



NOTICE OF MEETING
and
MANAGEMENT INFORMATION CIRCULAR
for the
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on
June 19, 2020

Dated May 7, 2020

CLEARSTREAM ENERGY SERVICES INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

to be held on June 19, 2020

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the holders (each, a "**Shareholder**") of common shares ("**Common Shares**") of ClearStream Energy Services Inc. (the "**Corporation**" or "**ClearStream**") will be held at the Corporation's offices at Suite 1650, 311 – 6th Avenue S.W., Calgary, Alberta on Friday, June 19, 2020, at 9:00 a.m. (Calgary time) for the following purposes:

- (a) to receive the consolidated financial statements of the Corporation for the year ended December 31, 2019 and the auditors' report thereon;
- (b) to re-appoint Ernst & Young LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
- (c) to elect directors of the Corporation for the ensuing year;
- (d) to consider and, if deemed advisable, to pass an ordinary resolution approving a new form of by-laws of the Corporation, including advance notice provisions, as more particularly described under the heading "*Particulars of the Matters to be Acted Upon – Approval of New Form of By-Laws*" in the Circular; and
- (e) to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

This Notice of Meeting is accompanied by the management information circular of ClearStream dated May 7, 2020 (the "**Circular**"), and a form of proxy or voting instruction form. Details of the matters to be put before the Meeting are set forth in the Circular. Any adjourned or postponed meeting resulting from an adjournment or postponement of the Meeting will be held at a time and place to be specified either by ClearStream before the Meeting or by the Chair of the Meeting, as applicable.

The board of directors of ClearStream has fixed April 30, 2020 as the record date (the "**Record Date**") for determining Shareholders who are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof. Only Shareholders whose names appear in the register of Shareholders maintained by or on behalf of ClearStream ("**Registered Shareholders**") at the close of business on the Record Date will be entitled to receive notice of the Meeting and to attend and vote at the Meeting.

Due to restrictions on group gatherings implemented by the Government of Alberta in response to the coronavirus (COVID-19) outbreak and out of concern for the wellbeing of all participants, physical attendance at the Meeting will be restricted to essential personnel and Registered Shareholders and proxyholders entitled to attend and vote at the Meeting. Physical attendance at the Meeting may be further restricted in order to comply with government and public health directives regarding physical distancing and the Corporation may not be able to accommodate in-person attendance at the Meeting by eligible Registered Shareholders and proxyholders. Due to such restrictions, the Corporation strongly encourages Registered Shareholders and proxyholders NOT to physically attend the Meeting in person. Shareholders can access the Meeting via teleconference and webcast (see below communication particulars). However, it will not be possible for Shareholders to vote their Common Shares via the teleconference and webcast. Shareholders are strongly encouraged to exercise their voting rights prior to the Meeting by following the instructions set out in the form of proxy or voting instruction form received by Shareholders.

The Corporation is providing remote communication to the Meeting through:

(a) a live audio webcast at the following webcast URL link:

<http://services.choruscall.ca/link/clearstreamenergy20200619.html>

(b) conference call telephone numbers:

Canada/U.S. (toll free) 1-800-319-4610

International toll +1-604-638-5340

Callers should dial in 5-10 minutes prior to the scheduled time of the Meeting and ask to join the call.

The Corporation is continuously monitoring the rapidly evolving news and guidelines related to the COVID-19 outbreak and may take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Shareholders are encouraged to monitor the Corporation's website at www.clearstreamenergy.ca or the Corporation's SEDAR profile at www.sedar.com, where copies of such press releases, if any, will be posted. The Corporation does not intend to prepare an amended Circular in the event of changes to the Meeting format.

If you are a Registered Shareholder, please exercise your right to vote by completing and signing the enclosed form of proxy and depositing it with AST Trust Company (Canada) by mail to P.O. Box 721, Agincourt, Ontario, M1S 0A1, by fax to (416) 368-2502 or toll-free (in Canada and the U.S. only) to 1-866-781-3111, or by email of a scan copy to proxy@astfinancial.com not later than 9:00 a.m. (Calgary time) on Wednesday, June 17, 2020, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Calgary) before any adjournment(s) or postponement(s) of the Meeting. The Chair of the Meeting may waive or extend this time limit for receipt of completed proxies by AST Trust Company (Canada) without notice.

If you are not a Registered Shareholder and hold your shares through a broker or other agent, please complete the form of proxy or voting information form that you have received, in accordance with the instructions provided therein, so that your Common Shares can be voted in accordance with your instructions.

DATED at Calgary, Alberta this 7th day of May, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Sean McMaster*"

Sean McMaster
Chairman of the Board of Directors
ClearStream Energy Services Inc.

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MANAGEMENT INFORMATION CIRCULAR

GLOSSARY

"**ABL Facility**" means the asset-based lending facility pursuant to the terms of the third amended and restated credit agreement dated as of June 26, 2019, as amended, among ClearStream Energy Holdings LP, as borrower, the Corporation, as guarantor, Bank of Montreal, as agent, and each of the banks and financial institutions from time to time parties thereto, as lenders, comprised of a revolving credit facility and the Term Facility;

"**AIP**" means the Annual Incentive Plan of the Corporation;

"**Beneficial Shareholder**" has the meaning given to it in "*Voting Information – Advice to Beneficial Shareholders*";

"**Board**" means the board of directors of the Corporation;

"**Broadridge**" means Broadridge Financial Services, Inc.;

"**Canso**" means Canso Investment Counsel Ltd.;

"**CCO**" means Chief Commercial Officer;

"**CEO**" means Chief Executive Officer;

"**CFO**" means Chief Financial Officer;

"**CGC Committee**" means the Corporate Governance and Compensation Committee of the Corporation;

"**Circular**" means this management information circular dated May 7, 2020 provided to Shareholders in connection with the Meeting;

"**ClearStream**" or the "**Corporation**" means ClearStream Energy Services Inc.;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Comparator Group**" has the meaning given to it in "*Statement of Executive Compensation – Reward Strategy and Policy*";

"**Convertible Secured Debentures**" mean the 10.00% Second Lien Secured Convertible Debentures due 2026;

"**COO**" means Chief Operating Officer;

"**CVCU**" means cumulative value creation units granted under the CVCU Plan;

"**CVCU Plan**" has the meaning given to it in "*Statement of Executive Compensation – Components of Executive Compensation – Long-Term Incentive Plans*";

"Meeting" means the annual and special meeting of the holders of common shares of the Corporation held on June 19, 2020, at 9:00 a.m. (Calgary time);

"NEO" or **"Named Executive Officer"** means each of the following individuals, the CEO, the CFO, and each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000;

"New By-Laws" means the amended and restated by-law no. 1 of the Corporation, as adopted by the Board on March 4, 2020, as further amended by the Board on May 7, 2020, subject to confirmation by the Shareholders at the Meeting;

"NI 52-110" means National Instrument 52-110 – *Audit Committees*;

"Notice of Meeting" means the notice of meeting of Shareholders accompanying this Circular;

"OBCA" means the *Business Corporations Act* (Ontario);

"Option Plan" means the Incentive Option Plan of the Corporation as described in *"Statement of Executive Compensation – Components of Executive Compensation – Long-Term Incentive Plans"*;

"Preferred Shares" means the Series 1 Preferred Shares and the Series 2 Preferred Shares;

"PSU" means performance share units;

"PSU and RSU Plan" means the Performance Share Unit and Restricted Share Unit Plan of the Corporation as described in *"Statement of Executive Compensation – Components of Executive Compensation – Long-Term Incentive Plans"*;

"Record Date" means April 30, 2020;

"RSU" means restricted share units;

"security-based compensation arrangements" has the meaning ascribed thereto in Section 613(b) of the TSX Company Manual, as amended from time to time;

"Senior Secured Debentures" means 8.00% senior secured debentures due 2026 pursuant to a trust indenture between ClearStream, as issuer, and BNY Trust Company of Canada, as debenture trustee, as amended and supplemented;

"Series 1 Preferred Shares" means series 1 cumulative redeemable convertible preferred shares in the capital of the Corporation;

"Series 2 Preferred Shares" means series 2 cumulative redeemable convertible preferred shares in the capital of the Corporation;

"Shareholders" means the holders of Common Shares;

"Term Facility" means the term loan facility established under the ABL Facility pursuant to which the term lenders are accounts fully managed by Canso in its capacity as portfolio manager; and

"TSX" means the Toronto Stock Exchange.

INFORMATION CONTAINED IN THIS CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by and on behalf of management of ClearStream for use at the Meeting to be held at the time and place and for the purposes set forth in the Notice of Meeting accompanying this Circular.

The information contained in this Circular is given as of May 7, 2020, except as otherwise noted. No person has been authorized to give information or to make any representations in connection with the annual and special items of business to be considered at the Meeting or any other matters described herein other than those contained in this Circular and, if given or made, any such information or representations should not be relied upon in making a decision as to how to vote or be considered to have been authorized by the Corporation. Shareholders should not construe the contents of this Circular as legal, tax, investment or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, investment, financial or other matters contained in this Circular.

Due to restrictions on group gatherings implemented by the Government of Alberta in response to the coronavirus (COVID-19) outbreak and out of concern for the wellbeing of all participants, physical attendance at the Meeting will be restricted to essential personnel and Registered Shareholders and proxyholders entitled to attend and vote at the Meeting. Physical attendance at the Meeting may be further restricted in order to comply with government and public health directives regarding physical distancing and the Corporation may not be able to accommodate in-person attendance at the Meeting by eligible Registered Shareholders and proxyholders. Due to such restrictions, the Corporation strongly encourages Registered Shareholders and proxyholders NOT to physically attend the Meeting in person. Shareholders can access the Meeting via teleconference and webcast (see below communication particulars). However, it will not be possible for Shareholders to vote their Common Shares via the teleconference and webcast. Shareholders are strongly encouraged to exercise their voting rights prior to the Meeting by following the instructions set out in the form of proxy or voting instruction form received by Shareholders. The Corporation is providing remote communication to the Meeting through:

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Circular contains statements that may include forward-looking information or forward-looking statements (collectively, "**forward-looking information**") within the meaning of applicable securities laws.

In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results and may include statements or information regarding the future plans or prospects of ClearStream which reflect management's expectations, intentions, plans and beliefs. Such forward-looking information reflects management's current beliefs and is based on information currently available to management of ClearStream. In particular, this Circular contains forward-looking information pertaining to forecasted payout under the CVCU Plan, based on financial modeling. See "*Compensation Discussion and Analysis – 2019 Compensation Decisions – Long Term Incentive Plan*".

Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Many of these assumptions are based on factors and events that are not within the control of ClearStream and may not prove to be correct. Should one or more of these factors or events fail to materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as anticipated, believed, expected, planned, intended or estimated.

A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information, including the impact of any failure to comply with debt covenants, insufficient liquidity under credit facilities, restricted access to capital or borrowing, the use of cash flow to service debt, the success of our response to the COVID-19 global pandemic, the dilutive potential of conversion of Preferred Shares held by Canso into Common Shares, dependence on volatile oil and gas industry, reliance on key personnel, consistency of customer contract renewals and new business, counterparty contract default risk, failure to maintain safety standards and record, retaining and attracting personnel, compliance and costs associated with various health, safety and environmental laws, the intensely competitive nature of the Corporation's industry sector, exposure to credit market volatility from negative investor sentiment about the energy industry, public perception of the regulatory regime governing resource development, seasonal volatility in operating results due to weather conditions, reliance on equipment and parts suppliers, additional business risks, costs of various existing and proposed environmental laws, customer concentration, regional concentration, industry concentration, rate of conversion of backlog into revenue, technology obsolescence, hazards inherent in the oilfield services industry which may exceed insurance policy coverage, existing and potential legal proceedings, reduced demand for oil and natural gas from conservation measures and technological advances, failure to recognize anticipated benefits of acquisitions, delays in the public announcement of strategic transactions, improper access to confidential information, cyber attacks, potential future changes in tax laws or administrative practices, changes in general economic conditions, unpredictable and volatile trading activity in the Common Shares, the dilutive effect of the issuance of additional Common Shares, and any future payment of dividends. The foregoing and other risks are described in more detail in the Corporation's management's discussion and analysis for the year ended December 31, 2019 under the heading "Risk Factors", the Corporation's management's discussion and analysis for the three-month period ended March 31, 2020 under the heading "Risk Factors", and the Corporation's annual information form for the year ended December 31, 2019 under the heading "Risk Factors", which are available at www.sedar.com.

The forward-looking information contained in this Circular is made as of the date of this Circular. The Corporation undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Undue reliance should not be placed on forward-looking information.

New factors emerge from time to time, and it is not possible for the Corporation to predict all of these factors or to assess in advance the impact of each such factor on the Corporation's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information.

The forward-looking information contained in this Circular is expressly qualified by this cautionary statement.

VOTING INFORMATION

Solicitation of Proxies

The solicitation of proxies in connection with the Meeting is made by and on behalf of management of ClearStream. It is expected that the solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally, by telephone or by other forms of electronic communication by directors, management, employees and agents of the Corporation. ClearStream may reimburse brokers and other persons holding shares in their name or in the name of nominees for their costs incurred in sending proxy materials to their principals in order to obtain their proxies. All costs of the solicitation will be borne by ClearStream.

It is expected that the solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally, by telephone or by other forms of electronic communication by directors, management, employees and agents of the Corporation.

ClearStream may also reimburse brokers and other persons holding shares in their name or in the name of nominees for their costs incurred in sending proxy materials to their principals in order to obtain their proxies. All costs of the solicitation will be borne by ClearStream.

Notice and Access

ClearStream has elected to use the "notice-and-access" provisions (the "**Notice-and-Access Provisions**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for the distribution of proxy-related materials in connection with the Meeting to the beneficial holders of Common Shares, being Shareholders who hold their shares in the name of a broker or an agent (a "**Beneficial Shareholder**"), and to the registered holders of Common Shares, being Shareholders whose name appears on the Corporation's records as a holder of Common Shares. All Shareholders will receive a notice containing information prescribed by the Notice-and-Access Provisions together with either a form of proxy or a voting instruction form. The Corporation will pay for intermediaries to deliver the proxy-related materials to non-registered Shareholders who are "objecting beneficial owners" (as defined in NI 54-101), including a voting instruction form. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post its information circular in respect of a meeting of its shareholders and related materials online.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are Yves Paletta, Chief Executive Officer of the Corporation, and Randy Watt, Chief Financial Officer of the Corporation. **Each Shareholder is entitled to appoint a person or company (who need not be a Shareholder) other than the individuals named in the enclosed form of proxy to represent them at the Meeting. A Shareholder desiring to appoint some other person or company to represent them at the Meeting may do so by inserting the desired person's or company's name in the blank space provided in the form of proxy and depositing the completed and signed proxy with AST Trust Company (Canada). All completed and signed proxies should be deposited by mail to P.O. Box 721, Agincourt, Ontario, M1S 0A1, by fax to (416) 368-2502, or toll-free (in Canada and the U.S. only) to 1-866-781-3111, by email of a scan copy to proxy@astfinancial.com not later than 9:00 a.m. (Calgary time) on Wednesday, June 17, 2020, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Calgary) before any adjournment(s) or postponement(s) of the Meeting. Late proxies may be accepted or rejected by the Chair of the Meeting at his or her discretion and the Chair of the Meeting is under no obligation to**

accept or reject any particular late proxy. The Chair of the Meeting may waive or extend this time limit for the receipt of completed proxies by AST Trust Company (Canada) without notice.

A proxy given pursuant to this solicitation may be revoked by an instrument in writing, including another proxy bearing a later date, executed by the Shareholder or by such Shareholder's attorney duly authorized in writing, and deposited with AST Trust Company (Canada) by mail to P.O. Box 721, Agincourt, Ontario, M1S 0A1, by fax to (416) 368-2502, or toll-free (in Canada and the U.S. only) to 1-866-781-3111, by email of a scan copy to proxy@astfinancial.com not later than 9:00 a.m. (Calgary time) on Wednesday, June 17, 2020, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Calgary) before any adjournment(s) or postponement(s) of the Meeting, or with the Chair of the Meeting on the day of, but prior to the commencement of, the Meeting or any adjournment(s) or postponement(s) thereof, or in any other manner permitted by law.

Voting of Proxies

The Common Shares represented by the proxies which are hereby solicited will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. Where a Shareholder fails to specify a choice with respect to a matter referred to in the Notice of Meeting, the persons named in the enclosed form of proxy will vote the Common Shares represented by such proxy **IN FAVOUR** of the matters proposed by management at the Meeting.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting, or other matters that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof, to the fullest extent permitted by law, whether or not such amendment, variation or other matter is routine or contested. As of the date hereof, the Corporation is not aware of any amendments, variations or other matters to be brought before the Meeting. However, if any amendments or variations to matters identified in the Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment(s) or postponement(s) thereof, the Common Shares represented by properly executed proxies given in favour of the persons designated by management of the Corporation in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

Advice to Beneficial Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most of the Shareholders of ClearStream are Beneficial Shareholders who hold their Common Shares in an account with a brokerage firm, financial institution or other agent. In Canada, the vast majority of such shares that are held in an account with a brokerage firm, financial institution or other agent are registered in the name of CDS & Co., the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for most brokerage firms in Canada. Common Shares that are held in this manner in an account with a brokerage firm, financial institution or other agent, or their nominee, can only be voted upon instruction from the Beneficial Shareholder. Without specific instructions, such broker or nominee is prohibited from voting such Common Shares.

Applicable regulatory policy requires the broker to seek voting instructions from the Beneficial Shareholder in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which Beneficial Shareholders should carefully follow in order to ensure their Common Shares are voted at the Meeting. The form of proxy supplied by the broker is sometimes identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge mails a scannable voting instruction form in lieu of the form of proxy. Beneficial Shareholders are asked to properly complete and return the voting instruction form in accordance with the directions contained therein, which include by mail, facsimile, toll-free call or over the internet, in order to

vote their Common Shares. Broadridge then tabulates the results of all voting instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A voting instruction form from Broadridge cannot be used as a proxy to vote Common Shares directly at the Meeting and it must be properly completed and returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

The purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the Common Shares that they beneficially own. **Should a Beneficial Shareholder wish to attend and vote at the Meeting, or any adjournment(s) or postponement(s) thereof, in person (or to have another person appointed as proxyholder to attend and vote on behalf of the Beneficial Shareholder), the Beneficial Shareholder should follow the procedure in the voting instruction form and request a form of legal proxy which will grant the Beneficial Shareholder the right to attend the Meeting, and any adjournment(s) or postponement(s) thereof, and vote in person. Beneficial Shareholders should carefully follow the instructions in the voting instruction form, including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Beneficial Shareholder may revoke a proxy or voting instruction form by written notice or by submitting a proxy or voting instruction form bearing a later date. In order to ensure that a revocation of a proxy or voting instruction form is acted upon, the written notice should be received by Broadridge well in advance of the time by which the revocation of proxy or new proxy is required to be deposited. See "*Appointment and Revocation of Proxies*" above.

Voting and Record Date

As of the date hereof, there are 109,992,668 Common Shares issued and outstanding. Each holder of Common Shares of record at the close of business on April 30, 2020 (the "**Record Date**") is entitled to one vote for each Common Share then held on all matters to be acted upon at the Meeting.

