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ker has documentary evidence in its records that the holder is not a United States person and certain other conditions are met, or the holder otherwise establishes an exemption.

Any amounts withheld from a Non-U.S. Holder under the backup withholding provisions may be credited against the U.S. federal income tax liability, if any, of the Non-U.S. Holder, and may entitle the Non-U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Foreign Account Tax Compliance

The Foreign Account Tax Compliance Act (FATCA) generally imposes a 30% withholding tax on dividend payments made by a United States person to a foreign financial institution or non-financial foreign entity (including, in some cases, when a foreign financial institution or non-financial foreign entity is acting as an intermediary), and on the gross proceeds received by a foreign financial institution or non-financial foreign entity as a result of a sale or other disposition of shares of stock issued by a United States person, unless (i) in the case of a foreign financial institution, such institution enters into (or is deemed to have entered into) an agreement with the U.S. Treasury Department to withhold on certain payments, and to collect and provide to the U.S. Treasury Department substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), (ii) in the case of a non-financial foreign entity, such entity provides the withholding agent with a certification identifying the direct and indirect substantial U.S. owners of the entity, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules.

Under the applicable Treasury regulations and other guidance, FATCA withholding will not apply to payments of gross proceeds from the sale or other disposition of shares of Whiting common stock before January 1, 2017.

Material Canadian Federal Income Tax Consequences

The following is a summary of the principal Canadian federal income tax consequences relating to (i) the Continuance, (ii) the exchange of shares of Kodiak common stock for shares of Whiting common stock pursuant to the arrangement, and (iii) the ownership and disposition of shares of Whiting common stock under the ITA that generally apply to beneficial owners of Kodiak common stock or Whiting common stock, as applicable, who, for purposes of the ITA, and at all relevant times, hold their Kodiak common stock, and will hold any Whiting common stock received pursuant to the arrangement, as capital property and deal at arm s length with, and are not affiliated with, Kodiak, Whiting, Whiting Canadian Sub or any of their affiliates. Persons meeting such requirements are referred to as a Holder or as Holders herein, and this summary is only for Holders.

This summary does not apply to a Holder: (i) with respect to whom Whiting is or will be a foreign affiliate within the meaning of the ITA, (ii) that is a financial institution for the purposes of the mark-to-market rules in the ITA, (iii) an interest in which is a tax shelter investment as defined in the ITA, (iv) that is a specified financial institution as defined in the ITA, (v) who has or will make a functional currency election under Section 261 of the ITA, (vi) who received Kodiak common stock or will receive Whiting common stock or will receive Whiting common stock upon exercise of a stock option or with respect to RSUs or restricted stock awards, or (vii) who has entered into or will enter into, with respect to their shares of Kodiak common stock or Whiting common stock, a derivative forward agreement as that term is defined in the ITA. **Any such Holder should consult its own tax advisor with respect to the Continuance, the arrangement and the ownership and disposition of shares of Whiting common stock.**

Kodiak common stock and Whiting common stock will generally be considered to be capital property of a Holder for purposes of the ITA unless such Kodiak common stock or Whiting common stock are held in the course of carrying

on a business, or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Canadian Holders (as defined below) whose Kodiak common stock might

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not otherwise qualify as capital property, may, in certain circumstances, be entitled to make, or may already have made, an irrevocable election in accordance with subsection 39(4) of the ITA to have their Kodiak common stock, and every Canadian security (as defined in the ITA) owned by such Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. Any Canadian Holder contemplating making a subsection 39(4) election should consult their tax advisor for advice as to whether the election is available or advisable in their particular circumstances.

This summary is based on the facts set out in this document, the current provisions of the ITA and the regulations thereunder in force on the date hereof and counsel s understanding of the published administrative policies and assessing practices of the Canada Revenue Agency (the CRA) publicly available prior to the date of this document. This summary takes into account all proposed amendments to the ITA and the regulations thereunder that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the Proposed Amendments) and assumes that such Proposed Amendments will be enacted in the form proposed. However, no assurance can be given that such Proposed Amendments will be enacted in the form proposed, or at all.

Except for the Proposed Amendments, this summary does not take into account or anticipate any other changes in law or any changes in the CRA s administrative policies and assessing practices, whether by judicial, governmental or legislative action or decision, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

This summary is not exhaustive of all possible Canadian federal income tax consequences applicable to the Continuance, the arrangement and the ownership and disposition of common stock of Whiting. This summary is of a general nature only and is not intended to be, and should not be construed to be, legal, business or tax advice to any particular Holder. Holders should consult their own tax advisors having regard to their own circumstances.

