions or recommendations made by the Board are clear.
3. Ensure that all strategically important issues are communicated to the Board for approval and that the Board receives the necessary information it needs to allow its members to assume their role fully and to follow up on the implementation of decisions made by the Board.
4. Attend committee meetings as deemed appropriate.
5. Ensure that all policies of the Board relating to compliance with regulations as well as ethics and conduct standards are communicated to all interested parties.
6. In collaboration with the chairs of the committees, to ensure that the Board and each of its committees respect their respective mandates (or charters).
7. Review the Chief Executive Officer's expenses and perquisites at least once a year.

ROLE AND RESPONSIBILITIES OF COMMITTEE CHAIRS

Every chair of a Board committee shall have, among those listed above, the following responsibilities:

1. Plan committee meetings, establish the agenda of these meetings and coordinate the activities of the Corporate Secretary in regards to the affairs of the committee.
2. Chair all the meetings of the committee, ensure the proper and efficient conduct hereof, ensure that all members are able to express their opinions on the topics being discussed and ensure that the decisions or recommendations made by the committee are clear.

3. Liaise and communicate to the Board and senior management in matters relating to his mandate and to the work of his committee.

QUESTIONS? NEED HELP VOTING?



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