Principal Holders of Voting Shares

To the knowledge of the Corporation's directors and executive officers, as at the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation, other than:

Name	Number of Common Shares	Percentage of Outstanding Common Shares
Newport Private Wealth Inc. ⁽¹⁾	17,650,785	16%
Canso Investment Counsel Ltd. ⁽²⁾	17,588,076	16%

Notes:

(1) In its capacity as investment manager for discretionary client accounts.

(2) In its capacity as portfolio manager for and on behalf of certain accounts that it manages.

Quorum, Adjournment and Postponement

Pursuant to the by-laws of ClearStream, a quorum for the Meeting is two Shareholders personally present and representing, either in their own right or by proxy, not less than 25% of the outstanding Common Shares. The New By-Laws provide for the same quorum for shareholder meetings.

The proxies submitted for the Meeting remain valid for purposes of voting at any adjournment(s) or postponement(s) of the Meeting. Therefore, a Shareholder is not required to re-submit his or her proxy form for the purposes of any adjourned or postponed Meeting.

Approval Requirement

All of the matters to be considered at the Meeting are ordinary resolutions requiring approval by a simple majority of more than 50% of the votes cast in respect of the resolution by or on behalf of Shareholders present in person or represented by proxy at the Meeting.

PARTICULARS OF THE MATTERS TO BE ACTED UPON

Receipt of Financial Statements and Auditors' Report

The consolidated financial statements of the Corporation for the year ended December 31, 2019, together with the auditors' report thereon, both of which will be placed before the Shareholders at the Meeting, were mailed to Shareholders who have indicated to the Corporation that they wish to receive them. The financial statements are also available on the Corporation's profile on SEDAR at www.sedar.com. No action is required or proposed to be taken at the Meeting with respect to the financial statements.

Appointment of Auditors

At the Meeting, Shareholders will be asked to approve a resolution re-appointing Ernst & Young LLP, Chartered Professional Accountants, as auditors of the Corporation, to hold office until the next annual meeting of shareholders or until their successors are appointed and to authorize the Board to fix their remuneration. Ernst & Young LLP have acted as the auditors of the Corporation since 2009.

Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Ernst & Young LLP as auditors of the Corporation and to authorize the Board to fix their remuneration.

The following table provides information about the fees paid or payable to Ernst & Young LLP for the two most recently completed financial years:

Type of Service Provided	2018	2019
Audit Fees ⁽¹⁾	\$777,350	\$706,500
Audit-Related Fees ⁽²⁾	\$10,000	\$180,500
Tax Fees ⁽³⁾	-	-
All Other Fees ⁽⁴⁾	-	\$3,500
Total	\$787,350	\$890,500

Notes:

- (1) Audit fees are for the audit of the annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.
- (2) Audit-related fees are for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported as Audit Fees, including fees associated with quarterly review of the Company's interim consolidated financial statements. In 2018, audit-related services related to the provision of advice in connection with the adoption of IFRS 16 *Leases*. In 2019, audit-related services related to the audit of carve-out financial statements that were prepared for certain assets of the production services business of AECOM Production Services Ltd., which were acquired in mid-2019. The carve-out financial statements were required for a business acquisition report that the Corporation was required to file under Canadian securities laws.
- (3) Tax fees are for tax compliance, consulting and planning advisory services.
- (4) All other fees include all other non-audit services. In 2019, all other fees related to a subscription fee for an IFRS portal.

Election of Directors

Director Nominees

In accordance with the OBCA, the size of the Board is determined by resolution of the Board. The Board currently consists of five directors. At the Meeting, Shareholders will be asked to elect the six nominees

named below to act as directors, five of whom are being re-elected. The term of office of each of the current directors of the Corporation expires at the close of the Meeting. If elected, each director will hold office until the close of the next annual meeting or until their successor is elected or appointed, unless earlier resigned or otherwise removed from office.

It is not anticipated that any of the nominees will be unable to continue to serve as directors of the Corporation, but if that should occur for any reason prior to the Meeting, or any adjournment or postponement thereof, then, in the absence of a specification to the contrary in the proxy appointing them as proxyholders, the persons named in the enclosed form of proxy intend to vote for such other nominees as their best judgment may deem advisable.

As described below under "Majority Voting for Directors", the Board has adopted a Majority Voting Policy for the election of directors, whereby with respect to any particular nominee, if the number of votes "withheld" exceeds the number of votes "for" such nominee, they will not be considered to have received the confidence and support of Shareholders, even though they will have been duly elected as a matter of corporate law. It is the intention of the persons named in the enclosed form of proxy, if named as proxy and not expressly directed to the contrary in the form of proxy, to vote those proxies FOR the election of each of the nominees specified below.

Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote FOR the election of the six proposed nominees whose names are set forth below.

For each person proposed to be nominated for election as a director of the Corporation, the following table sets forth their name, place of residence, age (at December 31, 2019), the year in which they became a director, a brief biography, their membership on committees of the Board, their attendance at Board and committee meetings during 2019, the number of common shares beneficially owned, controlled or directed (directly or indirectly) by them and the votes for and withheld for their election at the last annual meeting of shareholders. This information is based partly on our records and partly on information received by us from the nominees.

Four of the nominees named below are "independent" within the meaning of NI 52-110. Mr. Dean T. MacDonald acted as Interim Chief Executive Officer from June 2017 to August 2018 and Executive Chairman from June 2015 to January 2019 and therefore is not considered independent. Mr. Yves Paletta currently serves as Chief Executive Officer of the Corporation and therefore is not considered independent.

<p>Jordan L. Bitove</p> <p>Toronto, Ontario, Canada</p> <p>Age: 55</p> <p>Director since⁽¹⁾: 2013</p> <p>Independent Director</p>		<p>Mr. Bitove is the Managing Director of Bitove Capital, a private equity and real estate group located in Toronto. Previously, Mr. Bitove was the President and CEO of Vision Companies, an industry-leading creator of experiential marketing experiences for Formula One, the National Football League, the 2010 Winter Olympic Games and Canada's Walk of Fame.</p> <p>Mr. Bitove launched Great Moments in Catering, which became Canada's largest privately held event catering company. He also contributed significantly to the startup of the Toronto Raptors Basketball Club, the first National Basketball Association franchise awarded outside of the United States. Since 2008, he has held the diplomatic position of Honorary Consul to the Republic of Northern Macedonia. Currently, he is a director of the SickKids Hospital Foundation and a member of the Governing Council of Sunnybrook Hospital. He is a former member of the Young Presidents Organization, the Toronto International Film Festival and the Right to Play Advisory Board.</p> <p>Mr. Bitove is a graduate of Western University and served on its Board of Governors from 2008 to 2016. In 2012, he was awarded the Queen Elizabeth II Diamond Jubilee Award for his contributions to Canada.</p>		
Voting Results from last Annual Meeting		Board / Committee Memberships in 2019	Meetings Attended	Total Attendance
For	49,126,965	Board	12 / 13	24 / 26 (92%)
	99.7%	Audit Committee	3 / 4	
Withheld	128,197	CGC Committee	4 / 4	
	0.3%	HSE Committee	5 / 5	
Common Shares Beneficially Owned or Controlled (directly or indirectly)⁽²⁾:				23,000

<p>Herbert Fraser Clarke</p> <p>St. John's, Newfoundland and Labrador, Canada</p> <p>Age: 45</p> <p>Director since⁽¹⁾: 2013</p> <p>Independent Director</p>		<p>Mr. Clarke is the President and Chief Executive Officer of Massage Addict Incorporated, a retailer of massage services. Mr. Clarke was the President and Chief Executive Officer of Herbal Magic Inc., a Canadian weight loss and nutrition company, from February 2011 to August 2013, and previously the President and Chief Operating Officer of Herbal Magic Inc. from February 2009 to February 2011. From October 2002 to July 2007, Mr. Clarke was President and Chief Executive Officer of Hair Club for Men. Prior to this role, Mr. Clarke was an Associate at CCC Investment Banking and an Associate at Ernst & Young LLP.</p> <p>Mr. Clarke holds a Bachelor of Commerce (Honours) from Memorial University and is a designated Chartered Professional Accountant and Certified Financial Analyst.</p>		
Voting Results from last Annual Meeting		Board / Committee Memberships in 2019	Meetings Attended	Total Attendance
For	49,127,166	Board	13 / 13	25 / 26 (96%)
	99.7%	Audit Committee	4 / 4	
Withheld	127,996	CGC Committee	4 / 4	
	0.3%	HSE Committee	4 / 5	
Common Shares Beneficially Owned or Controlled (directly or indirectly)⁽²⁾:				435,000 ⁽³⁾

Karl Johannson Calgary, Alberta, Canada Age: 58 Director since: 2019 Independent Director		<p>Mr. Johannson is a retired businessman with extensive operational experience in the upstream and midstream market segments, including natural gas and energy pipelines as well as in the electricity sector. From 1994 to February 2019, Mr. Johannson was employed by TC Energy Corporation where he held various leadership roles, including Senior Vice President, Power Commercial; Senior Vice President, Canadian Power; Senior Vice President, Canada and US Northeast Pipeline; President, Natural Gas Pipelines; and, at the time of his retirement, Executive Vice President & President, Canadian and Mexico Gas Pipelines and Energy. Until 2018, Mr. Johannson was the Chairman of TC Pipelines L.P., a NYSE-listed limited partnership. Mr. Johannson has also at various times been a Director of the Canadian Energy Pipeline Association (CEPA), Canadian Gas Association (CGA), and the Canadian Electric Association (CEA). In February 2020, Mr. Johannson was appointed to the Board of the Alberta Electric System Operator (AESO).</p> <p>Mr. Johannson holds a Bachelor of Arts degree in Economics and a Master of Business Administration in Finance from the University of Calgary. He is also a graduate from Harvard Business School's General Management Program (2002).</p>		
Voting Results from last Annual Meeting		Board / Committee Memberships in 2019	Meetings Attended	Total Attendance
For	49,132,365	Board	11 / 11	21 / 21 (100%)
	99.7%	Audit Committee	3 / 3	
Withheld	122,797	CGC Committee	3 / 3	
	0.3%	HSE Committee	4 / 4	
Common Shares Beneficially Owned or Controlled (directly or indirectly)⁽²⁾:				285,000

<p>Dean T. MacDonald</p> <p>St. John's, Newfoundland and Labrador, Canada</p> <p>Age: 60</p> <p>Director since⁽¹⁾: 2008</p> <p>Non-Independent Director</p>		<p>Mr. MacDonald is a retired businessman. Mr. MacDonald is a former executive with the Corporation having served as Executive Chairman (June 2015 to January 2019), Interim Chief Executive Officer (June 2017 to August 2018) and President and Chief Executive Officer (December 2008 to June 2015). Mr. MacDonald has had a long and successful career as an operating executive and entrepreneur. His operating experience includes serving as President and Managing Partner of Cable Atlantic, as the Chief Operating Officer of Rogers Cable and as the Chief Executive Officer of Persona Inc. ("Persona"), a TSX-listed cable and internet services company. Mr. MacDonald worked with a syndicate of investment partners to turn Persona's operations around and subsequently sold the business at a significant premium to its purchase price in 2007. Mr. MacDonald has also served as Chairman of the Newfoundland and Labrador Energy Corporation, which manages the province's oil, gas and hydro assets. He has management and investment experience in a number of industries including energy, commercial real estate, marketing and communications.</p> <p>He has served on numerous public and private boards over the past three decades. In 2007, Mr. MacDonald was selected as CEO of the Year by Birch Hill Capital Partners.</p>		
Voting Results from last Annual Meeting		Board / Committee Memberships in 2019	Meetings Attended	Total Attendance
For	48,476,936	Board	13 / 13	18 / 18 (100%)
	98.4%	HSE Committee	5 / 5	
Withheld	778,226			
	1.6%			
Common Shares Beneficially Owned or Controlled (directly or indirectly)⁽²⁾:				10,775,442 ⁽⁴⁾

Sean D. McMaster Calgary, Alberta, Canada Age: 61 Director since ⁽¹⁾ : 2014 Independent Director		<p>Mr. McMaster is a retired businessman with extensive experience in legal and regulatory matters. From 1996 to February 2014, Mr. McMaster was employed by TC Energy Corporation where he held various leadership roles. At the time of his retirement, he was Executive Vice President, Stakeholder Relations and General Counsel at TC Energy Corporation with overall responsibility for the management of legal and regulatory affairs, stakeholder relations, internal audit, external communications, compliance and corporate security. He was a director of Bruce Power, the entity that operates North America's largest nuclear facility. In January 2019, Mr McMaster was appointed as Chairman of the Board of Directors of ClearStream.</p> <p>Mr. McMaster graduated from the University of Windsor in 1981 with a Bachelor of Arts (Honours) in Economics and Political Science. He received his Bachelor of Laws from the University of Alberta in 1989 and his Masters of Law from York University in 2006. Mr. McMaster obtained the Charter Director (C. Dir.) designation from the Directors College (a joint venture of McMaster University and the Conference Board of Canada) in 2010.</p>		
Voting Results from last Annual Meeting		Board / Committee Memberships in 2019	Meetings Attended	Total Attendance
For	48,921,965	Board	13 / 13	26 / 26 (100%)
	99.3%	Audit Committee	4 / 4	
Withheld	333,197	CGC Committee	4 / 4	
	0.7%	HSE Committee	5 / 5	
Common Shares Beneficially Owned or Controlled (directly or indirectly)⁽²⁾:				250,000

Yves Paletta Calgary, Alberta, Canada Age: 55 Director since: Nominee Non-Independent Director		<p>Mr. Paletta was appointed Chief Executive Officer of the Corporation in August 2018. He is a distinguished leader with over 25 years of global leadership experience in leading businesses with a focus on growth, strong business processes and operational execution. Prior to joining ClearStream, He served in various senior positions including President and CEO of Logstor Group, based in Copenhagen, Denmark; Managing Director of SBM Offshore FPSO Execution Center, based in Rotterdam, Netherlands; and Senior Vice President of Bredero Shaw/Shawcor, first based in Houston, Texas, USA and then in London, United Kingdom. He started his career with Veolia Environment Group in France before being promoted to Regional Managing Director based in Kuala Lumpur, Malaysia, and Vice President South East Asia based in Singapore. From February 2018 to July 2019, Mr. Paletta served as a Director of Atlantic Petroleum, an oil and gas exploration and production company listed on the NASDAQ OMX Copenhagen stock exchange.</p> <p>Mr. Paletta holds a Masters of Business Administration degree from ISA-HEC School of Management in Paris, France and an Electrical Engineering degree from ESIEE Engineering School in Paris, France. He is currently enrolled in the Directors Education Program at the Institute of Corporate Directors in collaboration with the University of Toronto's Rotman School of Management.</p>		
Voting Results from last Annual Meeting		Board / Committee Memberships in 2019⁽⁵⁾	Meetings Attended	Total Attendance
For	n/a	Board	13 / 13	26 / 26 (100%)
	n/a	Audit Committee	4 / 4	
Withheld	n/a	CGC Committee	4 / 4	
	n/a	HSE Committee	5 / 5	
Common Shares Beneficially Owned or Controlled (directly or indirectly)⁽²⁾:				100,000

Notes:

- (1) Includes time served as a trustee of Newport Partners Income Fund (the predecessor to the Corporation) or as a director of Tuckamore GP Inc.
- (2) The statement as to ownership of, or control and direction over, Common Shares, not being within the knowledge of the Corporation, has been furnished by the relevant nominee or obtained from public filings.
- (3) Mr. Clarke holds 200,000 Shares through 57146 Newfoundland and Labrador Inc.
- (4) Includes shares held directly and indirectly by Deacon Investments Ltd., MacDonald Family Trust and certain family members.
- (5) Mr. Paletta was not a director during 2019. As Chief Executive Officer of the Corporation, he is typically invited to attend all Board and Committee meetings. We have reported his attendance at the meetings in that capacity.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the management of the Corporation, except as disclosed below, no nominee is, at the date of this Circular, or has been, within ten years before the date of this Circular,

- (a) a director, chief executive officer or chief financial officer of any company (including the Corporation) that: (i) was subject to an order that was issued while the nominee was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued while the nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) a director or executive officer of any company (including the Corporation) that, while that 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; or

- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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 nominee.

For the purposes of section (a) above, the term "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Mr. Paletta was a director, from February 2018 to July 2019, of Atlantic Petroleum, a junior oil and gas company listed on NASDAQ OMX Copenhagen and on the Oslo Stock Exchange. In May 2019, the board of directors of Atlantic Petroleum agreed to a temporary suspension of the company's shares at the request of NASDAQ Copenhagen. In June 2019, NASDAQ Copenhagen issued a reprimand to Atlantic Petroleum for late filings during the preceding six months of certain disclosure, information and reports required by NASDAQ Copenhagen rules, including a corporate fine equivalent to two years of the company's listing fee. Mr. Paletta ceased to be a director of Atlantic Petroleum at the company's July 2019 general meeting. In September 2019, NASDAQ Copenhagen lifted the share suspension from Atlantic Petroleum and trading resumed.

To the knowledge of management of the Corporation, no nominee has:

- (a) 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
- (b) 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 director nominee.

Advance Notice Provisions

On March 4, 2020, the Board approved the adoption of a new form of by-laws that contain advance notice provisions, which provide the Corporation's shareholders, board of directors and management with a clear framework for the nomination of directors to ensure that shareholders will have sufficient time and information to consider proposed director nominees and to ensure for the orderly conduct of business at shareholder meetings. The advance notice provisions will apply to the nomination of directors for election at the Meeting. See "*Particulars of the Matters to be Acted Upon – Approval of New Form of By-Laws*".

Majority Voting Policy for Director Elections

The Board has adopted a Majority Voting Policy for the election of directors, whereby with respect to any particular nominee, if the number of votes "withheld" exceeds the number of votes "for" such nominee, they will not be considered to have received the confidence and support of Shareholders, even though they will have been duly elected as a matter of corporate law. A person elected as a director who is considered for the purpose of this policy not to have received the confidence and support of the Shareholders is required to immediately tender his or her resignation as a director, to be effective on acceptance by the Board. A director who tenders a resignation pursuant to this policy will not participate in any meeting of the Board or any committee of the Board at which the resignation is considered.

The Board will consider the tendered resignation and disclose by news release its decision whether or not to accept that resignation and the reasons for its decision no later than 90 days after the date of the relevant Shareholders' meeting, a copy of which will be provided to TSX. The Board will accept the tendered resignation, absent exceptional circumstances. In considering whether or not to accept the tendered resignation, the Board will consider all factors that it deems in its discretion to be relevant, including, without limitation, any stated reasons why Shareholders withheld votes for election of such director, the length of service and qualifications of the director whose resignation has been tendered, the director's contribution to the Corporation and the Corporation's corporate governance policies. The Majority Voting Policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected.

Approval of New Form of By-laws

On March 4, 2020, the Board adopted, subject to confirmation by the Shareholders at the Meeting, a new form of by-laws (the "**Original New By-Laws**"). The Original New By-laws have been updated to reflect common current corporate practices, relative to those that were in place when the Corporation's by-laws were originally established, including the addition of advance notice provisions (the "**Advance Notice Provisions**"), which provide the Corporation's shareholders, board of directors and management with a clear framework for the nomination of directors to ensure that shareholders will have sufficient time and information to consider proposed director nominees and to ensure for the orderly conduct of business at shareholder meetings.