Generally for purposes of the ITA, all amounts relating to the acquisition, holding or disposition of Kodiak common stock or Whiting common stock (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars. Amounts denominated in U.S. dollars or another foreign currency must be converted into Canadian dollars generally based on the Bank of Canada noon exchange rate on the date such amounts arise. The amount of dividends to be included in the income of, and the amount of capital gains or capital losses realized by, a Holder may be affected by fluctuation in the relevant Canadian dollar exchange rate.

Holders Resident in Canada

The following section of the summary applies to a Holder who, for purposes of the ITA and any applicable income tax treaty, is or is deemed to be a resident of Canada at all relevant times (a Canadian Holder).

Continuance

No disposition or acquisition of Kodiak common stock will occur on the Continuance and Canadian Holders will not realize any income, gain or loss as a result of the Continuance.

Exchange of Shares of Kodiak Common Stock for Shares of Whiting Common Stock

A Canadian Holder who exchanges shares of Kodiak common stock for shares of Whiting common stock under the arrangement will generally be considered to have disposed of such shares of Kodiak common stock for aggregate

proceeds of disposition equal to the aggregate fair market value at the effective time of the arrangement of the Whiting common stock received by such Canadian Holder on the exchange, and generally will realize a capital gain (or capital loss) to the extent that such proceeds of disposition, net of any reasonable

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costs of the disposition, exceed (or are less than) the aggregate adjusted cost base to the Canadian Holder of such Kodiak common stock immediately before the disposition. See Taxation of Capital Gains and Capital Losses below.

The cost to a Canadian Holder of shares of Whiting common stock received in consideration for shares of Kodiak common stock will be equal to the aggregate fair market value of the shares of Kodiak common stock exchanged by the Canadian Holder at the effective time of the arrangement. For the purpose of determining the adjusted cost base at any time to a Canadian Holder of Whiting common stock acquired under the arrangement, the adjusted cost base of such shares of Whiting common stock will generally be determined by averaging the cost of such Whiting common stock with the adjusted cost base of all other Whiting common stock held by the Canadian Holder as capital property at that time.

Dividends on Shares of Whiting Common Stock

A Canadian Holder will be required to include in computing such holder s income for a taxation year the amount of dividends, if any, received or deemed to be received on Whiting common stock. Dividends received on Whiting common stock by a Canadian Holder who is an individual will not be subject to the gross-up and dividend tax credit rules in the ITA normally applicable to taxable dividends received from taxable Canadian corporations. A Canadian Holder that is a corporation will not be entitled to deduct the amount of such dividends in computing its taxable income.

A Canadian Holder that is throughout the year a Canadian-controlled private corporation (as defined in the ITA) may be liable to pay a refundable tax of 6 ⅔% on its aggregate investment income (as defined in the ITA), including any dividends received or deemed to be received on Whiting common stock. Any U.S. non-resident withholding tax on such dividends may entitle a Canadian Holder to claim a foreign tax credit or deduction in respect of such U.S. tax to the extent and under the circumstances provided in the ITA.

Disposition of Shares of Whiting Common Stock

A disposition or deemed disposition of Whiting common stock by a Canadian Holder will generally result in a capital gain (or capital loss) to the extent that the aggregate proceeds of disposition, net of any reasonable costs of the disposition, exceed (or are less than) the aggregate adjusted cost base to the Canadian Holder of such Whiting common stock immediately before the disposition.

See Taxation of Capital Gains and Capital Losses below. The Canadian Holder may be entitled to claim a foreign tax credit or deduction in respect of any U.S. tax payable by the Canadian Holder on any capital gain realized on such disposition or deemed disposition to the extent and under the circumstances provided in the ITA.

Taxation of Capital Gains and Capital Losses

Generally one-half of any capital gain (a taxable capital gain) realized by a Canadian Holder will be included in the Canadian Holder s income for the year of disposition. One-half of any capital loss (an allowable capital loss) realized by a Canadian Holder in a taxation year is required to be deducted by the holder against taxable capital gains in that year (subject to and in accordance with the rules of the ITA). Any excess of allowable capital losses over taxable capital gains of the Canadian Holder realized in a taxation year may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains realized in such years, to the extent and under the circumstances provided in the ITA.

Capital gains realized by a Canadian Holder who is an individual or trust, other than certain specified trusts, may give rise to alternative minimum tax under the ITA.

A Canadian Holder that is throughout the relevant year a Canadian-controlled private corporation (as defined in the ITA) may be liable to pay a refundable tax of 6 2/3% on its aggregate investment income (as defined in the ITA), including any taxable capital gains.

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If the Canadian Holder is a corporation, the amount of any capital loss arising from a disposition or deemed disposition of a share of Kodiak common stock may be reduced by the amount of dividends received or deemed to have been received by it on the share to the extent and under the circumstances prescribed by the ITA. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Kodiak common stock, or where a trust or partnership of which a corporation is a beneficiary or is a member of a partnership or a beneficiary of a trust that owns any such stock. Canadian Holders to whom these rules may be relevant should consult their own tax advisors.

Offshore Investment Fund Property

The ITA contains rules which, in certain circumstances, may require a Canadian Holder to include an amount in income in each taxation year in respect of the acquisition and holding of Whiting common stock if (1) the value of such shares may reasonably be considered to be derived, directly or indirectly, primarily from certain portfolio investments described in paragraph 94.1(1)(b) of the ITA and (2) it may reasonably be concluded, having regard to all the circumstances, that one of the main reasons for the Canadian Holder acquiring or holding the Whiting common stock was to derive a benefit from portfolio investments in such a manner that the taxes, if any, on the income, profits and gains from such portfolio investments for any particular year are significantly less than the tax that would have been applicable under Part I of the ITA if the income, profits and gains had been earned directly by the Canadian Holder.

These rules are complex and their application and consequences depend, to a large extent, on the reasons for a Canadian Holder acquiring or holding Whiting common stock. Canadian Holders are urged to consult their own tax advisors regarding the application and consequences of these rules in their own particular circumstances.

Foreign Property Information Reporting

A Canadian Holder which is a specified Canadian entity for a taxation year or a fiscal period and whose total cost amount of specified foreign property (as such terms are defined in the ITA), including Whiting common stock, at any time in the year or fiscal period exceeds CAD$100,000 will be required to file an information return with the CRA for the year or period disclosing prescribed information in respect of such property. Substantial penalties may apply where a Canadian Holder fails to file the required information return in respect of its specified foreign property. Canadian Holders are urged to consult their own tax advisors regarding any such filing obligation in their particular circumstances.

Dissenting Canadian Holders

For Canadian federal income tax purposes, Canadian Holders that receive payment for their Kodiak common stock pursuant to the exercise of dissent rights will be considered to have disposed of the Kodiak common stock for proceeds of disposition equal to the amount received by the dissenting Canadian Holder (less any interest awarded by a court). As a result, such dissenting Canadian Holder will realize a capital gain (or a capital loss) equal to the amount by which the aggregate proceeds of disposition received exceed (or are less than) the aggregate of (i) the adjusted cost base to the dissenting Canadian Holder of the shares of Kodiak common stock immediately before such disposition; and (ii) any reasonable costs of disposition. See Taxation of Capital Gains and Capital Losses above for a general description of the treatment of capital gains and capital losses under the ITA.

Interest awarded to a dissenting Canadian Holder by a court will be included in the dissenting Canadian Holder s income for the purposes of the ITA.

In addition, a dissenting Canadian Holder that, throughout the relevant taxation year, is a Canadian-controlled private corporation (as defined in the ITA) may be liable to pay a refundable tax of 6⅔% on its aggregate investment income (as defined in the ITA), including interest income.

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A Canadian Holder who exercises his or her dissent rights but who is not ultimately determined to be entitled to be paid fair value for the Kodiak common stock held by such Canadian Holder will be deemed to have participated in the arrangement and will receive Whiting common stock. In such an event, the tax consequences as discussed above under the heading Exchange of Shares of Kodiak Common Stock for Shares of Whiting Common Stock will generally apply.

Eligibility for Investment by Registered Plans

Based on the current provisions of the ITA and the regulations thereunder in force on the date hereof, shares of Whiting common stock will be qualified investments under the ITA for a trust governed by a registered retirement savings plan (RRSP), a registered retirement income fund (RRIF), a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan and a tax-free savings account (TFSA), each as defined in the ITA (Registered Plans) if the shares of Whiting common stock are listed on a designated stock exchange for purposes of the ITA (which currently includes the NYSE) at the effective time of the arrangement.