On May 7, 2020, the Board approved the following amendments to the Original New By-Laws: (i) to specify that in the event of an adjournment or postponement of an annual meeting or special meeting of shareholders or any announcement thereof, a new time period shall commence for the giving of timely notice under the Advance Notice Provisions; and (ii) to amend the wording of Section 10.03 (Meetings by Electronic Means) to better align with the electronic meeting provisions contained in the *Business Corporations Act* (Ontario). The Original New By-Laws, as amended, are referred to as the "**New By-Laws**".

The full text of the New By-laws is attached to this Circular as Schedule "A". The following is a summary of the Advance Notice Provisions of the New By-laws. This summary is subject to, and qualified by, the full text of the Advance Notice Provisions of the New By-laws.

Purpose of the Advance Notice Provisions of the New By-Laws

The purpose of the Advance Notice Provisions is to provide shareholders, the Board and management of the Corporation with a clear framework for director nominations to help ensure orderly business at shareholder meetings. Among other things, the Advance Notice Provisions fix a deadline by which shareholders must submit director nominations to the Corporation prior to any annual or special meeting of shareholders. They also specify the information that a nominating shareholder must include in the notice to the Corporation in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

The directors of the Corporation are committed to:

- (a) facilitating an orderly and efficient annual or special meeting process;
- (b) ensuring that all shareholders receive:
 - (i) adequate notice of director nominations; and
 - (ii) sufficient information in advance of an annual or special meeting with respect to all director nominees and the ownership interests (including voting and economic interests) of the nominating shareholder in order to assess the qualifications of the

proposed nominees for election to the Board and the nature of the nominating shareholder's interest in the Corporation; and

- (c) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

Summary of Terms of the Advance Notice Provisions

The Corporation has adopted, subject to confirmation by the Shareholders at the Meeting, the New By-Laws containing the Advance Notice Provisions which provide the Corporation's shareholders, board of directors and management with a clear framework for the nomination of directors to ensure that shareholders will have sufficient time and information to consider proposed director nominees and to ensure for the orderly conduct of business at shareholder meetings. The New By-Laws provide that only persons who are nominated in accordance with the Advance Notice Provisions shall be eligible for election as directors of the Corporation, whether at any annual or special meeting of shareholders.

The Advance Notice Provisions fix a deadline by which shareholders must submit director nominations by written notice to the Corporate Secretary of the Corporation prior to any annual or special meeting of shareholders and specifies the information that a nominating shareholder must include in such written notice in order for director nominees to be eligible for nomination and election at such meeting. No person nominated by a shareholder will be eligible for election as a director of the Corporation unless nominated in accordance with the Advance Notice Provisions.

In the case of an annual meeting of shareholders, valid written notice of the nomination to the Corporate Secretary of the Corporation must be made not less than 30 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, the valid written notice of nomination to the Corporate Secretary must be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not also called for other purposes), valid written notice of the nomination to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made. Where notice-and-access is used for the delivery of proxy related materials in respect of any such meeting as aforementioned, and the notice date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the valid written notice of nomination must be made not less than 40 days prior to the date of the applicable meeting.

In the event of an adjournment or postponement of an annual meeting or special meeting of shareholders or any announcement thereof, a new time period shall commence for the giving of timely notice.

The Board may, in its sole discretion, waive any requirement of the Advance Notice Provisions of the New By-laws.

Approval Required

In accordance with the OBCA, the New By-laws are in effect until they are confirmed, confirmed as amended or rejected by Shareholders at the Meeting, and if confirmed or confirmed as amended, the New By-laws will continue in effect in the form in which they are so confirmed. If Shareholders reject the confirmation of the New By-laws at the Meeting, the New By-Laws will thereafter cease to have effect and the Corporation's current by-laws will remain in place.

At the meeting, Shareholders will be asked to consider, and if deemed advisable, to pass the following ordinary resolution confirming the adoption of the New By-Laws, subject to such amendments, variations or additions as may be approved at the Meeting:

"BE IT RESOLVED as an ordinary resolution of the Shareholders of ClearStream Energy Services Inc. (the "Corporation") that:

1. the new form of by-laws of the Corporation in the form attached as Schedule "A" to the management information circular dated May 7, 2020 are hereby ratified, confirmed and approved and the current by-law No. 1 of the Corporation is hereby repealed;
2. notwithstanding that this resolution has been passed by the holders of common shares of the Corporation, the Board of Directors of the Corporation is hereby authorized and empowered to revoke these resolutions, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable; and
3. any one director or officer of the Corporation is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute (whether under corporate seal or otherwise) or cause to be executed and to deliver or cause to be delivered all such applications, declarations, instruments and other documents, and to do or cause to be done all such acts and things, as such director or officer may determine necessary or desirable in order to give effect to the foregoing resolutions, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

The above resolution must be approved by a simple majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. **Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote FOR the above resolution.**

COMPENSATION DISCUSSION AND ANALYSIS

Overview

This compensation discussion and analysis describes the Corporation's overall approach to executive compensation for the year ended December 31, 2019. In particular, this compensation discussion and analysis focuses on:

- significant elements of ClearStream's senior management compensation programs;
- principles on which ClearStream makes compensation decisions and on which it determines the amount of each element of senior management compensation; and
- analysis and discussion of the material compensation decisions made by the Corporate Governance and Compensation Committee (the "**CGC Committee**") of the Board for 2019.

The information in this compensation discussion and analysis is given as of December 31, 2019, unless otherwise stated.

Objectives of ClearStream's Compensation Programs

ClearStream's compensation programs are designed to meet the following principal objectives:

- to incent and align the interests of management with the long-term interests of Shareholders;
- to enhance the growth and profitability of ClearStream;
- to provide competitive levels of compensation in order to attract, retain and motivate high-quality individuals at all levels of the organization;
- to encourage individual performance and achievement of business objectives;
- to maintain an entrepreneurial spirit by linking incentives to performance; and
- to foster a sense of teamwork and fairness.

ClearStream's overall approach to executive compensation is to attract, engage and retain highly capable executives through reward structures aligned with our business objectives and consistent with rewards among our comparators and to align employee efforts and goals with our Shareholders' goals of continued value creation.

Compensation Governance

Compensation and Corporate Governance Committee

The CGC Committee makes recommendations to the Board regarding senior management compensation and human resource policies, including compensation of the CEO. The CGC Committee reports to the Board, as set out in its terms of reference, and the Board has final approval on compensation matters.

During 2019, the CGC Committee was comprised of Messrs. Jordan Bitove (Chair), Herbert Fraser Clarke, Karl Johansson and Sean McMaster, each of whom are considered "independent" within the meaning of NI 52-110.

The members of the CGC Committee have direct experience that is relevant to their responsibilities in executive compensation, as well as skills and experience that enable them to make informed decisions on the suitability of the Corporation's executive compensation policies and practices. More specifically, each CGC Committee member has had experience acting in senior management roles for various companies throughout his career, including oversight for performance, compensation and succession planning with respect to senior management and personnel. Further, each CGC Committee member has been a member of several boards of directors where human resources and compensation issues were the object of discussion, recommendation and implementation on a regular basis. For additional information regarding the skills and experience of the members of the CGC Committee, see the applicable nominee biography under the heading "*Particulars of the Matters to be Acted Upon – Election of Directors*".

Risk Management

During each annual review and assessment by the CGC Committee of the Corporation's executive compensation program, the CGC Committee takes into consideration the risks associated therewith. At the present time, the CGC Committee has not identified any risks associated with the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

There are no provisions in any agreements or any of the Corporation's policies, including the Board's policies, restricting the directors or executive officers from purchasing any financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of Common Shares, or securities convertible into Common Shares, granted as compensation or held, directly or indirectly, by the directors or executive officers. The Corporation is not aware of any purchases of such financial instruments by any NEO or director during the most recently completed financial year.

Compensation Consultants and Advisors

In 2018, the CGC Committee retained Lattoni Associates ("**Lattoni**"), an independent compensation consulting firm, as its advisor to review ClearStream's approach to executive compensation and make recommendations for any changes to ClearStream's compensation programs deemed advisable and to design a new long-term incentive plan. Work on the long-term incentive plan carried over into 2019 with the CVCU Plan ultimately receiving Board approval in June 2019. See "*Components of Executive Compensation – Long-Term Incentive Plan*".

In 2019, the CGC Committee retained Lattoni as its advisor to review ClearStream's approach to executive compensation and make recommendations for any changes to ClearStream's compensation programs deemed advisable.

A status update of the CVCU Plan was reviewed in February 2020 by Lattoni with recommendations for future awards provided to the CEO and the CGC Committee. Those recommendations were considered by the CGC Committee at a meeting held in March 2020.

The table below provides a summary of the fees paid by the Corporation to compensation consultants and advisors for the two most recently completed financial years.

Year Ended December 31	Name of Compensation Consultant or Advisor	Executive Compensation-Related Fees	All Other Fees
2018	Lattoni Associates	\$57,605	Nil
2019	Lattoni Associates	\$10,514	Nil

Reward Strategy and Policy

The Corporation's executive reward strategy is designed around the principles of pay for performance, clear alignment with creating value for Shareholders, active engagement and motivation, and competitive positioning for recruiting, engaging and retaining superior talent in the Canadian energy services sector.

Base salary is linked to excellence in executing business strategy, defined responsibilities and sustained contributions. The Annual Incentive Plan ("**AIP**") is linked to the achievement of critical annual performance metrics, including net earnings before interest, taxes, depreciation and amortization ("**EBITDA**"), a non-IFRS measure (see "*Additional Information*"), and individual performance linked to the execution of defined business plans and strategies. ClearStream's long-term incentives are linked to the long-term value creation.

Generally, ClearStream's target positioning is as follows:

- Base salary is targeted to the median of the Comparator Group;
- Total cash (the sum of base salary and annual incentives) is targeted to the median total cash of the Comparator Group for performance at target and up to the 75th percentile for superior performance;
- Total direct compensation (the sum of target total cash and the present value of long-term incentive grants) is targeted to the median total direct compensation of the Comparator Group with uncapped potential for creating shareholder value; and
- Total compensation (the sum of total direct compensation plus benefits and perquisites) is targeted to the median of the Comparator Group.

Target positioning for each role and individual also considers internal equity among the NEOs and other executive team members.

ClearStream competes for executive talent within the energy services sector, as well as the broader energy sector. Accordingly, the Corporation compiles and reviews executive compensation data from a cross-section of similarly sized competitors in the business sectors in which it competes for business, as well as comparably sized organizations in the energy services sector.

The Corporation's 2019 comparator group (the "**Comparator Group**") included the following companies:

- Bird Construction Inc.
- Cathedral Energy Services Ltd.
- Horizon North Logistics Inc.
- North American Energy Partners Inc.
- ShawCor Ltd.
- Strad Inc.
- Stuart Olson Inc.
- TerraVest Capital Inc.
- Total Energy Services Inc.
- Vertex Resources Group Ltd.

The CGC Committee reviews the Comparator Group annually and adjusts the group for changes in ClearStream's scope and size as well as structural changes in the sector, such as mergers and new

entrants. The only changes to the Comparator Group relative to last year were the removal of Gemini Corporation and Newalta Corporation as they ceased as public companies.

Named Executive Officers

For the year ended December 31, 2019, the Named Executive Officers were: Yves Paletta, Chief Executive Officer of the Corporation; Randy Watt, Chief Financial Officer of the Corporation; Neil Wotton, Chief Operating Officer of the Corporation; Barry Card, Chief Commercial Officer of the Corporation; and Herb Thomas, Vice President, Operations (Flint and ClearStream Contracting) of ClearStream Energy Holdings Inc.

Components of Executive Compensation

This section describes the compensation structures and plans in force in 2019. Compensation of the Corporation's executives consists of base salary, annual incentive plan awards, long-term incentives, and benefits and perquisites.

Base Salary

ClearStream pays a base salary as a means of providing a non-performance based element of compensation that is certain and predictable and is generally competitive with market practice. Base salary is targeted to median levels of base salary among the Comparator Group and actual individual base salary reflects the experience and capabilities of each executive as well as her or his sustained level of contribution.

Base salary is reviewed annually by the CGC Committee. For NEOs other than the CEO, the CGC Committee reviews the tally sheets described above and the CEO's assessment and recommendations for adjustments, if any. For the CEO, the CGC Committee reviews the CEO tally sheet, conducts its own performance assessment and makes its recommendations to the Board.

Annual Incentive Plan

The AIP is a broad-based plan for salaried employees, including the NEOs, and is linked to the achievement of corporate and business unit EBITDA targets, as well as individual goals set by the Board or the CGC Committee. Where performance is below pre-defined threshold levels, no amounts will be payable under the AIP. The Board and the CGC Committee review the performance and may adjust calculated AIP payments based on their judgment.

Performance metrics for the AIP include safety (defined as improvement in Total Recordable Injury Frequency (TRIF)), corporate and business unit EBITDA and individual objectives as set by the CEO (or by the CGC Committee, in the case of the CEO). For corporate leaders (which include all NEOs except Mr. Thomas), corporate metrics constitute 50% and individual objectives constitute 50% of the performance criteria for the AIP. For business unit leaders (such as Mr. Thomas), corporate metrics constitute 80% and individual objectives constitute 20% of the performance criteria for the AIP.

Each NEO is assigned a target annual incentive with NEO targets ranging from 40% to 100% of base salary and actual payments linked to the achievement of pre-defined corporate and/or business unit goals and the attainment of individual goals. The target bonus payout of 50% of maximum incentive for all NEOs (except for Mr. Paletta) is linked to achievement of Board-approved budget levels. The target bonus payout of 66.6% of maximum incentive for Mr. Paletta is linked to achievement of Board-approved budget levels. Bonus payout above threshold levels is between 0% and 50% of maximum incentive for all NEOs (and between 0% and 66.6% of maximum incentive for Mr. Paletta). Bonus payout at top performance is 100% of maximum incentive.

Long-term Incentive Plans

Through its long-term incentive plans, the Corporation seeks to align the interests and performance of its employees with the Corporation's business strategy and, ultimately, the creation of long-term value for its Shareholders.

In late 2017, the CGC Committee determined that the Corporation's long-term incentive plans, being the Incentive Option Plan (the "**Option Plan**") and the Performance Share Unit and Restricted Share Unit Plan (the "**PSU and RSU Plan**"), were no longer providing a sufficient incentive given that the Corporation's capital structure was heavily weighted to debt and preferred shares. The Option Plan and the PSU and RSU Plan are no longer active, with the last grants thereunder having been made on January 31, 2017. As at January 1, 2020, there were no awards outstanding under the PSU and RSU Plan and 1,630,000 stock options (with an exercise price of \$0.28/share and an expiry date of January 31, 2022) outstanding under the Option Plan. A description of the Option Plan and the PSU and RSU Plan is contained in Schedule "B".

In February 2018, the CGC Committee engaged Lattoni to work with management on the design of a new long-term incentive plan. For the next 16 months, Lattoni and management explored various long-term incentive plan structures and sought feedback and direction from the CGC Committee and, at times, the Board. On June 19, 2019 the Board approved the Cumulative Value Creation Unit Plan of the Corporation (the "**CVCU Plan**") and the initial awards thereunder.

The CVCU Plan provides eligible participants (directors, officers, employees and other personnel) with an opportunity to share in 10% of the cumulative "value creation" over a specified performance period (typically three years) through the grant of units ("**CVCUs**"). Value creation is calculated for such performance period as enterprise value (calculated as 5x EBITDA) less new equity investments over such period less net debt at the end of such period.

Under the CVCU Plan, payouts can range from 0-200% of the target long-term incentive for the participant. At the time of grant, participants are told what their individual share of the Value Creation will be (this is a function of the number of CVCUs granted to all participants). To facilitate the potential maximum payout, participants are granted CVCUs in an amount equal to 2x their target annual long-term incentive (6x for participants receiving a triennial grant (i.e., once every three years)). At the end of the performance period, the number of CVCUs that vest is equal to the participant's share of the Value Creation over the performance period. CVCUs are settled in cash upon vesting and payable within one month following Board approval of the Corporation's annual financial statements in respect of the final fiscal year of the performance period.

For a summary of the principal terms of the CVCU Plan, see "*Summary of Cumulative Value Creation Plan*" below.

Benefits and Perquisites

The Corporation maintains a broad-based benefit program, including medical, dental and life insurance, for its employees, including the NEOs. The Corporation provides monthly taxable automobile and parking allowances to senior executives.

Effective January 1, 2018, the Corporation re-instated a savings plan to assist its employees in meeting their savings goals. The Corporation matches each employee's contributions to a maximum of 4% of their base salary. The combined contributions are allocated by the employee to a RRSP, spousal RRSP, a tax-free savings account or a non-registered investment account. Investment options under the savings plan include a suite of professionally managed investment funds.

2019 Compensation Decisions

For 2019, the CGC Committee undertook the following steps in determining executive compensation:

- Engaged Lattoni to advise with respect to executive compensation structure and policy and provide pay level proposals taking into account information derived from the Comparator Group.
- Reviewed progress against performance targets and implications for variable pay.
- Reviewed compensation materials provided by management and Lattoni in advance of compensation-related meetings, including individual "tally sheets" for each NEO that array the complete history of base salary, annual incentives and long-term incentives against the Comparator Group and a cross-section of survey data.
- Reviewed performance and made recommendations for the Board's consideration and approval regarding base salary, annual incentives, long-term incentive grants and benefits and perquisites.

Base Salary

On February 21, 2019, the CGC Committee met to consider base salaries for the NEOs for 2019. Pursuant to a review of CFO, COO and CCO compensation conducted by the CEO and confirmed by Lattoni, the CGC Committee recommended that base salaries for the NEOs for 2019 be maintained at 2018 levels. The Board accepted the recommendation of the CGC Committee. In recognition of the expansion of Mr. Thomas' responsibilities following the completion of the acquisition of certain assets of the production services division of AECOM Production Services Ltd. (the "**PSD Business**") on June 28, 2019, his base salary was increased from \$229,000 to \$250,000 effective September 21, 2019.

Looking forward to 2020

On March 4, 2020, the CGC Committee met to consider base salaries for the NEOs for 2020. Pursuant to a compensation survey prepared by the CEO and confirmed by Lattoni, the CGC Committee recommended that base salaries for the NEOs for 2020 be maintained at 2019 levels. The Board accepted the recommendation of the CGC Committee.

Annual Incentive Plan

On July 31, 2019, the CGC Committee met to consider adjustments to the performance targets under the AIP for 2019 as a result of the completion of the acquisition on June 28, 2019 of the PSD Business and all of the shares of Universal Weld Overlays Inc. The CGC Committee recommended (and the Board subsequently approved) the following changes to the performance targets: the Company EBITDA target was changed to \$15 million (previously \$10 million); and the safety target (as measured by total recordable injury frequency) was changed to a level that equated to 2018 TRIF. All other terms of the AIP remained unchanged.

On March 4, 2020, the CGC Committee met to consider the proposed payout under the AIP for 2019 performance. The following table shows the Corporation's 2019 performance relative to the corporate performance scorecard.

Performance Measure	Weighting ⁽¹⁾	Performance Target	Result	Result as % of Maximum
Company EBITDA ⁽²⁾ (\$ millions)	30%	\$15.0	\$18.2	71%

Performance Measure	Weighting ⁽¹⁾	Performance Target	Result	Result as % of Maximum
Average Days Sales Outstanding	10%	72 days	90 days	-
Safety (TRIF) ⁽³⁾	10%	0.37	0.42	-
Individual Performance ⁽⁴⁾	50%	Met Expectations	Met or Exceed Expectations	50-100%

Notes:

- (1) The weightings shown in the table are for a corporate leader, which includes all of the NEOs except Mr. Thomas. As a business unit leader, Mr. Thomas' performance measures and weightings are: Company EBITDA (10%); Business Unit EBITDA (40%); safety (20%); average days sales outstanding (10%); and individual performance (20%).
- (2) For purposes of the AIP, Company EBITDA is calculated as net earnings determined in accordance with IFRS (excluding the application of IFRS 16 (Leases)), before depreciation and amortization, interest expense, income tax expense (recovery), share-based compensation and other long-term incentive plans, the gain on sale of assets held for sale, impairment of goodwill and intangible assets, restructuring costs, gain on sale of property plant and equipment, recovery of contingent consideration liability, other loss, one time incurred expenses, impairment of right-of-use assets, bargain purchase gain and gain on re-measurement of right-of-use assets.
- (3) Total Recordable Injury Frequency (TRIF) represents the number of recordable injuries per 200,000 hours worked.
- (4) Individual Performance is measured through two elements: (i) competency of the individual against position requirements; and (ii) achievement of goals set at the beginning of 2019 that aligned with the corporate strategic plan and objectives. There are four possible ratings for individual performance: needs improvement (0% payout); partially meets expectations (25% payout); meets expectations (50% payout); and exceeds expectations (100% payout).

The following table shows the annual targets under the AIP and the actual payout received in 2019 for each of the Named Executive Officers.

Name	Annual AIP Target		2019 AIP Payment	
	Amount (\$)	As % of Base Salary	Amount (\$)	As % of Annual AIP Target
Yves Paletta	500,000	100%	556,730	111%
Randy Watt	225,000	75%	208,557	93%
Neil Wotton	225,000	75%	321,057	143%
Barry Card	206,250	75%	294,302	143%
Herb Thomas	70,275	30%	94,331	134%

Long-Term Incentive Plan

On June 19, 2019, the Board approved the CVCU Plan and the initial grants thereunder. The Board, based on advice from Lattoni, decided on two types of grants: a triennial grant (i.e., once every three years) for the Executive Leadership Team members; and an annual grant for the directors and all other participants.

When work on the development of the new long-term incentive plan commenced in February 2018, the intent was that the plan would be finalized in a few months and the initial grant (with a performance period of 2018-2020) would be made in mid-2018. As the development of the CVCU Plan took much longer than anticipated, the Board approved both the 2018 grants and the 2019 grants on June 19, 2019. The 2018 grants included both the triennial grant for the Executive Leadership Team members and the annual grant

for all other participants, each with a performance period of 2018-2020. The 2019 grants included only the annual grant for the directors and all other participants, with a performance period of 2019-2021.

The following table details the calculation of the number of CVCUs granted to the Named Executive Officers:

Grantee Name	Annual LTIP Target		Grant Type ⁽¹⁾	Max. Grant Value (as multiple of Annual LTIP) ⁽²⁾	CVCU Units Granted (#)
	Amount (\$)	As % of Base Salary			
Yves Paletta	1,000,000	200%	Triennial	6x	6,000
Randy Watt ⁽³⁾	360,000	120%	Triennial	6x	1,440
Neil Wotton	360,000	120%	Triennial	6x	2,160
Barry Card	330,000	120%	Triennial	6x	1,980
Herb Thomas	90,000	40%	Annual	2x	180

Notes:

- (1) A triennial grant is made once every three years. The initial grant under the CVCU Plan to the Executive Leadership Team members was a triennial grant. All other participants received an annual grant.
- (2) To facilitate the potential maximum payout (200% of target), participants are granted CVCUs in an amount equal to 2x their target annual long-term incentive (6x for participants receiving a triennial grant).
- (3) The number of CVCUs granted to Mr. Watt was reduced by one-third to reflect the fact that his employment commenced on November 14, 2018 (approximately 1 year into the 3-year performance period).

Under the CVCU Plan, payouts can range from 0-200% of the target long-term incentive for the participant. The following table sets forth details regarding the potential payouts for the CVCUs granted to the Named Executive Officers:

Grantee Name	Grant Type (Performance Period)	CVC Units Granted (#)	Potential Payout (\$) ⁽¹⁾⁽²⁾	
			Target	Maximum
Yves Paletta	Triennial (2018-20)	6,000	3,000,000	6,000,000
Randy Watt	Triennial (2018-20)	1,440	720,000	1,440,000
Neil Wotton	Triennial (2018-20)	2,160	1,080,000	2,160,000
Barry Card	Triennial (2018-20)	1,980	990,000	1,980,000
Herb Thomas	Annual (2018-20)	180	90,000	180,000
	Annual (2019-21)	180	90,000	180,000

Notes:

- (1) Under the CVCU Plan, payouts can range from 0-200% of the target long-term incentive for the participant. At the time of grant, participants are told what their individual share of the Value Creation will be (this is a function of the number of CVCUs granted to all participants for the applicable performance period). At the end of the performance period, the number of CVCUs that vest is equal to the participant's share of the Value Creation over the performance period. The actual value realized may be greater or less than the amount reported in the table.
- (2) Based on the financial model that forecasts Value Creation over the applicable three-year performance period, as at March 31, 2020, no amounts are forecast to be payable for the awards with a performance period of 2018-20 and only a portion of the potential target payout is forecast for the awards with a performance period of 2019-21.

Any amounts earned under the CVCU Plan at the end of the applicable performance period will be reported in the summary compensation table as non-equity incentive plan compensation (long-term incentive plans).

Summary of Cumulative Value Creation Unit Plan

The following is a summary of the material features of the CVCU Plan.

- The purpose of the CVCU Plan is to provide an incentive to the directors, officers, employees, and other personnel of the Corporation or any of its subsidiaries ("**CVCU Participants**") to achieve the long-term value creation objectives of the Corporation; to give suitable recognition to the ability of such persons who contribute materially to the success of the Corporation and its business; and to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability.
- The CVCU Plan is designed for CVCU Participants to share in 10% of the Value Creation of the Corporation over such periods of time and at such percentage participation levels as determined and allocated upon grant by the CGC Committee.
- The CVCU Plan provides for the issuance of CVCUs entitling the holder to receive a cash payment upon vesting calculated according to the percentage of Value Creation allocated upon grant by the CGC Committee to the CVCU Participant, subject to the terms and conditions of the CVCU Plan.
- Other than in the event of a change of control or a change in the status of the CVCU Participant and subject to the discretion of the CGC Committee, CVCUs vest at the end of the three-year performance period applicable to such CVCUs, as determined by the CGC Committee upon grant. Such performance period, unless otherwise determined by the CGC Committee, commences on January 1 of the calendar year in which the CVCU is granted and ends on the most recently completed financial period immediately prior to the third anniversary of the grant date of such CVCU; and the performance period shall not extend beyond December 31 of the third calendar year commencing after the year in which the CVCU is granted. If vesting is accelerated due to a change of control or a change in the status of the CVCU Participant, the CGC Committee may determine, in its discretion, the applicable performance period.
- Vested CVCUs are settled in cash one month following the date of the approval by the Board of the Corporation's audited annual financial statements for the final fiscal year of the performance period of such vested CVCUs. Unvested CVCUs are cancelled at the end of the applicable three-year performance period.
- For purposes of the CVCU Plan, and as defined therein:
 - "Value Creation" means, for a particular period, five times Adjusted EBITDA minus New Investment over the such period minus Net Debt at the end of such period;
 - "Adjusted EBITDA" means, for a particular period, EBITDA excluding income from equity investments, gain (loss) on sale of assets held for sale, impairment of goodwill and intangible assets, restructuring costs and gain (loss) on sale of property plant and equipment;
 - "EBITDA" means, for a particular period, the Corporation's net earnings before depreciation and amortization, interest expense, income tax expense (recovery) and incentive-based compensation;
 - "New Investment" means, for a particular period, any issuance(s) of equity securities of the Corporation, including any Common Shares or Preferred Shares, for valuable consideration by way of a prospectus offering, private placement or rights offering, other than pursuant to the Option Plan, the PSU and RSU Plan or upon the conversion of any Preferred Shares; and

- “Net Debt” means, at a particular date, the sum of the amount outstanding under the Corporation's asset-based revolving credit facility, its 8.00% senior secured debentures due March 23, 2026 and other long-term debt, less cash and cash equivalents.
- Except in certain limited circumstances related to the death of a CVCU Participant, CVCUs are non-transferable.
- The Corporation retains the right to suspend, discontinue or amend the CVCU Plan and CVCUs granted thereunder and any such suspension, discontinuance or amendment shall apply only in respect of CVCUs granted on or after the date of such suspension, discontinuance or amendment; provided that the Corporation may not suspend, discontinue or amend the CVCU Plan or amend any outstanding CVCU in a manner that would adversely alter or impair any CVCU previously granted, unless the grantee agrees. No suspension, discontinuance or amendment of the CVCU Plan or amendment of a CVCU may contravene applicable laws to which the CVCU Plan, the CVCUs or the Corporation is now or may hereafter be subject.
- The treatment of outstanding CVCUs in the event of death, termination for cause, termination without cause, voluntary resignation and in the event of a change of control is set out below under the heading "*Termination and Change of Control Benefits*".

Burn Rate

In accordance with TSX rules, the "burn rate" is calculated by dividing the number of share-based awards granted during the applicable fiscal year by the weighted average number of Common Shares outstanding for the applicable fiscal year, expressed as a percentage. The table below provides details on the burn rate for the Option Plan and the PSU and RSU Plan for the three most recently completed fiscal years. No options, PSUs or RSUs were granted during the years ended December 31, 2018 or 2019.

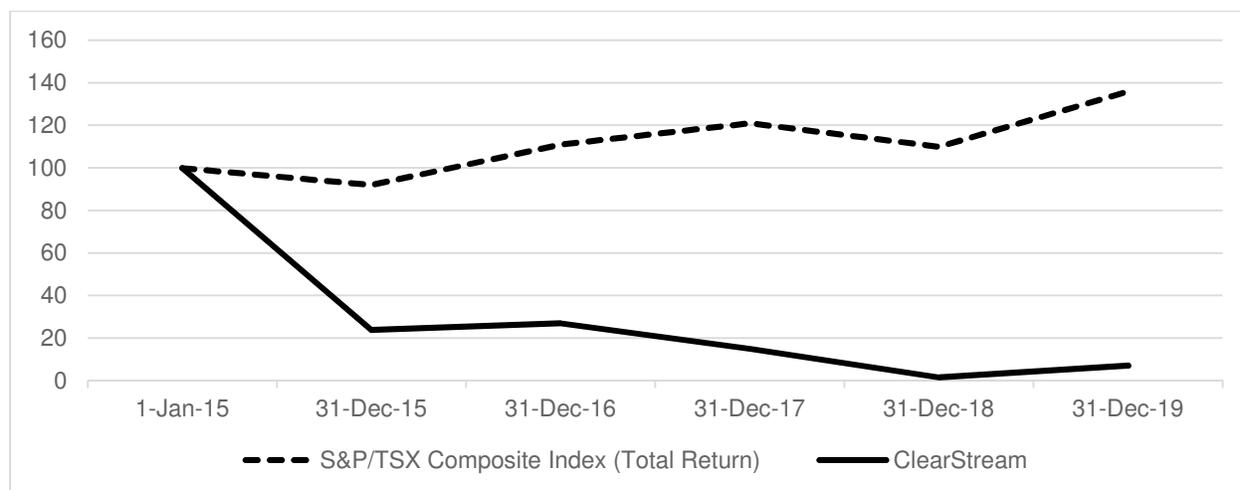
Burn Rate	Year Ended December 31		
	2019	2018	2017
Options	Nil	Nil	5.97%
PSUs	Nil	Nil	3.70%

Note:

- (1) For purposes of calculating the burn rate it is assumed that the Common Share price and EBITDA performance criteria specified in the PSU awards have been met and the performance multiplier of actual EBITDA to target EBITDA is 1:1.

Performance Graph

The following graph compares the cumulative total return of the S&P/TSX Composite Total Return Index to ClearStream's cumulative total shareholder return over the period from January 1, 2015 to December 31, 2019, assuming a \$100 investment on January 1, 2015. No dividends or other distributions on the Common Shares were made by the Corporation during the period from January 1, 2015 to December 31, 2019.



As discussed above, the CGC Committee considers a number of factors in connection with its determination of appropriate levels of compensation for Named Executive Officers. The levels of compensation for Named Executive Officers do not necessarily track the changes in the market value of Common Shares.

Summary Compensation Table

The following table provides a summary of the compensation of the NEOs for the three most recently completed financial years. All of the NEOs are officers of the Corporation, except for Mr. Thomas who is an officer of ClearStream Energy Holdings Inc., an indirect, wholly-owned subsidiary of the Corporation.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards ⁽¹⁾ (\$)	Option-Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation		Pension Value (\$) ⁽⁵⁾	All Other Compensation (\$) ⁽⁶⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾ (\$)	Long-Term Incentive Plans ⁽⁴⁾ (\$)			
Yves Paletta ⁽⁷⁾ Chief Executive Officer	2019	500,000	Nil	Nil	556,730	Nil	Nil	19,231	1,075,961
	2018	188,461	Nil	Nil	500,000 ⁽⁸⁾	Nil	Nil	57,538	745,999
Randy Watt ⁽⁹⁾ Chief Financial Officer	2019	300,000	Nil	Nil	208,557	Nil	Nil	12,000	520,557
	2018	25,384	Nil	Nil	Nil	Nil	Nil	462	25,846
Neil Wotton Chief Operating Officer	2019	300,000	Nil	Nil	321,057	Nil	Nil	12,000	633,057
	2018	273,076	Nil	Nil	123,750	Nil	Nil	10,923	407,749
	2017	250,000	217,500	233,700	200,000	Nil	Nil	Nil	901,200
Barry Card Chief Commercial Officer	2019	275,000	Nil	Nil	294,302	Nil	Nil	11,000	580,302
	2018	253,461	Nil	Nil	91,800	Nil	Nil	9,415	354,676
	2017	213,846	162,400	38,000	100,000	Nil	Nil	Nil	514,246
Herb Thomas Vice, President, Operations (Flint and ClearStream Contracting)	2019	235,058	Nil	Nil	94,331	Nil	Nil	19,972	349,361
	2018	222,076	Nil	Nil	46,515	Nil	Nil	54,434	323,025
	2017	214,000	148,400	19,000	15,000	Nil	Nil	Nil	396,400

Notes:

- (1) No awards have been made under the PSU and RSU Plan since January 31, 2017. The amounts reported for 2017 represent the grant date fair value of the RSUs (in the case of Mr. Card and Mr. Thomas) and PSUs (in the case of Mr. Wotton) awarded in 2017. The actual value realized from the RSUs upon vesting was significantly less than the grant date fair value. As the performance condition related to the PSUs was not satisfied, they expired with no payment being made.
- (2) No options have been granted under the Option Plan since January 31, 2017. The amounts reported for 2017 represent the grant date fair value of the options granted in 2017.
- (3) Unless otherwise noted, the amounts reported represent the annual bonus awarded (either under the AIP or on a discretionary basis) for the applicable year and are typically paid in the first half of the following year. In 2019, the annual bonus was earned under the AIP and was paid in March 2020 (see "Compensation Discussion and Analysis – 2019 Compensation Decisions"). In 2017 and 2018, discretionary bonuses were awarded for individual performance and no bonuses were paid under the AIP as threshold performance levels were not achieved.
- (4) Amounts earned under the CVCU Plan will be reported in this column if and when earned. See "Compensation Discussion and Analysis – Summary of Cumulative Value Creation Unit Plan". For details regarding the grants that have been made to the Named Executive Officers, see "Compensation Discussion and Analysis – 2019 Compensation Decisions".
- (5) ClearStream does not have any defined benefit or defined contribution pension plans or any other plans that provide for the payment of pension plan benefits.
- (6) The amounts shown in the table above represent ClearStream's matching contributions to the employee savings plan (see "Compensation Discussion and Analysis – Benefits and Perquisites"). The amount shown for Mr. Paletta for 2018 includes \$50,000 for reimbursement of certain relocation expenses. The amount shown for Mr. Thomas includes the cash settlement of accrued vacation of \$10,570 for 2019 and \$45,574 for 2018. The value of perquisites received by each NEO, including property or other personal benefits provided to the NEO that are not generally available to all employees, were not in the aggregate greater than \$50,000 or 10% of the NEO's base salary for the financial year.
- (7) Mr. Paletta was appointed as the Chief Executive Officer of the Corporation effective August 20, 2018. His annualized salary for 2018 was \$500,000.
- (8) Represents a minimum guaranteed payout of 100% of target incentive for 2018, not pro-rated to Mr. Paletta's start date. The payment of this bonus was specified in his offer of employment.
- (9) Mr. Watt was appointed as the Chief Financial Officer of the Corporation effective November 14, 2018. His annualized salary for 2018 was \$300,000.

Incentive Plan Awards

The table below shows all outstanding equity-based compensation granted to the named executives as at December 31, 2019:

Name and Principal Position	Option-Based Awards					Share-Based Awards			
	Grant Date	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiry Date	Value of Unexercised In-The-Money Options ⁽¹⁾	Grant Date	Number of Shares or Units That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed
Yves Paletta Chief Executive Officer	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Randy Watt Chief Financial Officer	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Neil Wotton Chief Operating Officer	January 31, 2017	1,230,000	\$0.28	January 31, 2022	Nil	Nil	Nil	Nil	Nil
Barry Card Chief Commercial Officer	January 31, 2017	200,000	\$0.28	January 31, 2022	Nil	Nil	Nil	Nil	Nil
Herb Thomas Vice President, Operations	January 31, 2017	100,000	\$0.28	January 31, 2022	Nil	Nil	Nil	Nil	Nil

Note:

(1) Calculated based on the closing price of the Common Shares on the TSX on December 31, 2019 of \$0.045.

Value Vested or Earned During the Year

On December 31, 2019, the final vesting of the PSUs and RSUs granted on January 31, 2017 occurred. As the performance condition related to the PSUs was not satisfied, they expired with no payment being made. An aggregate payment of \$56,560 was made to the holders of the RSUs. The payment amount was calculated using the average of the closing prices of the Common Shares on the TSX for the five trading days ending on December 31, 2019 of \$0.056 per share.

The table below sets forth the value of all option-based awards and share-based awards that vested during the year ended December 31, 2019.