Notwithstanding that shares of Whiting common stock may be qualified investments for a trust governed by a TFSA, RRSP or RRIF, the holder of a TFSA or the annuitant of an RRSP or a RRIF, as the case may be (each a Plan Holder), will be subject to a penalty tax on such shares if such shares are a prohibited investment for the TFSA, RRSP or RRIF. Shares of Whiting common stock will generally be a prohibited investment if the Plan Holder does not deal at arm s length with Whiting for purposes of the ITA or has a significant interest (as defined in the ITA) in Whiting. Plan Holders are advised to consult their own tax advisors with respect to whether shares of Whiting common stock are prohibited investments in their particular circumstances and the tax consequences of shares of Whiting common stock being acquired or held by trusts governed by a Registered Plan in respect of which they are a holder or an annuitant.

Holders Not Resident in Canada

The following section of the summary applies to a Holder who, (i) for the purposes of the ITA and any applicable income tax treaty and at all relevant times, is not, and is not deemed to be, a resident of Canada, (ii) does not, and is not deemed to, use or hold Kodiak common stock and Whiting common stock received pursuant to the arrangement in or in the course of carrying on a business in Canada, (iii) is not an insurer who carries on an insurance business or is deemed to carry on an insurance business in Canada and elsewhere, and (iv) owns shares of Kodiak common stock which are not, and are not deemed to be, taxable Canadian property within the meaning of the ITA (in this section, a Non-Canadian Holder).

Continuance

No disposition or acquisition of Kodiak common stock will occur on the Continuance and Non-Canadian Holders will not realize any income, gain or loss as a result of the Continuance.

Exchange of Shares of Kodiak Common Stock for Shares of Whiting Common Stock and Dissenting Non-Canadian Holders

A Non-Canadian Holder who exchanges shares of Kodiak common stock under the arrangement for shares of Whiting common stock or a Non-Canadian Holder that receives payment for their shares of Kodiak common stock pursuant to the exercise of dissent rights will not be subject to tax under the ITA on the disposition of the shares of Kodiak common stock.

A dissenting Non-Canadian Holder will not be subject to Canadian withholding tax on any amount of interest that is awarded by the Court.

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Disposition of Shares of Whiting Common Stock

A disposition or deemed disposition of shares of Whiting common stock by a Non-Canadian Holder should not be subject to tax under the ITA unless (i) the shares of Whiting common stock are, or are deemed to be, taxable Canadian property (within the meaning of the ITA) of the Non-Canadian Holder at the time of the disposition or deemed disposition, and (ii) the Non-Canadian Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the Non-Canadian Holder s country of residence. In the event that the shares of Whiting common stock are, or are deemed to be, taxable Canadian property of a Non-Canadian Holder and the capital gain realized upon a disposition of such shares is not exempt from tax under the ITA by virtue of an applicable income tax convention, the tax consequences as described above under Holders Resident in Canada Taxation of Capital Gains and Capital Losses will generally apply to the extent and under the circumstances in the ITA.

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SHAREHOLDER PROPOSALS

Whiting

Proposals which stockholders intend to present at and have included in Whiting s proxy statement for its 2015 annual meeting pursuant to Rule 14a-8 under the Exchange Act (Rule 14a-8) must be received at Whiting s offices by the close of business on November 24, 2014. In addition, a stockholder who otherwise intends to present business at Whiting s 2015 annual meeting (including, nominating persons for election as directors) must comply with the requirements set forth in Whiting s by-laws. Among other things, to bring business before an annual meeting, a stockholder must give written notice thereof, complying with Whiting s by-laws, to Whiting s Corporate Secretary not earlier than the close of business on the 120th day and not later than the close of business on the 90th day prior to the anniversary date of the 2014 annual meeting of stockholders. Under Whiting s by-laws, if Whiting does not receive notice of a stockholder proposal submitted otherwise than pursuant to Rule 14a-8 (i.e., proposals stockholders intend to present at the 2015 annual meeting but do not intend to include in Whiting s proxy statement for such meeting) during the time period between January 6, 2015 and February 5, 2015, then the notice will be considered untimely and Whiting will not be required to present such proposal at its 2015 annual meeting. If Whiting s board of directors chooses to present such proposal at Whiting s 2015 annual meeting, then the persons named in proxies solicited by Whiting s board of directors for the 2015 annual meeting may exercise discretionary voting power with respect to such proposal.