Name and Principal Position	Option-Based Awards Value Vested during the Year ⁽¹⁾ (\$)	Share-Based Awards Value Vested during the Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation Value Earned during the Year ⁽³⁾ (\$)
Yves Paletta Chief Executive Officer	Nil	Nil	556,730
Randy Watt Chief Financial Officer	Nil	Nil	208,557
Neil Wotton Chief Operating Officer	Nil	Nil	321,057

Name and Principal Position	Option-Based Awards Value Vested during the Year ⁽¹⁾ (\$)	Share-Based Awards Value Vested during the Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation Value Earned during the Year ⁽³⁾ (\$)
Barry Card Chief Commercial Officer	Nil	\$12,880	294,302
Herb Thomas Vice President, Operations	Nil	\$11,760	94,331

Notes:

- (1) None of the options previously granted to NEOs and vested during 2019 were in-the-money when they were vested or as at December 31, 2019.
- (2) Represents the aggregate dollar value realized upon vesting of share-based awards which includes RSUs and PSUs. For PSUs that vested during 2019, the performance condition was not satisfied so they expired with no payment being made. For RSUs, the aggregate dollar value realized upon vesting was calculated using the average of the closing prices of the Common Shares on the TSX for the five trading days ending on December 31, 2019 of \$0.056 per share.
- (3) Represents the annual bonus earned under the AIP, which was paid in March 2020. See “*Compensation Discussion and Analysis – 2019 Compensation Decisions*”.

Pension Plan

ClearStream does not have a retirement plan, pension plan or deferred compensation plan.

Termination and Change of Control Benefits

None of the NEOs have employment agreements with the Corporation; however, each NEO is party to an employment agreement with ClearStream Energy Holdings LP, one of the Corporation's subsidiaries, that sets out certain payments to the NEO upon termination of employment, as further described below.

Upon termination for cause, the NEOs are entitled to any salary and vacation pay that has accrued but not paid and to reimbursement for valid expenses for which they have not been reimbursed at the date of termination. NEOs terminated for cause may exercise any outstanding vested options granted under the Option Plan by the earlier of: (i) 30 days after the date of termination; and (ii) the expiry date of such options. All unvested options will immediately and automatically terminate, unless otherwise provided. Any unvested units granted to a NEO under the CVCU Plan and PSU and RSU Plan terminate if the NEO is terminated for cause.

Upon termination without cause, each of the NEOs, other than Mr. Paletta, is entitled to a lump sum payment equal to 12 months' salary. Mr. Paletta is entitled to a lump sum payment equal to 18 months' salary, a lump sum payment equal to 15% of his salary for 18 months to account for loss of benefits, two times the annual target bonus amount under the AIP, and an amount equal to the value of all LTIP awards granted prior to his termination date which remain unvested. Other than Mr. Paletta, the NEOs are not entitled to any bonus amounts under the AIP, even if such amount would have been paid during the 12-month notice period. The NEOs are entitled to exercise any outstanding vested options granted under the Option Plan by the earlier of: (i) 90 days after the NEO's termination without cause; and (ii) the expiry date of such vested options. All unvested options will immediately and automatically terminate, unless otherwise provided. Any units granted to the NEO under the PSU and RSU Plan will be pro-rated to the date of the NEO's termination. The unvested units so adjusted shall continue to vest in accordance with the terms of the PSU and RSU Plan. Under the CVCU Plan, the number of CVCUs held by the NEO at the date of termination will be pro-rated to reflect the period worked during the applicable performance period and, at the end of the performance period, the number of the remaining CVCUs that vest will be equal to the NEO's share of the Value Creation over the performance period.

Each of the NEOs, other than Mr. Watt, is entitled to resign from his position with the Corporation by providing written notice to the Corporation 90 days prior to the date of resignation; Mr. Watt is entitled to provide written notice four weeks prior to the date of resignation. Each of the NEOs is entitled to their annual salary and benefits during this notice period, which period may be accelerated at ClearStream's option with a lump sum payment to the NEO. The NEOs are not entitled to any bonus amounts under the AIP, even if

such amount would have been paid during the 90-day notice period. Any awards under the CVCU Plan, the Option Plan and the PSU and RSU Plan that are unvested as of the end of the 90-day resignation notice period will be extinguished and not payable.

Upon a change of control, all outstanding options granted under the Option Plan vest immediately and the NEOs have the right to exercise all or part of their options at any time up to and including the earlier of: (i) the date of which is 90 days following the date of the change of control; and (ii) the expiry date of the options granted. The terms of the PSU and RSU Plan require that upon a change of control or permitted reorganization of ClearStream, the continuing entity must take all reasonably necessary steps to continue the PSU and RSU Plan, including continuing units granted under the PSU and RSU Plan. If this is not possible or practicable, units granted under the PSU or RSU Plan will be substituted with reasonably equivalent units tied to the value of the continuing entity's securities, on substantially the same terms and conditions as the PSU and RSU Plan. If the continuing entity does not continue the PSU and RSU Plan, or the Board determines that, for certain reasons provided for in the PSU and RSU Plan, the PSU and RSU Plan should not be continued, all units credited to an NEO's account that have not vested as of the consummation of the change of control will vest immediately. Under the terms of the CVCU Plan, upon the Corporation entering into a transaction which upon completion shall or is likely to result in a change of control, the Board may, in its sole discretion, accelerate the vesting of all outstanding CVCUs and determine the Value Creation for the purpose of determining the vesting level in respect of such CVCUs. All vested CVCUs shall be settled by the Corporation upon (or immediately prior to) completion of the change of control or such other time as the Board may determine.

Within 180 days following the occurrence of a change of control, Mr. Paletta is entitled to resign from his position with the Corporation under certain circumstances by providing 90 days' written notice. Upon such resignation following a change of control, Mr. Paletta is entitled to any accrued and unpaid salary and vacation pay amounts and to reimbursement for valid expenses for which he has not been reimbursed at the date of termination, a lump sum payment equal to 24 months' salary, a lump sum payment equal to 15% of his salary for 24 months to account for loss of benefits, two times the annual target bonus amount under the AIP, and an amount equal to the value of all LTIP awards granted prior to the termination date which remain unvested.

An NEO's employment agreement terminates immediately upon his death and the Corporation has no further obligation to the NEO or his estate, other than for any accrued but unpaid salary or vacation pay amounts and any expenses that have not yet been reimbursed as of the date of the NEO's death. In addition, Mr. Paletta's estate is also entitled to an amount equal to the value of all long-term incentive plan awards granted prior to the date of death which remain unvested, and the bonus amount under the AIP that would otherwise have been payable to him, pro-rated to the number of days he worked during the applicable fiscal year.

If a holder ceases to be an Option Plan Participant by reason of death, all outstanding unvested options will, unless otherwise provided, immediately terminate other than those options that would have vested within one year of such death if death had not occurred (which rights shall immediately vest) and any outstanding vested options must be exercised at the earlier of: (i) one year after such death; and (ii) the expiry date of such vested options. All units granted under the PSU and RSU Plan shall vest on the date of such NEO's death. Under the CVCU Plan, the number of CVCUs held by the NEO at the date of death will be pro-rated to reflect the period worked during the applicable performance period and, at the end of the performance period, the number of the remaining CVCUs that vest will be equal to the NEO's share of the Value Creation over the performance period.

The following table sets forth the estimated amounts that the Named Executive Officers employed by ClearStream on December 31, 2019 would have received upon termination of employment for the various reasons outlined below, determined as if termination occurred on December 31, 2019.

Name and Principal Position	Event	Salary (\$)	Annual Bonus (\$)	Benefits (\$)	Share-based Incentive Plans (\$) ⁽¹⁾	Other Long-term Incentive Plans (\$) ⁽²⁾	Total (\$)
Yves Paletta Chief Executive Officer	Termination with Cause	Nil	Nil	Nil	Nil	Nil	Nil
	Termination without Cause	750,000	1,000,000	112,500	Nil	2,000,000	3,862,500
	Resignation	125,000	Nil	8,300	Nil	Nil	133,300
	Death	Nil	556,730	Nil	Nil	2,000,000	2,556,730
	Change of Control	1,000,000	1,000,000	150,000	Nil	3,000,000	5,150,000
Randy Watt Chief Financial Officer	Termination with Cause	Nil	Nil	Nil	Nil	Nil	Nil
	Termination without Cause	300,000	Nil	Nil	Nil	480,000	780,000
	Resignation	25,000	Nil	1,790	Nil	Nil	26,790
	Death	Nil	Nil	Nil	Nil	480,000	480,000
	Change of Control	Nil	Nil	Nil	Nil	720,000	720,000
Neil Wotton Chief Operating Officer	Termination with Cause	Nil	Nil	Nil	Nil	Nil	Nil
	Termination without Cause	300,000	Nil	Nil	Nil	540,000	840,000
	Resignation	75,000	Nil	5,370	Nil	Nil	80,370
	Death	Nil	Nil	Nil	Nil	540,000	540,000
	Change of Control	Nil	Nil	Nil	Nil	1,080,000	1,080,000
Barry Card Chief Commercial Officer	Termination with Cause	Nil	Nil	Nil	Nil	Nil	Nil
	Termination without Cause	275,000	Nil	9,480	Nil	660,000	944,480
	Resignation	68,750	Nil	5,120	Nil	Nil	73,870
	Death	Nil	Nil	Nil	Nil	660,000	660,000
	Change of Control	Nil	Nil	Nil	Nil	990,000	990,000
Herb Thomas Vice President, Operations	Termination with Cause	Nil	Nil	Nil	Nil	Nil	Nil
	Termination without Cause	250,000	Nil	Nil	Nil	90,000	340,000
	Resignation	62,500	Nil	4,870	Nil	Nil	67,370
	Death	Nil	Nil	Nil	Nil	90,000	90,000
	Change of Control	Nil	Nil	Nil	Nil	180,000	180,000

Notes:

- (1) None of the options previously granted to NEOs under the Option Plan were in-the-money as at December 31, 2019. All outstanding RSUs and PSUs matured on December 31, 2019 and therefore are not included. See "Compensation Discussion and Analysis – Value Vested or Earned During the Year".
- (2) Under the CVCU Plan, the number of CVCUs held by the NEO at the date of termination without cause or death will be pro-rated to reflect the period worked during the applicable performance period. The amounts in the table reflect the pro-ration to December 31, 2019 and assume a payout based on 100% of the target potential payout. See "Compensation Discussion and Analysis – 2019 Compensation Decisions – Long-Term Incentive Plan".

DIRECTOR COMPENSATION

Effective January 1, 2019, the Board changed the director compensation program from an annual retainer plus meeting fee to a fixed annual fee comprised of a cash retainer plus an award under the CVCU Plan. The new annual retainers are \$150,000 for the Chairman of the Board, \$90,000 for an independent director, \$15,000 for the Chair of the Audit Committee, \$10,000 for the Chair of the CGC Committee and \$10,000 for the Chair of the HSE Committee. All annual retainers are paid quarterly in arrears except for the Chairman of the Board retainer which is paid monthly in arrears. Directors are also entitled to be reimbursed for reasonable out-of-pocket expenses incurred in connection with the conduct of the Corporation's business.

The directors are eligible to participate in the CVCU Plan. The Board established a target annual long-term incentive of \$75,000 for the Chairman of the Board and \$30,000 for a director. On June 19, 2019, the Board approved an annual grant under the CVCU Plan of 150 CVCUs for the Chairman of the Board and 60 CVCUs for each of the other directors, with such grants having a performance period of 2019-2021. Any amounts earned under the CVCU Plan at the end of the applicable performance period will be reported in the director compensation table as non-equity incentive plan compensation. For a description of the CVCU Plan, see "*Compensation Discussion and Analysis – Summary of Cumulative Value Creation Unit Plan*".

Director Compensation Table

The following table sets forth information concerning the compensation paid to directors for the financial year ended December 31, 2019.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$) ⁽¹⁾	All Other Compensation (\$)	Total Compensation (\$)
Sean McMaster Chairman	150,000	Nil	Nil	Nil	Nil	Nil	150,000
Jordan L. Bitove ⁽²⁾	100,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	100,000
Herbert Fraser Clarke ⁽³⁾	105,000 ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	105,000
Karl Johannson ⁽⁴⁾	79,167	Nil	Nil	Nil	Nil	Nil	79,167
Dean MacDonald ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) ClearStream does not have any defined benefit or defined contribution plans or any plans that provide for the payment of pension plan benefits.
- (2) In addition to the annual director retainer, Mr. Bitove was paid an annual fee of \$10,000 as Chair of the CGC Committee.
- (3) In addition to the annual director retainer, Mr. Clarke was paid an annual fee of \$15,000 as Chair of the Audit Committee.
- (4) Mr. Johannson was appointed as a director on February 21, 2019 and as Chair of the HSE Committee on July 31, 2019. In addition to the annual director retainer, Mr. Johannson was paid an annual fee of \$10,000 as Chair of the HSE Committee. The fees paid to Mr. Johannson were pro-rated for the periods served.
- (5) In January 2019, the Board approved a termination payment of \$1,500,000 payable over the next three years (2019-2021) to Mr. MacDonald in connection with his roles as President and Chief Executive Officer from December 2008 to June 2015, Executive Chairman from June 2015 to January 2019, and Interim Chief Executive Officer from June 2017 to August 2018. Such termination payments are conditional upon Mr. MacDonald continuing to serve as a director of the Corporation over the same period of time without director remuneration.

Director Incentive Plan Awards

As at December 31, 2019, there were no outstanding option-based awards or share-based awards for any of the directors, including awards granted before such date. The directors are eligible to participate in the CVCU Plan, a non-equity incentive compensation plan. See "*Director Compensation*" above.

Director Value Vested or Earned During the Year

No option-based awards or share-based awards vested during the year ended December 31, 2019 and there was no non-equity incentive plan compensation earned during the year ended December 31, 2019.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Canadian Securities Administrators have established National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**"), which sets out a series of guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires the disclosure by each public company of its approach to corporate governance with reference to the Guidelines.

The CGC Committee reports to the Board. The Board and senior management recognize the importance of corporate governance to the effective management of the Corporation and to the Shareholders. The Corporation's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance Shareholder value.

The following sets out the Corporation's approach to corporate governance in accordance with NI 58-101 and NP 58-201.

Independence of Directors

Pursuant to NI 58-101 and NI 52-110, a director is independent if such director has no direct or indirect material relationship with the issuer, which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. The Board is responsible for determining whether or not each director is "independent". To assist in making such determinations, the board assesses each member's independence against the definition of independence contained in NI 58-101 and NI 52-110.

The Board is currently comprised of Jordan L. Bitove, Herbert Fraser Clarke, Karl Johannson, Dean T. MacDonald and Sean D. McMaster, the majority of whom are considered independent (being Messrs. Bitove, Clarke, Johannson and McMaster). Mr. MacDonald acted as Interim Chief Executive Officer of the Corporation from June 2017 to August 2018 and as Executive Chairman from June 2015 to January 2019, and therefore is not considered independent. None of the directors currently holds directorships in other reporting issuers (or equivalent in foreign jurisdictions).

Pursuant to the OBCA, a director who is a party, directly or indirectly, to a material contract or transaction or proposed material contract or transaction is obligated to disclose to the Corporation the nature and extent of his or her interest. The interested director is then subject to certain restrictions relating to his or her ability to participate in meetings and vote on matters relating to the contract or transaction. Under the Corporation's Code of Conduct and Ethics Policy (the "**Code**"), directors are also obligated to conduct all business affairs in the best interests of the Corporation by dealing with various stakeholders in a manner that avoids real, perceived or potential conflicts of interest.

During 2018, Dean T. MacDonald served as the Executive Chairman of the Board and, given that he is not an independent director, Jordan L. Bitove served as the independent Lead Director. In January 2019, the Board appointed Sean D. McMaster as the independent Chairman of the Board. The Board provides leadership to its independent directors by encouraging members to bring forth agenda items, having access to members of management and information regarding the Corporation's activities, and by retaining outside advisors when necessary.

At each meeting of the Board and its committees, an opportunity is provided for the independent members to meet independently of the non-independent members and members of management (commonly referred to as an "in camera session"). During the year ended December 31, 2019, a total of 16 in camera sessions were held by the Board and its committees.

The following table sets forth the attendance record of each director for board meetings and committee meetings of the Corporation held during 2019:

Director	Independent	Board Meetings Attended	Audit Committee Meetings Attended	CGC Committee Meetings Attended	HSE Committee Meetings Attended	Overall Attendance
Jordan L. Bitove	Y	12/13	3/4	4/4	5/5	24/26 (92%)
Herbert Fraser Clarke	Y	13/13	4/4	4/4	4/5	25/26 (96%)
Karl Johannson ⁽¹⁾	Y	11/11	3/3	3/3	4/4	21/21 (100%)
Dean T. MacDonald	N	13/13	-	-	5/5	18/18 (100%)
Sean D. McMaster	Y	13/13	4/4	4/4	5/5	26/26 (100%)

Note:

(1) Mr. Johannson was appointed to the Board and each of the committees of the Board on February 21, 2019.

Mandate of the Board

The mandate of the Board is attached to this Circular as Schedule "C".

The Board has discussed and considered how the Corporation communicates with its Shareholders, other stakeholders and the public. The Board has approved a Timely Disclosure, Confidentiality and Insider Trading Policy (the "**Disclosure Policy**") covering the timely disclosure of all material information. The Disclosure Policy establishes consistent guidance for determining what information is material, how it is to be disclosed and, to avoid making selective disclosure, making all material disclosures on a widely disseminated basis. The Corporation seeks to communicate with its Shareholders and other stakeholders through a variety of channels, including its annual report, quarterly reports, annual information form, news releases and conference calls.

Position Descriptions

The Board has not developed a written position description for the Chairman of the Board or for the Chair of each board committee. The Board believes that the charters of the Board and each of its committees adequately delineates the roles of the chairpersons.

The Corporation has developed a written position description for the Chief Executive Officer of the Corporation. The Chief Executive Officer is responsible for:

- ensuring that the Board is advised in a complete, accurate and timely fashion on the business and affairs of the Corporation and on any individual matter that management considers to be material or of significant consequence for the Corporation and/or the Shareholders of the Corporation;
- ensuring the business plan is being followed;
- ensuring that an annual budget is prepared and presented to the Board for approval and that the results are reviewed with the Board quarterly;

- ensuring there are proper internal controls and financial reporting to effectively monitor and report on the performance of the Corporation, and all of its subsidiary companies, as well as their operations; and
- ensuring the financial statements of the Corporation, and all subsidiary entities, are prepared quarterly in accordance with generally accepted accounting principles and that the annual financial statements are audited in accordance with the mandate prescribed by the Audit Committee and presented to the Board for approval.

Orientation and Continuing Education

In accordance with its mandate, the Board ensures that new directors receive a comprehensive orientation, which includes written information about the obligations of directors, the business and operations of the Company, documents from recent board meetings, recent filings and financial information, governance documents and policies, important policies and procedures and opportunities for meetings and discussion with members of senior management and other directors. The Company is committed to providing all new directors with such information as he or she requires in order to become familiar with the Company's business and the Board's procedures.

To foster the familiarity of the Board with corporate matters on an on-going basis, the Board from time to time may invite senior management to attend at meetings of the Board to report on their respective business unit activities. In addition, the Company provides education (through management and outside professional advisers) on specific issues as they arise. The directors are encouraged to participate in continuing education opportunities in order to keep current on developments in the Company's industry, various aspects of corporate governance and other matters relating to serving on the board of a public company.

Ethical Business Conduct

The Corporation and its subsidiaries and operating partnerships have adopted a Code of Conduct and Ethics Policy for all directors, officers, employees and service providers (each, a "**Covered Party**"). The principles of the Code establish a minimum standard of conduct by which each Covered Party must abide.

Each Covered Party has a responsibility to: (i) avoid apparent or actual conflicts of interest; (ii) avoid actions or behaviours that could create an uncomfortable or hostile work environment; (iii) protect the Corporation's assets; (iv) ensure confidential information remains confidential; (v) discharge their duties in compliance with applicable laws; and (vi) report violations of the Code of which such Covered Party becomes aware. The Board, through the Chief Financial Officer of the Company, is responsible for monitoring compliance with the Code. Upon accepting a position with the Company, a new director, officer or employee is required to provide an acknowledgement with respect to his or her commitment to comply with the Code. In addition, each year company personnel and directors must acknowledge their compliance with the Code.

The text of the Code is available under the Corporation's profile on SEDAR at www.sedar.com (filed on April 30, 2020).

Compensation

The CGC Committee reviews and recommends to the Board for approval the remuneration of directors. In determining the appropriate remuneration, the CGC Committee considers the time commitment, comparative fees and responsibilities of board members.

Nomination of Directors

The Board believes that it is an appropriate size to facilitate decision-making. The Board considers the competencies and skills that the Board, as a whole, should possess, evaluates the competencies and skills of current board members and then determines the competencies and skills and other qualities for new

directors and assesses new directors against this framework. Additionally, the Board considers whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The CGC Committee is responsible for making recommendations to the Board with respect to the appropriate size and composition of the Board. The CGC Committee recommends to the Board, as required, candidates suitable for election to the Board based on the Board's determination of the competencies, skills and personal qualities desired in new Board members. From time to time, the Board may also form ad-hoc committees in order to retain search firms and other advisors as necessary in order to recommend to the Board independent directors to join the Board.

Diversity

In accordance with Canadian securities legislation, TSX-listed companies are required to disclose certain information in their management information circulars relating to their gender diversity practice.

The Corporation does not have a written policy or target with respect to the identification and nomination of female directors as the Board does not believe that quotas, strict rules or targets necessarily result in the identification and selection of the best candidates. However, the Corporation believes that diversity in general benefits the Board and its performance.

Currently none of the Corporation's directors are women. As it becomes necessary to identify and nominate candidates for appointment to the Board, either to expand the Board or to replace an incumbent director, the Board intends that the search for such a replacement will include a search for and equal consideration of suitable female candidates with expertise and experience suited to the candidate's expected role on the Board.

The Corporation does not have a written policy or target regarding women in executive officer positions within the Corporation as the Board does not believe that quotas, strict rules or targets necessarily result in the identification and selection of the best candidates. Currently none of the Corporation's executive officers are women. The Corporation expects to consider the diversity of the workplace in the selection process for executive officers, in addition to the expertise and experience requirements of the position.

Assessments

The Board is responsible for ensuring that processes are in place and are utilized to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board, and each director.

In October 2019, the Board completed an evaluation process in conjunction with the annual strategy session. This process involved each director completing a written survey and meeting with an independent facilitator to discuss their survey responses and board effectiveness in advance of the strategy session. At the strategy session, the same independent facilitator reviewed the survey results with the Board and facilitated a discussion on overall board effectiveness.

Board Renewal Policies

The Corporation has not adopted term limits for members of the Board. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future of the Corporation based on their experience with, and understanding of, the Corporation's history, policies and objectives. The Board believes that the imposition of director term limits on a board implicitly discounts the value of continuity amongst board members and runs the risk of excluding experienced and potentially valuable board members as a result of an arbitrary determination. On an ongoing basis, a balance must be struck between ensuring that there are fresh ideas and viewpoints while not losing the insight, experience and other benefits of continuity contributed by longer serving directors. Notwithstanding the foregoing, the Board regularly assesses its effectiveness, its committees and individual directors.

Audit Committee

Pursuant to NI 52-110, the Corporation is required to have an audit committee. The Audit Committee is responsible for: recommending to the Board the appointment and compensation of the external auditor; overseeing the work of the external auditor, including the resolution of disagreements between the external auditor and management; pre-approving all non-audit services to be provided to the Corporation or its subsidiaries by the external auditor; satisfying itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from its financial statements, including periodically assessing the adequacy of such procedures; establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters, and for the confidential, anonymous submission by employees of the Corporation or its subsidiaries of concerns regarding questionable accounting or auditing matters, including violation of the Corporation's Code of Conduct and Ethics Policy; reviewing and approving any proposed hiring of current or former partners or employees of the current and former auditor of the Corporation or its subsidiaries; and reviewing and recommending to the Board for approval the annual and interim financial statements, related management discussion and analysis and other financial information provided by the Corporation to any governmental body or the public. All of the members of the Audit Committee, being Messrs. Clarke (Chair), Johannson and McMaster, are "independent" and "financially literate" within the meaning of NI 52-110.

Please see Section 8.2 as well as Appendix "A" in the Corporation's annual information form dated March 9, 2020 for the year ended December 31, 2019 (the "**2019 AIF**"), for certain other information concerning the Audit Committee, including the text of the charter of the Audit Committee. The 2019 AIF is available under the Corporation's profile on SEDAR at www.sedar.com (filed on March 10, 2020).

Corporate Governance and Compensation Committee

The Board has constituted the CGC Committee to assist the Board in fulfilling its responsibilities in regard to (i) the Corporation's overall approach to corporate governance, including corporate governance policies and practices and identifying candidates for election as directors; and (ii) the Corporation's compensation strategy, policies and programs.

With respect to corporate governance, the CGC Committee is responsible for, among other things: developing the Corporation's approach to corporate governance and keeping informed of developments in corporate governance and advising the Board and the committees of the Board on corporate governance issues; reviewing and recommending to the Board the statement of corporate governance practices (or similarly captioned) section of the Corporation's management information circular and any other disclosure required under applicable law with respect to matters that are within its responsibilities before the Corporation publicly discloses this information; making recommendations to the Board with respect to the appropriate size and composition of the Board; recommending to the Board, as required, candidates suitable for election to the Board based on the Board's determination of the competencies, skills and personal qualities desired in new Board members; making recommendations to the Board with respect to the appointment of directors to Board committees and the selection of chairpersons of Board committees; monitoring the appropriateness of, and implementing structures from time to time, to facilitate the independence of the Board and the directors to function independently of management; responding to, and if appropriate, authorizing requests by individual directors to engage outside advisors at the expense of the Corporation; overseeing the Corporation's code of conduct and ethics policy, disclosure policy and whistleblower policy (collectively, the "**Governance Policies**"), and reviewing and recommending to the Board for approval, any applicable changes in or additions to the Governance Policies in the context of competitive, legal and operational considerations; receiving reports on the nature and extent of compliance or any non-compliance with the Governance Policies and applicable legislation, and plans to correct deficiencies, if any, and reporting to the Board on the status of such matters; and approving all transactions involving any "related party", as that term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (collectively, "**Related Party Transactions**"), that are not required to be dealt with by an independent committee of the Board and monitoring any Related Party Transactions and reporting to the Board on a regular basis regarding the nature and extent of the Related Party Transactions.

With respect to compensation strategy, policies and programs, the CGC Committee is responsible for, among other things: reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluating the Chief Executive Officer's performance in light of those goals and objectives, and making recommendations to the Board with respect to the Chief Executive Officer's compensation level based on this evaluation; making recommendations to the Board with respect to non-CEO officer and director compensation; making recommendations to the Board with respect to the establishment of any incentive compensation plans and equity-based compensation plans established for directors, officers and employees of the Corporation and overseeing the administration of such plans; and reviewing and recommending to the Board the compensation discussion and analysis, statement of executive compensation and directors' compensation or similar sections of the Corporation's management information circular and any other disclosure required under applicable law with respect to matters that are within its responsibilities before the Corporation publicly discloses such information.

The members of the CGC Committee are Messrs. Bitove (Chair), Clarke and McMaster, all of whom are independent within the meaning of NI 52-110.

Health, Safety and Environment Committee

The Board has constituted the Health, Safety and Environment Committee (the "**HSE Committee**") to assist the Board in fulfilling its responsibilities in regard to the establishment of appropriate health, safety and environment policies and procedures and ensuring that the Corporation complies with applicable legal obligations in these areas. The HSE Committee is responsible for, among other things: reviewing internal control systems for health, safety and the environment and recommending to the Board for approval fundamental policies pertaining to health, safety and environment that have the potential to impact the Corporation's activities and strategies; monitoring the Corporation's existing health, safety and environmental practices and procedures to ensure they comply with legislation that applies to the Corporation and meets industry standards; investigating any activity that the HSE Committee deems appropriate and, if appropriate, report to the Board thereon; reporting to the Board applicable laws, regulations, emerging trends and issues relevant to health, safety and environmental matters for the Corporation; reviewing, and investigating, as appropriate, the findings of any significant report by regulatory agencies, external health, safety and environmental consultants or auditors about the Corporation's performance in health, safety and environment; and reviewing and reporting to the Board on the Corporation's performance with respect to health, safety and environmental matters.

The members of the HSE Committee are Messrs. Johansson (Chair), Bitove and MacDonald, all of whom are independent within the meaning of NI 52-110 except Mr. MacDonald, who is formerly an executive officer of the Corporation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

No director, executive officer or employee, and no former, director or executive officer, of ClearStream or any of its subsidiaries, is currently indebted to ClearStream or any of its subsidiaries.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No individual who is a director or executive officer of the Corporation, or who at any time during the most recently completed financial year was a director or executive officer of the Corporation, and no proposed nominee for election as a director, nor any associate of any of the foregoing, is currently, or was at any time during the financial year ended December 31, 2019, indebted to the Corporation or any of its subsidiaries, and no indebtedness of such persons is or has been the subject of a guarantee, support agreement, letter of credit or other similar agreement provided by the Corporation or any of its subsidiaries.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at December 31, 2019 concerning the Corporation's equity compensation plans approved and not approved by securityholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (expressed as a percentage of outstanding Common Shares) ⁽¹⁾ (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a)) (expressed as a percentage of outstanding Common Shares) (c)
Equity compensation plans approved by securityholders			
PSU and RSU Plan	Nil	N/A	9,269,266 (8.5%) ⁽²⁾
Option Plan	1,630,000 (1.5%)	\$0.28	9,269,266 (8.5%) ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	1,630,000 (1.5%)	\$0.28	9,269,266 (8.5%) ⁽²⁾

Notes:

- (1) As at December 31, 2019 and as at the date of this Circular, there were 109,992,668 Common Shares outstanding.
- (2) The maximum number of Common Shares issuable under the Option Plan and the PSU and RSU Plan combined will in no event exceed 10% of the issued and outstanding number of Common Shares (10% of the issued and outstanding number of Common Shares as at December 31, 2019 was 10,999,266).

INTEREST OF MANAGEMENT AND OTHERS IN MATTERS TO BE ACTED UPON

Other than as described elsewhere in this Circular, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed director of the Corporation, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Circular, no director, executive officer or other insider, as applicable, nor any associate or affiliate thereof, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction that has materially affected or would materially affect ClearStream or any of its subsidiaries.

On June 28, 2019, ClearStream completed the acquisition of certain assets of the production services division of AECOM Production Services Ltd. and the acquisition of the shares of Universal Weld Overlays Inc. ClearStream financed such acquisitions, in part, through equity financings of an aggregate of 32,200 newly created series 2 cumulative redeemable convertible preferred shares (the "**Series 2 Preferred Shares**"), at a price of \$1,000 per share, issued on a prospectus-exempt basis to Canso, in its capacity as portfolio manager for and on behalf of certain accounts that it manages, for aggregate gross proceeds of \$32.2 million.

In connection with the above-noted acquisitions and associated financings, the ABL Facility was amended to provide for, among other things, a \$13.5 million increase in the Term Facility (to \$23.5 million). The term lenders under the Term Facility are accounts fully managed by Canso in its capacity as portfolio manager. The additional \$13.5 million advanced under the Term Facility was used to finance a portion of the purchase price payable for the acquisitions, to complete the redemption of all outstanding Convertible Secured Debentures, to pay for certain transaction costs and to repay amounts owing under the revolving facility of the ABL Facility. The ABL Facility was further amended on September 10, 2019 to, among other things, provide for a \$17 million increase in the Term Facility (to \$40.5 million), which was used to reduce the amount outstanding under the revolving facility of the ABL Facility.

Also on June 28, 2019, ClearStream issued 7,911 Series 2 Preferred Shares at a price of \$1,000 per share on a prospectus-exempt basis to Canso, in its capacity as portfolio manager for and on behalf of certain accounts that it manages, for aggregate gross proceeds of \$7.9 million, which was used by ClearStream to satisfy its obligation to pay the interest that was to become due and payable to Canso, in its capacity as portfolio manager for and on behalf of certain accounts that it manages, on June 30, 2019 and December 31, 2019 under the outstanding Senior Secured Debentures.

AUDITOR

The auditor of ClearStream is Ernst & Young LLP, located at Suite 2200, 215 – 2nd Street S.W., Calgary, Alberta T2P 1M4.

ADDITIONAL INFORMATION

A copy of this Circular has been sent to each director of the Corporation, each Shareholder entitled to receive notice of, and to vote at, the Meeting and to the auditor of the Corporation. Information contained in this Circular is given as of the date hereof, except as otherwise noted. Additional information relating to the Corporation can be found under the Corporation's profile on SEDAR at www.sedar.com. Financial information regarding the Corporation can be found in the Corporation's audited consolidated financial statements for the year ended December 31, 2019, together with the notes thereto and the auditor's report thereon, and accompanying management's discussion and analysis for the year ended December 31, 2019. Copies of these documents, as well as copies of this Circular, are available to securityholders of the Corporation upon written request, free of charge, by contacting the Corporation at 1-855-891-8451 or investorrelations@clearstreamenergy.ca and are available under the Corporation's profile on SEDAR at www.sedar.com.

This Circular refers to EBITDA, a financial measure that does not have any standardized meaning prescribed by International Financial Reporting Standards (IFRS) and may not be comparable to similar measures presented by other corporations or entities. Readers should refer to the Corporation's 2019 annual financial statements and associated management's discussion and analysis for a full discussion of this financial measure and for a reconciliation of this measure to its most closely related IFRS measure.

APPROVAL

The contents and mailing of this Circular have been approved by the board of directors of ClearStream.

DATED at Calgary, Alberta, this 7th day of May, 2020.

BY ORDER OF THE BOARD OF DIRECTORS OF CLEARSTREAM ENERGY SERVICES INC.

Per: (signed) "Sean McMaster"
Sean McMaster
Chairman of the Board of Directors
ClearStream Energy Services Inc.

SCHEDULE "A"

NEW BY-LAWS

AMENDED AND RESTATED BY-LAW NO. 1

A by-law relating generally to the
transaction of the business and
affairs of

ClearStream Energy
Services Inc.

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BE IT ENACTED as a by-law of the Corporation as follows:

SECTION ONE INTERPRETATION

1.01 Definitions. In the by-laws of the Corporation, unless the context otherwise requires:

"Act" means the *Business Corporations Act* (Ontario), or any statute that may be substituted therefor, as from time to time amended;

"Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the written rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province and territory of Canada;

"appoint" includes "elect" and vice versa;

"articles" means the articles attached to the Certificate of Arrangement of the Corporation as from time to time amended or restated;

"board" means the board of directors of the Corporation and "director" means a member of the board;

"by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;

"Corporation" means the corporation existing under the Act by the said certificate to which the articles are attached and named "CLEARSTREAM ENERGY SERVICES INC.";

"meeting of shareholders" includes an annual meeting of shareholders and a special meeting of shareholders;

"Nominating Shareholder" has the meaning set forth in section 4.04(a)(iii);

"Notice Date" has the meaning set forth in section 4.04(d)(i);

"Proposed Nominee" has the meaning set forth in section 4.04(e)(i);

"recorded address" has the meaning set forth in section 11.08; and

"special meeting of shareholders" includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

Save as aforesaid, words and expressions defined in the Act, including "resident Canadian", have the same meanings when used herein. Words importing the singular number include the plural and vice versa; and words importing a person include an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator, or other legal representative.

SECTION TWO
BUSINESS OF THE CORPORATION

2.01 Registered Office. The registered office of the Corporation shall be at a place within the Province of Ontario at such location therein as the board may from time to time determine.

2.02 Corporate Seal. The Corporation may, but need not have, a corporate seal and if one is adopted it shall be in a form approved from time to time by the board.

2.03 Financial Year. The financial year of the Corporation shall end on such date as may be determined by the directors from time to time.

2.04 Execution of Instruments. Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by two persons, provided that each such person is either an officer or director of the Corporation. Notwithstanding the foregoing, the board may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same. The secretary or assistant secretary of the Corporation, acting alone, may certify the accuracy and subsisting nature of minutes (or extracts thereof) of any meetings of shareholders, other security holders, directors and committees of the board, or any written resolutions adopted in lieu of any such meeting.

2.05 Banking Arrangements. The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe.

2.06 Voting Rights in Other Bodies Corporate. The signing officers of the Corporation under section 2.04 may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments shall be in favour of such persons as may be determined by the officers executing or arranging for the same. In addition, the board may from time to time direct the manner in which and the persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.07 Divisions. The board may cause the business and operations of the Corporation or any part thereof to be divided into one or more divisions upon such basis, including, without limitation, types of business or operations, geographical territories, product lines or goods or services, as may be considered appropriate in each case. In connection with any such division the board or, subject to any direction by the board, the chief executive officer may authorize from time to time, upon such basis as may be considered appropriate in each case:

- (a) Subdivision and Consolidation. the further division of the business and operations of any such division into sub-units and the consolidation of the business and operations of any such divisions and sub-units;

- (b) Name. the designation of any such division or sub-unit by, and the carrying on of the business and operations of any such division or sub-unit under, a name other than the name of the Corporation; provided that the Corporation shall set out its name in legible characters in all places required by law; and
- (c) Officers. the appointment of officers for any such division or sub-unit, the determination of their powers and duties, and the removal of any of such officers so appointed, provided that any such officers shall not, as such, be officers of the Corporation.

SECTION THREE BORROWING AND SECURITY

3.01 Borrowing Power. Without limiting the borrowing powers of the Corporation as set forth in the Act, but subject to the articles, the board may from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidences of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) give a guarantee on behalf of the Corporation to secure performance of any obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.02 Delegation. Unless the articles of the Corporation otherwise provide, the board may from time to time delegate to a director, a committee of the board, or an officer of the Corporation any or all of the powers conferred on the board by section 3.01 to such extent and in such manner as the board may determine at the time of such delegation.

SECTION FOUR DIRECTORS

4.01 Number of Directors. Until changed in accordance with the Act, the board shall consist of not fewer than the minimum number and not more than the maximum number of directors provided in the articles.