Kodiak

In light of the expected timing of the completion of the arrangement, Kodiak expects to hold a 2015 annual meeting only if the arrangement is not completed. In the event Kodiak holds a 2015 annual meeting, proposals of shareholders that are intended for inclusion in Kodiak s proxy statement relating to the 2015 annual meeting must be received by Kodiak at 1625 Broadway, Suite 250, Denver, Colorado 80202, no later than January 9, 2015, which corresponds to the date that is 120 calendar days before the anniversary date on which Kodiak s proxy statement was released to shareholders in connection with this year s annual meeting. If the date is changed by more than 30 calendar days from the anniversary date of this year s annual meeting, then the deadline to submit a proposal to be considered for inclusion in next year s proxy statement and form of proxy, including a proposal to nominate a person for election to the board of directors, is a reasonable time before Kodiak begins to print and mail proxy materials. Such proposals must satisfy the conditions established by the SEC, including, but not limited to, Rule 14a-8 in order to be included in Kodiak s proxy statement for that meeting.

Shareholder proposals that are not intended to be included in Kodiak s proxy materials for Kodiak s 2015 annual meeting but that are intended to be presented by the shareholder from the floor must be received at Kodiak s offices at 1625 Broadway, Suite 250, Denver, Colorado 80202 no later than March 25, 2015, which corresponds to the date that is 45 calendar days before the anniversary date on which Kodiak s proxy statement was released to shareholders in connection with this year s annual meeting. If the date of Kodiak s 2015 annual meeting is changed by more than 30 calendar days from the anniversary date of this year s annual meeting, then the deadline is a reasonable time before Kodiak sends proxy materials for that meeting.

Shareholders must submit written proposals, in accordance with the foregoing procedures, to Kodiak Oil & Gas Corp., 1625 Broadway, Suite 250, Denver, Colorado 80202, Attention: Secretary.

OTHER MATTERS

As of the date of this joint proxy statement/circular, neither the Whiting board of directors nor the Kodiak board of directors knows of any matters that will be presented for consideration at either the Whiting special meeting or the Kodiak special meeting other than as described in this joint proxy statement/circular. If any other matters come before either of the meetings or any adjournments or postponements of the meetings and are voted upon, the enclosed proxies will confer discretionary authority on the individuals named as proxies to vote the shares represented by the proxies as to any other matters. The individuals named as proxies intend to vote in accordance with their judgment as to any other matters.

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HOUSEHOLDING

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single proxy statement or annual report, as applicable, addressed to those shareholders. As permitted by the Exchange Act, only one copy of this joint proxy statement/circular is being delivered to shareholders residing at the same address, unless shareholders have notified the company whose shares they hold of their desire to receive multiple copies of the joint proxy statement/circular. This process, which is commonly referred to as householding, potentially provides extra convenience for shareholders and cost savings for companies.

If, at any time, you no longer wish to participate in householding and would prefer to receive a separate joint proxy statement/circular, or if you are receiving multiple copies of this joint proxy statement/circular and wish to receive only one, please contact the company whose shares you hold at their address identified below. Each of Whiting and Kodiak will promptly deliver, upon oral or written request, a separate copy of this joint proxy statement/ circular to any shareholder residing at an address to which only one copy was mailed. Requests for additional copies should be directed to: Corporate Secretary, Whiting Petroleum Corporation, at 303-837-1661 or 1700 Broadway, Suite 2300, Denver, Colorado 80290-2300 or to Kodiak Oil & Gas Corp., Attention: Secretary, 1625 Broadway, Suite 250, Denver, Colorado 80202, (303) 592-8075.

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WHERE YOU CAN FIND MORE INFORMATION

Whiting

Whiting files annual, quarterly and current reports, proxy statements and other information with the SEC. Whiting has also filed this joint proxy statement/circular, including annexes, under the Exchange Act with respect to the special meeting of Whiting stockholders to approve the share issuance proposal. You may read and copy the joint proxy statement/circular and any other document that Whiting files at the SEC s public reference room at 100 F Street, N.E., Washington D.C. 20549. You can call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. You can also find Whiting s public filings with the SEC on the internet at a web site maintained by the SEC located at http://www.sec.gov. The information contained on the SEC s website is expressly not incorporated by reference into this joint proxy statement/circular.