4.02 Qualification. No person shall be qualified for election as a director if such person is less than 18 years of age, has been found under the *Substitute Decisions Act* (Ontario) or under the *Mental Health Act* (Ontario) to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere, is not an individual, or has the status of a bankrupt. A director need not be a shareholder. No election of a person as a director shall be

effective unless the person consents in writing on or within ten days after the date of the election. Subject to the Act, at least 25 per cent of the directors shall be resident Canadians, or if there are three directors, at least one director shall be a resident Canadian. At least one-third of the directors shall not be officers or employees of the Corporation or any of its affiliates.

4.03 Election and Term. Each director named in the articles shall hold office from the date of incorporation until the first meeting of shareholders. The election of directors shall take place at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. Subject to the Act, the number of directors to be elected at any such meeting shall be the number of directors determined from time to time by special resolution or, if the special resolution empowers the directors to determine the number, by resolution of the board. Where the shareholders adopt an amendment to the articles to increase the number or maximum number of directors, the shareholders may, at the meeting at which they adopt the amendment, elect the additional number of directors authorized by the amendment to take office from the effective date of the endorsement of the articles of amendment with respect thereto. The election shall be by resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.04 Advance Notice of Nominations of Directors.

- (a) Nomination Procedures. Subject to the Act, Applicable Securities Laws and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at any special meeting of shareholders. If the election of directors is a matter specified in the notice of meeting, called:
- (i) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the Act, or a requisition of a shareholders' meeting by one or more of the shareholders made in accordance with the Act; or
 - (iii) by any person (each, a "Nominating Shareholder") who (A) at the close of business on the date of the giving of the notice provided for in this Section 4.04 and on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who has beneficial ownership of shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation; and (B) complies with the notice procedures set forth below in this By-law.
- (b) Nominations for Election. For the avoidance of doubt, the procedures set forth in this Section 4.04 shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of shareholders of the Corporation.
- (c) Timely Notice. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have

given timely notice thereof in proper written form to the Corporate Secretary in accordance with this Section 4.04.

(d) Manner of Timely Notice. To be timely, a Nominating Shareholder's notice must be given:

- (i) in the case of an annual meeting (including an annual and special meeting) of shareholders, not less than thirty (30) days prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than fifty (50) days after the date on which the first Public Announcement of the date of the meeting was made (the "Notice Date"), notice by the Nominating Shareholder shall be made not later than the close of business on the tenth (10th) day following the Notice Date;
- (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the fifteenth (15th) day following the Notice Date; and
- (iii) in the case of an annual meeting (including an annual and special meeting) of shareholders or a special meeting of shareholders called for the purpose of electing directors (whether or not also called for other purposes) where notice-and-access is used for delivery of proxy-related materials, not less than forty (40) days prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than fifty (50) days after the Notice Date, notice by the Nominating Shareholder shall be made, in the case of an annual meeting of shareholders, not later than the close of business on the tenth (10th) day following the Notice Date and, in the case of a special meeting of shareholders, not later than the close of business on the fifteenth (15th) day following the Notice Date;

provided that in the event of an adjournment or postponement of any such meeting or announcement thereof, a new time period shall commence for the giving of timely notice in accordance with this Section 4.04.

(e) Proper Form of Notice. To be in proper written form, a Nominating Shareholder's notice must set forth or be accompanied by, as applicable:

- (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (each, a "Proposed Nominee"):
 - (A) the name, age and residential address of the Proposed Nominee;
 - (B) the principal occupation, business or employment of the Proposed Nominee, both present and within the five years preceding the notice;
 - (C) whether the Proposed Nominee is a resident Canadian within the meaning of the Act;

- (D) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (E) a description of any relationship, agreement, arrangement or understanding between the Nominating Shareholder and the Proposed Nominee, or any Affiliates or Associates of, or any person or entity acting jointly or in concert with the Nominating Shareholder or the Proposed Nominee, in connection with the Proposed Nominee's nomination and election as a director;
 - (F) whether the Proposed Nominee is party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor of the Corporation or any other third party which may give rise to a real or perceived conflict of interest between the interests of the Corporation and the interests of the Proposed Nominee; and
 - (G) any other information relating to the Proposed Nominee that would be required to be disclosed in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws; and
- (ii) as to the Nominating Shareholder:
- (A) the name, business and residential address of the Nominating Shareholder;
 - (B) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom such person is acting jointly or in concert with respect to the Corporation or any of its securities, as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (C) full particulars regarding any proxy, relationship, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or to direct or control the voting of any shares of the Corporation carrying the right to vote;

- (D) whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nominations;
 - (E) the Nominating Shareholder's interests in, or rights or obligations associated with, any relationship, agreement, arrangement or understanding the purpose or effect of which is to alter, directly or indirectly, the Nominating Shareholder's economic interest in any securities of the Corporation or the Nominating Shareholder's economic exposure to the Corporation; and
 - (F) any other information relating to the Nominating Shareholder that would be required to be made in a dissident's proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws;
- (iii) a written consent duly signed by each Proposed Nominee with respect to being named as a nominee for election to the Board and to serve as a director of the Corporation, if elected;
 - (iv) notwithstanding the foregoing, the Corporation may require any Proposed Nominee or Nominating Shareholder to furnish such other information as may be required by the Act, Applicable Securities Laws or the rules of any stock exchange on which any of the Corporation's securities are listed in order to determine the eligibility of such Proposed Nominee to serve as a director of the Corporation; and
 - (v) references to "Nominating Shareholder" in this 4.04(e) shall be deemed to refer to each shareholder that nominates or seeks to nominate a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making such nomination proposal.
- (f) Notice to be Updated. In addition, to be considered timely and in proper written form, a Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting.
 - (g) Power of the Chair. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in Section 4.04 and, if any proposed nomination is not in compliance with such procedures, to declare that such defective nomination shall be disregarded.
 - (h) Delivery of Notice. Notwithstanding any other provision of this Section 4.04, notice given to the secretary of the Corporation pursuant to this Section 4.04 may only be given by personal delivery, facsimile transmission or by e-mail (at such email

address as stipulated from time to time by the secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery or sent by facsimile transmission (provided that receipt of the confirmation of such transmission has been received) or e-mail (at the address as aforesaid) to the secretary of the Corporation at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

- (i) Discussion of Matters. Nothing in this Section 4.04 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the Act.
- (j) Board Discretion. Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Section 4.04.
- (k) Definitions. For the purposes of this Section 4.04,
 - (i) "Affiliate", when used to indicate a relationship with a specific person, means a person that, directly or indirectly, controls, is controlled by or is under common control with such specified person;
 - (ii) "Associate", when used to indicate a relationship with a specified person, means:
 - (A) any body corporate or trust of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such body corporate or trust for the time being outstanding;
 - (B) any partner of that person;
 - (C) any trust or estate in which such person has a substantial beneficial interest or in respect of such person serves as trustee or in a similar capacity;
 - (D) a spouse or adult interdependent partner of such specified person;
 - (E) any person of either sex with whom such specified person is living in conjugal relationship outside marriage; or
 - (F) any relative of such specified person or of a person mentioned in paragraph (E) or (F) of this definition, if that relative has the same residence as the specified person;

- (iii) "Public Announcement" means disclosure in a press release reported by a national news service in Canada or in a document publicly filed by the Corporation under its profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

4.05 Removal of Directors. Subject to the Act, the shareholders may by ordinary resolution passed at an annual or special meeting of shareholders remove any director from office and the vacancy created by such removal may be filled by the election of any qualified individual at the same meeting, failing which it may be filled by the board.

4.06 Vacation of Office. A director ceases to hold office on death, on removal from office by the shareholders, on ceasing to be qualified for election as a director, on receipt of a written resignation by the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later. Subject to the Act, a quorum of the board may appoint a qualified individual to fill a vacancy in the board.

4.07 Action by the Board. The board shall manage or supervise the management of the business and affairs of the Corporation. The powers of the board may be exercised at a meeting (subject to section 4.08) at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

4.08 Meeting by Telephone. If all the directors of the Corporation consent thereto generally or if all the directors of the Corporation present at or participating in the meeting consent, a director may participate in a meeting of the board or of a committee of the board by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other, simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board.

4.09 Place of Meetings. Meetings of the board may be held at any place within or outside Ontario and in any financial year of the Corporation a majority of the meetings need not be held in Canada.

4.10 Calling of Meetings. Meetings of the board shall be held from time to time at such time and at such place as the board, the chair of the board, the president or any two directors may determine.

4.11 Notice of Meeting. Notice of the time and place of each meeting of the board shall be given in the manner provided in Section Eleven to each director not less than 48 hours before the time when the meeting is to be held. No notice of a meeting shall be necessary if all the directors in office are present or if those absent waive notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business or the general nature thereof to be specified.

4.12 First Meeting of New Board. Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

4.13 Adjourned Meeting. Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.14 Regular Meetings. The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

4.15 Chair. The chair of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: chair of the board or president. If no such officer is present, the directors present shall choose one of their number to be chair.

4.16 Quorum. Subject to section 4.18, the quorum for the transaction of business at any meeting of the board shall be a majority of the directors then in office, or such greater number of directors as the board may from time to time determine.

4.17 Votes to Govern. At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.

4.18 Conflict of Interest. A director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose to the Corporation the nature and extent of that interest at the time and in the manner provided by the Act. Such a director shall not attend any part of a meeting of directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as provided by the Act. If no quorum exists for the purpose of voting on such a resolution only because a director is not permitted to be present at the meeting, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to make a disclosure under this section, the contract or transaction may only be approved by the shareholders.

4.19 Remuneration and Expenses. The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION FIVE COMMITTEES

5.01 Committees of the Board. The board may appoint from their number one or more committees of the board, however designated, and delegate to any such committee any of the

powers of the board except those which pertain to items which, under the Act, a committee of the board has no authority to exercise.

5.02 Transaction of Business. The powers of a committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Ontario.

5.03 Advisory Bodies. The board may from time to time appoint such advisory bodies as it may deem advisable.

5.04 Procedure. Unless otherwise determined by the board, each committee and advisory body shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

SECTION SIX OFFICERS

6.01 Appointment. The board may from time to time appoint a chief executive officer, a president, a chief operating officer, a chief financial officer, one or more vice presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. One person may hold more than one office. The board may prescribe the duties of and, in accordance with this by-law and subject to the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to section 6.02, an officer may but need not be a director.

6.02 Chair of the Board. The board may from time to time also appoint a chair of the board who shall be a director. If appointed, the board may assign to the Chair any of the powers and duties that are by any provisions of this by-law assigned to any officer. The Chair shall have such other powers and duties as the board may prescribe.

6.03 Chief Executive Officer. The chief executive officer shall have general supervision, management, direction and control of the business and affairs of the Corporation and shall see that all orders and resolutions of the board are carried into effect. The chief executive officer shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall perform such other duties and possess such other authority and powers as the board may from time to time prescribe.

6.04 President. The president shall have the general powers and duties of management usually vested in the office of president of a corporation (in circumstances where such corporation also maintains the office of chief executive officer) and shall perform such other duties and possess such other authority and powers as the board, the chair of the board or the chief executive officer may from time to time prescribe.

6.05 Chief Financial Officer. The chief financial officer shall have general financial supervision, management, direction and control of the business and affairs of the Corporation and shall see that all financial orders and resolutions of the board are carried into effect. The chief financial officer shall have the general financial powers and duties of management usually vested in the office of chief financial officer of a corporation and shall perform such other duties and

possess such other authority and powers as the board, the chair of the board, the chief executive officer or the president may from time to time prescribe.

6.06 Secretary. Unless otherwise determined by the board, the secretary shall be the secretary of all meetings of the board, shareholders and committees of the board that the secretary attends. The secretary shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at meetings of the board, shareholders and committees of the board, whether or not in attendance at such meetings. The secretary shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board. The secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, records and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose, and have such other powers and duties as otherwise may be prescribed.

6.07 Treasurer. The treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. The treasurer shall render to the board whenever required an account of all transactions and of the financial position of the Corporation and shall perform such other duties and possess such other authority and powers as the board, the chair of the board, the chief executive officer, the president or the chief financial officer may from time to time prescribe.

6.08 Powers and Duties of Officers. The powers and duties of all officers shall be such as the terms of their engagement call for or as the board or (except for those whose powers and duties are to be specified only by the board) the chief executive officer may specify. The board and (except as aforesaid) the chief executive officer may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer otherwise directs.

6.09 Term of Office. The board, in its discretion, may remove any officer of the Corporation. Otherwise each officer appointed by the board shall hold office until his or her successor is appointed or until the officer resigns.

6.10 Agents and Attorneys. The Corporation, by or under the authority of the board, shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the power to subdelegate) of management, administration or otherwise as may be thought fit.

6.11 Conflict of Interest. An officer shall disclose any interest in a material contract or transaction or proposed material contract or transaction with the Corporation in accordance with section 4.18.

SECTION SEVEN PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01 Limitation of Liability. All directors and officers of the Corporation in exercising their powers and discharging their duties to the Corporation shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the

foregoing, no director or officer shall be liable for the acts, omissions, failures, neglects or defaults of any other director, officer or employee, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the part of such director or officer, or for any other loss, damage or misfortune which shall happen in the execution of the duties of office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.02 Indemnity.

(1) Subject to the Act and to section 7.02(2), the Corporation shall:

- (a) indemnify any individual who is or was a director or officer of the Corporation and any individual who acts or acted at the Corporation's request as a director or officer (or any individual acting in a similar capacity) of another entity, against all costs, charges and expenses, including, without limitation, an amount paid to settle an action or satisfy a judgment, reasonably incurred by any such individual in respect of any civil, criminal, administrative, investigative or other proceeding in which such individual is involved because of that association with the Corporation or other entity; and
- (b) advance moneys to a director, officer or other individual for the costs, charges, and expenses of a proceeding referred to in section 7.02(1)(a). The individual shall repay the moneys if such individual does not fulfil the conditions of section 7.02(2).

(2) The Corporation shall not indemnify an individual under section 7.02(1) unless such individual:

- (a) acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which such individual acted as a director or officer (or in a similar capacity) at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that such individual's conduct was lawful.

(3) The Corporation shall also indemnify any individuals referred to in section 7.02(1)(a) in such other circumstances as the Act or law permits or requires. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

7.03 Insurance. Subject to the Act, the Corporation may purchase and maintain such insurance for the benefit of any individual referred to in section 7.02 hereof as the board may from time to time determine.

SECTION EIGHT SHARES

8.01 Allotment of Shares. Subject to the Act and the articles, the board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

8.02 Commissions. The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of such person purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

8.03 Registration of Transfers. Subject to the Act, no transfer of a share shall be registered in a securities register except upon compliance with the reasonable requirements of the Corporation and its transfer agents and with such restrictions on issue, transfer or ownership as are authorized by the articles.

8.04 Non-recognition of Trusts. Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.

8.05 Share Certificates. Every holder of one or more shares of the Corporation shall be entitled, at the holder's option, to a share certificate, or to a non-transferable written certificate of acknowledgement of such right to obtain a share certificate, stating the number and class or series of shares held by such holder as shown on the securities register. Such certificates shall be in such form as the board may from time to time approve. Any such certificate shall be signed in accordance with section 2.04 and need not be under the corporate seal. Notwithstanding the foregoing, unless the board otherwise determines, certificates in respect of which a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent has been appointed shall not be valid unless countersigned by or on behalf of such registrar, transfer agent, branch transfer agent or issuing or other authenticating agent. The signature of one of the signing officers under section 2.04 (or, in the case of a certificate which is not valid unless countersigned by or on behalf of a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent, the signatures of both signing officers under section 2.04) may be printed or otherwise mechanically reproduced thereon. Every such printed or mechanically reproduced signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose printed or mechanically reproduced signature appears thereon no longer holds office at the date of issue of the certificate.

8.06 Replacement of Share Certificates. The board or any officer or agent designated by the board may direct the issue of a new share or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, apparently destroyed or wrongfully taken on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.07 Joint Shareholders. If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

8.08 Deceased Shareholders. In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make any dividend or other payments in respect thereof except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

8.09 Transfer Agents and Registrars. The Corporation may from time to time, in respect of each class of securities issued by it, appoint a trustee, transfer or other agent to keep the securities register and the register of transfers and a registrar, trustee or agent to maintain a record of issued security certificates and may appoint one or more persons or agents to keep branch registers, and, subject to the Act, one person may be appointed to keep the securities register, register of transfers and the records of issued security certificates. Such appointment may be terminated at any time by the board.

SECTION NINE DIVIDENDS AND RIGHTS

9.01 Dividends. Subject to the Act and the articles, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation or options or rights to acquire fully paid shares of the Corporation. Any dividend unclaimed after a period of 6 years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

9.02 Dividend Cheques. A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the holder's recorded address, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold. In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

9.03 Record Date for Dividends and Rights. The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than 7 days before such record date in the manner provided by the Act. If no

record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

SECTION TEN MEETINGS OF SHAREHOLDERS

10.01 Annual Meetings. The annual meeting of shareholders shall be held at such time in each year and, subject to section 10.03, at such place as the board, the chair of the board or the president may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

10.02 Special Meetings. The board, the chair of the board or the president shall have power to call a special meeting of shareholders at any time.

10.03 Meetings by Electronic Means. A meeting of shareholders may be held by telephonic or electronic means and a shareholder who, through those means, votes at the meeting or establishes a communications link to the meeting shall be deemed for the purposes of the Act to be present at the meeting.

10.04 Place of Meetings. Subject to the articles, meetings of shareholders of the Corporation shall be held at such place in or outside Ontario as the directors determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located. A meeting held under section 10.03 shall be deemed to be held at the place where the registered office of the Corporation is located.

10.05 Notice of Meetings. Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section Eleven not less than 21 nor more than 50 days before the date of the meeting to each director, to the auditor, and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

10.06 List of Shareholders Entitled to Notice. For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to section 10.07, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given or, where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared. Where a separate list of shareholders has not been prepared, the names of

persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders.

10.07 Record Date for Notice. The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, as a record date for the determination of the shareholders entitled to notice of the meeting, and notice of any such record date shall be given not less than seven days before such record date, by newspaper advertisement in the manner provided in the Act and by written notice to each stock exchange in Canada on which the shares of the Corporation are listed for trading. If no such record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, shall be the day on which the meeting is held.

10.08 Meetings Without Notice. A meeting of shareholders may be held without notice at any time and place permitted by the Act (a) if all the shareholders entitled to vote thereat are present in person or duly represented or if those not present or represented waive notice of or otherwise consent to such meeting being held, and (b) if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held; so long as such shareholders, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact.

10.09 Chair, Secretary and Scrutineers. The chair of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: chair of the board, chief executive officer, president, or a vice president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the secretary of the Corporation is absent, the chair shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.

10.10 Persons Entitled to be Present. The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditor of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

10.11 Quorum. A quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a shareholder so entitled, and together holding or representing shares of the Corporation having not less than 25% of the outstanding votes entitled to be cast at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholder or shareholders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the time appointed for the meeting or within a reasonable time thereafter as the shareholders may determine, the shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

10.12 Right to Vote. Every person named in the list referred to in section 10.06 shall be entitled to vote the shares shown thereon opposite such person's name at the meeting to which such list relates.