Whiting is incorporating by reference specified documents that it files with the SEC, which means:

- incorporated documents are considered part of this joint proxy statement/circular;
- Whiting is disclosing important information to you by referring you to those documents; and
- information Whiting files with the SEC will automatically update and supersede information contained in this joint proxy statement/circular.

Whiting incorporates by reference the documents listed below and any future filings it makes with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this joint proxy statement/circular and before the date on which the Whiting special meeting is held (other than, in each case, those documents, or the portions of those documents or exhibits thereto, deemed to be furnished and not filed in accordance with SEC rules):

- Whiting s Annual Report on Form 10-K for the year ended December 31, 2013;
- Whiting s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2014 and June 30, 2014;
- Whiting s Current Reports on Form 8-K, dated January 8, 2014, February 20, 2014, April 2, 2014, April 29, 2014, May 6, 2014, June 11, 2014, July 13, 2014, August 13, 2014, August 27, 2014, October 6, 2014 and October 17, 2014;
- the description of Whiting s common stock contained in Whiting s Registration Statement on Form 8-A, dated November 14, 2003, and any amendment or report updating that description; and

the description of Whiting s preferred share purchase rights contained in Whiting s Registration Statement on Form 8-A, dated February 24, 2006 and any amendment or report updating that description.

Notwithstanding the foregoing, information furnished under Items 2.02 and 7.01 of any of Whiting s Current Reports on Form 8-K, including the related exhibits under Item 9.01, is not incorporated by reference in this joint proxy statement/circular.

You may request a copy of any of these filings, at no cost, by request directed to Whiting at the following address or telephone number:

Whiting Petroleum Corporation

1700 Broadway, Suite 2300

Denver, Colorado 80290

(303) 837-1661

Attention: Corporate Secretary

You can also find these filings on Whiting s website at www.whiting.com. However, Whiting is not incorporating the information on its website other than these filings into this joint proxy statement/circular.

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Kodiak

Kodiak files annual, quarterly and current reports, proxy statements and other information with the SEC and on SEDAR. Kodiak has also filed this joint proxy statement/circular, including annexes, under the Exchange Act with respect to the special meeting of Kodiak securityholders to approve the continuance resolution and arrangement resolution. You may read and copy the joint proxy statement/circular and any other document that Kodiak files at the SEC s public reference room at 100 F Street, N.E., Washington D.C. 20549. You can call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. You can also find Kodiak s public filings (i) with the SEC on the internet at a web site maintained by the SEC located at http://www.sec.gov, (ii) with the Canadian securities regulatory authorities on the internet at a web site maintained by the Canadian securities regulatory authorities located at www.sedar.com. The information contained on the SEC s website and SEDAR is expressly not incorporated by reference into this joint proxy statement/circular.

Kodiak is incorporating by reference specified documents that it files with the SEC, which means:

- incorporated documents are considered part of this joint proxy statement/circular;
- Kodiak is disclosing important information to you by referring you to those documents; and
- information Kodiak files with the SEC will automatically update and supersede information contained in this joint proxy statement/circular.

Kodiak incorporates by reference the documents listed below and any future filings it makes with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this joint proxy statement/circular and before the date on which the Kodiak special meeting is held (other than, in each case, those documents, or the portions of those documents or exhibits thereto, deemed to be furnished and not filed in accordance with SEC rules):

- Kodiak s Annual Report on Form 10-K for the year ended December 31, 2013, as amended;
- Kodiak s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2014 and June 30, 2014; and
- Kodiak s Current Reports on Form 8-K, dated June 19, 2014, July 13, 2014, August 5, 2014, October 6, 2014 and October 17, 2014.

Notwithstanding the foregoing, information furnished under Item 9.01 of any of Kodiak s Current Reports on Form 8-K, is not incorporated by reference in this joint proxy statement/circular.

Kodiak also incorporates by reference its Statement of Reserve Data and Other Oil and Gas Information, effective December 31, 2013, which was filed with securities regulatory authorities in Canada and may be obtained by accessing SEDAR, the website of the Canadian securities regulatory authorities, located at www.sedar.com.

You may request a copy of any of these filings, at no cost, by request directed to Kodiak at the following address or telephone number:

Kodiak Oil & Gas Corp.