10.13 Proxyholders and Representatives. Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, as nominee of such shareholder to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy must be signed in writing or by electronic signature by the shareholder or an attorney who is authorized by a document that is signed in writing or by electronic signature or, if the shareholder is a body corporate, by an officer or attorney of the body corporate duly authorized and shall conform with the requirements of the Act. Alternatively, every such shareholder which is a body corporate or association may authorize by resolution of its directors or governing body an individual to represent it at a meeting of shareholders of the Corporation and such individual may exercise on the shareholder's behalf all the powers it could exercise if it were an individual shareholder. The authority of such an individual shall be established by depositing with the Corporation a certified copy of such resolution, or in such other manner as may be satisfactory to the secretary of the Corporation or the chair of the meeting. Any such proxyholder or representative need not be a shareholder. A proxy ceases to be valid one year from its date.

10.14 Time for Deposit of Proxies. The board may fix a time not exceeding 48 hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of shareholders before which time proxies to be used at the meeting must be deposited with the Corporation or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or if, no such time having been specified in such notice, it has been received by the secretary of the Corporation or by the chair of the meeting or any adjournment thereof prior to the time of voting. Notwithstanding the foregoing, the chair of a meeting of shareholders may, in his or her sole discretion, determine to accept all, but not less than all, proxies which have been deposited following the time so specified.

10.15 Joint Shareholders. If two or more persons hold shares jointly, any one of them present in person or duly represented at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.

10.16 Votes to Govern. At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chair of the meeting shall not be entitled to a second or casting vote.

10.17 Show of Hands. Subject to the Act, any question at a meeting of shareholders shall be decided by a show of hands, unless a ballot thereon is required or demanded as hereinafter provided, and upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any

resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

10.18 Ballots. On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chair may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which such person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

10.19 Adjournment. The chair at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

SECTION ELEVEN NOTICES

11.01 Method of Giving Notices. Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given, if mailed to such person at the person's recorded address by prepaid mail, or if transmitted by telephone facsimile or other electronic means in accordance with the *Electronic Commerce Act* (Ontario). A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered by dispatch. A notice so delivered shall be deemed to have been received when it is delivered personally, a notice so mailed shall be deemed to have been received on the fifth day after it is deposited in a post office or public letter box, and a notice so transmitted shall be deemed to have been received on the day it is transmitted. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by the secretary to be reliable.

11.02 Notice to Joint Shareholders. If two or more persons are registered as joint holders of any share, any notice may be addressed to all such joint holders, but notice addressed to one of such persons shall be sufficient notice to all of them.

11.03 Computation of Time. In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the day of giving the notice shall be excluded and the day of the meeting or other event shall be excluded.

11.04 Undelivered Notices. If any notice given to a shareholder pursuant to section 11.01 is returned on three consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices to such shareholder until informed in writing by the shareholder of a new address.

11.05 Omissions and Errors. The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

11.06 Persons Entitled by Death or Operation of Law. Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom such person derives title to such share prior to the name and address of such person being entered on the securities register (whether such notice was given before or after the happening of the event upon which such person became so entitled) and prior to such person furnishing to the Corporation the proof of authority or evidence of entitlement prescribed by the Act.

11.07 Waiver of Notice. Any shareholder, proxyholder or other person entitled to attend a meeting of shareholders, director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him or her under the Act, the regulations thereunder, the articles, the by-laws or otherwise, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing and may be sent by electronic means in accordance with the *Electronic Commerce Act* (Ontario), except a waiver of notice of a meeting of shareholders or of the board or a committee of the board which may be given in any manner.

11.08 Interpretation. In this by-law, "recorded address" means in the case of a shareholder the address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; in the case of an officer, auditor or member of a committee of the board, the latest address as recorded in the records of the Corporation; and in the case of a director, the latest address as shown in the records of the corporation or in the most recent notice filed under the *Corporations Information Act* (Ontario), whichever is the more current.

SECTION TWELVE EFFECTIVE DATE AND REPEAL

12.01 Effective Date. This by-law shall come into force when made by the board in accordance with the Act.

12.02 Repeal. All previous by-laws of the Corporation are repealed as of the coming into force of this by-law. Such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles (as defined in the Act) or predecessor charter documents of the Corporation obtained pursuant

to, any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or the board or a committee of the board with continuing effect passed under any repealed by-law shall continue to be good and valid except to the extent inconsistent with this by-law and until amended or repealed.

The foregoing by-law was made by the directors of the Corporation on the 4th day of March, 2020, as further amended by the directors of the Corporation on the 7th day of May, 2020, and was confirmed without variation by the shareholders of the Corporation on the • day of •, 2020.

Secretary

SCHEDULE "B"

SUMMARY OF LEGACY LONG-TERM INCENTIVE PLANS

Summary of Option Plan

The Option Plan is no longer active, with no grants having been made thereunder since 2017.

The Option Plan is a conventional stock option plan with three-year vesting and a maximum five-year term for options to purchase Common Shares granted thereunder. The Option Plan was designed in 2010 to attract and retain personnel with a competitive compensation mechanism, to provide directors, officers, employees, consultants and third party service providers ("**Option Plan Participants**") with an incentive to grow and develop the business of the Corporation by providing such persons with the opportunity to acquire a proprietary interest in the Corporation, and to align Option Plan Participants' interests with the long-term interests of Shareholders.

The following is a summary of the material features of the Option Plan.

- The Option Plan, under which options were granted based on individual contribution and performance, was put in place to attract, motivate and retain qualified employees, directors, consultants and third party service providers (the "**Option Plan Participants**").
- The Option Plan provides that the aggregate number of Common Shares issuable pursuant to options granted under the Option Plan shall not exceed 10% of the aggregate number of Common Shares outstanding from time to time calculated on a non-diluted basis.
- The exercise price of each option granted under the Option Plan shall be equal to the five-day volume weighted average trading price of the Common Shares on the TSX as of the trading day immediately preceding the date of grant of such option. The Board may adjust the number of options granted under the Option Plan and the exercise price upon the occurrence of certain dilutive events. The Option Plan prohibits financial assistance of any kind being provided to a holder for the purpose of exercising any options granted under the Option Plan. The Option Plan does, however, provide for a cashless exercise of options, where the holder can elect to receive either a cash payment equal to the in-the-money amount of an option or Common Shares issued from treasury equal to the in-the-money amount of the option divided by the market price of the Common Shares on the TSX, calculated in accordance with the Option Plan.
- Options under the Option Plan have a term not exceeding five years from the grant date and may be subject to such vesting schedule as determined by the CGC Committee subject to acceleration upon the occurrence of certain change of control events.
- If the expiry date of an option granted under the Option Plan occurs during a period when the Option Plan Participant is prohibited from exercising such option due to trading restrictions imposed by the Corporation in accordance with its insider trading policies or within ten business days after the expiry of a blackout period, then the expiry date of such option is automatically extended to the date that is the tenth business day after the last day of the relevant blackout period.
- Options granted under the Option Plan may not be assigned or transferred other than by will or the laws of descent and, subject to prior approval of the CGC Committee, to an entity or trust controlled by the holder thereof to benefit from advantageous tax treatment.
- The Option Plan and any options granted thereunder may be amended, modified or terminated by the Board and the CGC Committee without Shareholder approval, unless Shareholder approval is required by the rules and policies of the TSX. Changes which may be made without Shareholder approval include, without limitation: (i) minor changes of a "housekeeping" nature; (ii) amending

options granted under the Option Plan, including with respect to the expiry date (provided that the expiry date is not more than ten years from the grant date and that such option is not held by an insider), vesting period, exercise method and frequency and effect of termination of an Option Plan Participant's employment or cessation as a member of the Board; and (iii) advancing the date on which any option granted under the Option Plan may be exercised or extending the expiry date of any option, provided that the period during which an option is exercisable does not exceed ten years from the grant date.

- Shareholder approval is required to: (i) increase the maximum aggregate number of Common Shares issuable pursuant to options granted under the Option Plan; (ii) reduce the exercise price or extend the expiry date of any option benefiting an insider; (iii) amend or modify the provisions of options or the Option Plan in any manner which would permit options, including those previously granted, to be transferable or assignable, other than by will or the laws of descent or to an entity or trust controlled by the holder thereof as described above; or (iv) amend the amendment provisions of the Option Plan.
- Notwithstanding the foregoing, the Board may not amend or modify the provisions of the Option Plan or the options granted thereunder or terminate the Option Plan if: (i) such amendment or modification would materially and adversely impair the rights of the holder in respect of any option previously granted to such holder, except with the written consent of the holder; or (ii) termination of the Option Plan would derogate from the rights of the holder in respect of any option previously granted to such holder, except with the written consent of the holder.

Summary of PSU and RSU Plan

The PSU and RSU Plan is no longer active, with no grants having been made thereunder since 2017.

The Corporation adopted the PSU and RSU Plan in 2017. The PSU and RSU Plan was designed to focus management of the Corporation on operating and financial performance and total long term shareholder return by providing an increased incentive to contribute to the Corporation's growth and profitability, and to attract and retain qualified directors, officers, employees and consultants with a competitive long term incentive program.

PSUs are conventional three-year full-value units linked to the Corporation's Common Share price and payout is subject to achievement of Common Share price and EBITDA performance criteria. Specifically, if the Common Share price is lower at the time of a PSU vesting than at the time of grant, the recipient will receive no payout. Additionally, if the Corporation's EBITDA for the relevant performance period is lower than the EBITDA target for the PSU, the recipient will receive no payout. If the Common Share price criteria has been met and the Corporation's EBITDA meets or exceeds the EBITDA target for the PSU, the recipient receives the PSU payout multiplied by the ratio of actual EBITDA to target EBITDA. At the time of vesting, PSUs are either cash-settled or settled in Common Shares at the Board's discretion.

RSUs are conventional three-year full-value units linked to the Corporation's Common Share price. RSUs are cash-settled upon vesting.

The following is a summary of the material features of the PSU and RSU Plan.

- The PSU and RSU Plan was put in place to attract, motivate and retain qualified directors, officers, employees and consultants (each, a "**Service Provider**") and to focus management on operating and financial performance and total long-term Shareholder return by providing an increased incentive to contribute to the Corporation's growth and profitability.
- The PSU and RSU Plan provides for the issuance of RSUs and PSUs.

- Each PSU entitles the holder to receive a Common Share issued from treasury or a cash payment equal to the fair market value of a Common Share, at the discretion of the Board, subject to adjustment and to the other terms and conditions of the PSU and RSU Plan.
- Each RSU entitles the holder to receive a cash payment equal to the fair market value of a Common Share, subject to adjustment and to the other terms and conditions of the PSU and RSU Plan.
- An award of units may comprise either PSUs or RSUs or a combination of both. The number of Common Shares issuable at any time to insiders pursuant to PSUs, when combined with the number of Common Shares of the Corporation issuable pursuant to any other security-based compensation arrangement, may not exceed 10% of the Corporation's total issued and outstanding Common Shares. Similarly, there may not be issued to insiders, within a one-year period, a number of Common Shares of the Corporation that, when combined with any other security-based compensation arrangement, would exceed 10% of the Corporation's total issued and outstanding Common Shares. In addition, the maximum aggregate number of Common Shares issuable under the PSU and RSU Plan, when combined with all Common Shares issuable under any other security-based compensation plan of the Corporation, including the Option Plan, cannot exceed 10% of issued and outstanding Common Shares from time to time.
- Except in cases of a change of control or changes in the status of a Service Provider and subject to the CGC Committee's discretion, PSUs vest on the last day of the three-year performance period for such PSUs. Upon vesting, the number of Common Shares (or the cash amount in lieu thereof) to be delivered under each vested PSU will be adjusted by multiplying such amount by (i) the adjustment ratio applicable to such PSU (for any dividend adjustment) and (ii) the performance factor applicable to such PSU.
- RSUs vest on the last day of the three-year performance period for such RSUs, other than during a change of control or a change in the status of the Service Provider and subject to the discretion of the CGC Committee. The cash amount to be delivered under each vested RSU shall be adjusted by multiplying such amount by the adjustment ratio applicable to such RSU (for any dividend adjustment).
- The performance period for a unit is, unless otherwise specified in the applicable award agreement, the period commencing on January 1 of the calendar year in which the unit is granted and ending on the most recently completed financial period immediately prior to the third anniversary of the grant date of such unit. However, no performance period shall extend beyond December 31 of the third calendar year commencing after the year in which the unit is granted. If a unit's vesting is accelerated due to a change of control, the Corporation may determine the applicable performance period in its discretion.
- Except in certain limited circumstances related to the death of a Service Provider, units are non-transferable.
- The Corporation retains the right to amend or to suspend, terminate or discontinue the terms and conditions of the PSU and RSU Plan and the units granted thereunder by resolution of the Board, subject to the prior consent of any applicable regulatory bodies, including the TSX. Any amendment to the PSU and RSU Plan will take effect only with respect to units granted after the effective date of such amendment, unless the mutual consent of the Corporation and the Service Providers to whom units were previously granted is given.
- The Board has the power and authority to approve certain alterations, amendments or variations relating to the PSU and RSU Plan or to units, without further approval of the Shareholders, provided that such alteration, amendment or variation does not:
 - increase the number of Common Shares issuable under the PSU and RSU Plan;

- change the class of eligible participants to the PSU and RSU Plan which would have the potential of broadening or increasing participation by insiders of the Corporation;
- amend the amendment provision of the PSU and RSU Plan;
- amend the PSU and RSU Plan to extend the expiry date of the units granted under the PSU and RSU Plan beyond the expiry date of the units provided for under the terms and conditions of the PSU and RSU Plan; or
- make any amendment to the PSU and RSU Plan that permits a Service Provider to transfer units to any person, other than in the case of the death of the Service Provider.

SCHEDULE “C”

CHARTER OF THE BOARD OF DIRECTORS

I. Purpose and Authority

The Board of Directors (the “**Board**”) of ClearStream Energy Services Inc. (the “**Company**”) is responsible for the overall stewardship of the Company and any subsidiary entities of the Company. The role of the Board is one of supervision, leadership and oversight. The primary functions of the Board are to: (i) adopt a strategic planning process designed to achieve the Company’s principal objectives; (ii) supervise the management of the business and affairs of the Company with the goal of achieving the Company’s principal objectives; and (iii) discharge the duties of the Board imposed by applicable laws.

The Board will primarily fulfill its responsibilities by carrying out the activities outlined in this Charter. The Board is given full access to management of the Company and its records as necessary to carry out these responsibilities.

The Board has the authority, at the Company’s expense, to retain, instruct, compensate and terminate independent counsel and/or other advisors as it determines necessary to carry out its duties.

II. Composition and Qualification

The Board will be comprised of three (3) or more directors, a majority of whom shall be “independent” directors, as determined by the Board in accordance with applicable securities laws and stock exchange rules.

The shareholders of the Company are entitled to nominate for election all of the members of the Board, to hold office until the close of the next annual meeting, by a vote at a meeting of shareholders. The Board may fill vacancies in the Board by appointment, and if and whenever a vacancy shall exist in the Board, the remaining members may exercise all of its powers so long as a quorum remains in office.

III. Responsibilities and Duties

The Board shall have the following responsibilities and duties:

Strategic Plans and Oversight

- (a) Adopt a strategic planning process, approve a strategic plan for achieving the Company’s principal objectives, and approve capital and operating plans to implement the strategic plan.
- (b) Monitor the Company’s performance against its strategic plan, conduct periodic reviews of the Company’s resources, risks, regulatory constraints and opportunities to facilitate the strategic plan, and, if the Board deems necessary, adjust the strategic plan for changing circumstances.
- (c) Approve in advance significant acquisitions, capital expenditures, dispositions, investments and other financial commitments that exceed authorized expenditure limits established by the Board.

- (d) Monitor the Company's capital structure and approve significant changes thereto.
- (e) Approve dividends and distributions, significant financings and transactions affecting the debt capitalization and authorized capital of the Company, including the issue and repurchase of shares and debt securities.

Controls and Finances

- (f) Adopt a process to identify the principal risks to the Company's business and ensure that appropriate systems are in place to effectively monitor and manage such risks, and periodically evaluate the appropriateness of such systems.
- (g) Ensure that appropriate systems are in place for the implementation and maintenance of the integrity of the Company's disclosure controls and procedures, internal controls and information systems, including maintenance of all required records and documentation.
- (h) Adopt a disclosure policy that provides for the Company's disclosure and communications practices.
- (i) Ensure that the financial performance of the Company is properly reported to shareholders, other security holders and regulators on a timely and regular basis and in accordance with applicable laws.
- (j) Approve a code of conduct and ethics policy that establishes ethical standards to be observed by all officers, employees and Company personnel and ensure that a process is in place to monitor compliance therewith.

Supervision of Management

- (k) Select and appoint the Chief Executive Officer, determine the goals and objectives for the Chief Executive Officer, and evaluate the Chief Executive Officer's performance in relation to such goals and objectives.
- (l) In consultation with the Chief Executive Officer, appoint all executive officers, approve their goals and objectives, and monitor their performance.
- (m) Review matters of succession and succession planning for both directors and officers, including appointment, training and monitoring.

Governance

- (n) Review annually the composition of the Board and its committees.
- (o) Select nominees for election to the Board.
- (p) Ensure that all new directors receive a comprehensive orientation in order to fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make, including the commitment of time and resources.
- (q) Review annually the adequacy and form of the compensation of directors.

- (r) Appoint from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate, appoint a chair of each committee, and establish a charter for each committee of the Board that outlines its purpose and authority, composition and qualification, and responsibilities and duties.
- (s) Facilitate the continuity, effectiveness and independence of the Board by, amongst other things: (i) ensuring that processes are in place and are utilized to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board, and each director; and (ii) establishing a system to enable any director, the Board and any committees of the Board to engage independent counsel and/or other advisors to assist in fulfilling their respective responsibilities, at the expense of the Company.
- (t) Develop measures for receiving shareholder feedback, including establishing a process for direct communication between shareholders and the independent directors.
- (u) Review and assess the adequacy of this Charter and the charter of each committee of the Board from time to time based on its assessment of the Company's needs, legal and regulatory developments and applicable best practices and, where appropriate, approve revisions thereto.

IV. Meetings

A quorum for the transaction of business of the Board shall consist of a majority of the members of the Board. No business may be transacted by the Board except at a meeting at which quorum is present. Alternatively, business may be transacted by the Board by a resolution in writing signed by all members of the Board who would have been entitled to vote on that resolution at a meeting of the Board.

The time and place for meetings of the Board and procedures at such meetings shall be determined from time to time by the Board. The Secretary of the Company shall, upon the request of the Chairman of the Board, any member of the Board or the Chief Executive Officer of the Company, call a meeting of the Board by giving at least 48 hours' advance notice to each member; provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting. The Board expects that written materials will be received from management in advance of meeting dates.

Any member of the Board may participate in a meeting of the Board by means of a conference telephone or other communication equipment, and the member participating in a meeting in such manner shall be deemed, for purposes hereof, to be present in person at the meeting.

The Board shall keep minutes of its meetings.

One of the members of the Board shall be elected as its Chairman by the Board and the Board may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

The Board may invite such officers and employees of the Company as it may see fit, from time to time, to attend meetings of the Board.

The Board will hold meetings of the independent directors without management and non-independent directors present.

This Charter was approved by the Board of Directors on December 3, 2019.

ClearStream 