1625 Broadway, Suite 250

Denver, Colorado 80202

(303) 592-8075

Attention: Secretary

You can also find these filings on Kodiak s website at www.kodiakog.com. However, Kodiak is not incorporating the information on its website other than these filings into this joint proxy statement/circular.

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GLOSSARY OF CERTAIN OIL AND NATURAL GAS DEFINITIONS

The following terms have the following meanings:

Bbl One stock tank barrel, or 42 U.S. gallons liquid volume, used in this report in reference to oil, NGLs and other liquid hydrocarbons.

Bcf One billion cubic feet, used in reference to natural gas or CO_2

BOE One stock tank barrel of oil equivalent, computed on an approximate energy equivalent basis that one Bbl of crude oil equals six Mcf of natural gas and one Bbl of crude oil equals one Bbl of natural gas liquids.

BOE/d One BOE per day.

CO_2 Carbon dioxide.

MBbl One thousand barrels of oil or other liquid hydrocarbons.

MBOE One thousand BOE.

MBOE/d One MBOE per day.

Mcf One thousand cubic feet, used in reference to natural gas or CO_2

MMBbl One million Bbl.

MMBOE One million BOE.

MMBtu One million British thermal units.

MMcf One million cubic feet, used in reference to natural gas or CO_2

NGL Natural gas liquid.

NYMEX The New York Mercantile Exchange.

possible reserves Those reserves that are less certain to be recovered than probable reserves.

probable reserves Those reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.

proved developed reserves Proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well.

proved reserves Those reserves which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs and under existing economic conditions, operating methods and government regulations prior to the time at which contracts

providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced, or the operator must be reasonably certain that it will commence the project, within a reasonable time.

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The area of the reservoir considered as proved includes all of the following:

a. The area identified by drilling and limited by fluid contacts, if any, and

b. Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.

Reserves that can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when both of the following occur:

a. Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based, and

b. The project has been approved for development by all necessary parties and entities, including governmental entities.

Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period before the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

reasonable certainty If deterministic methods are used, reasonable certainty means a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimate. A high degree of confidence exists if the quantity is much more likely to be achieved than not, and, as changes due to increased availability of geoscience (geological, geophysical and geochemical) engineering, and economic data are made to estimated ultimate recovery with time, reasonably certain estimated ultimate recovery is much more likely to increase or remain constant than to decrease.

standardized measure of discounted future net cash flows The discounted future net cash flows relating to proved reserves based on the average price during the 12-month period before the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period (unless prices are defined by contractual arrangements, excluding escalations based upon future conditions); current costs and statutory tax rates (to the extent applicable); and a 10% annual discount rate.

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ANNEX A

FORM OF CONTINUANCE RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION THAT:

1. The continuance of Kodiak Oil & Gas Corp. (Company) from the jurisdiction of the Yukon Territory to the jurisdiction of the Province of British Columbia pursuant to section 302 of the *Business Corporations Act* (British Columbia) (BCBCA) and section 191 of the *Business Corporations Act* (Yukon) is authorized and approved;

2. Company is hereby authorized to apply to the Yukon Registrar of Corporations for authorization to continue Company out of the jurisdiction of Yukon Territory and into the jurisdiction of British Columbia;

3. Company is hereby authorized to apply to the Registrar of Companies in British Columbia (the Registrar) for a Certificate of Continuation continuing Company under the BCBCA as if it had been incorporated thereunder and to file with the Registrar a continuation application and such other documents as may be required in the form or forms prescribed by the BCBCA;

4. Effective upon the issuance of a Certificate of Continuation by the Registrar and the Notice of Articles and Articles in the forms attached as Annex L to the management proxy circular (the Circular), dated October 29, 2014 of Company, with any and all amendments to the Notice of Articles and Articles of the Company as determined by the counsel to the Corporation to be reasonably necessary, be and are hereby adopted and confirmed in substitution for the Articles and by-laws of Company;

5. The directors of Company, are authorized, in their discretion, by resolution, to abandon the application for continuance of Company out of Yukon Territory without further approval, ratification or confirmation by the shareholders of Company; and

6. Any one director or officer of Company is authorized and directed to do, sign and execute all things, deed and documents necessary or desirable to carry out the foregoing.

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ANNEX B

FORM OF ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the Arrangement) under Section 288 of the *Business Corporations Act (British Columbia)* (the BCBCA) of Kodiak Oil & Gas Corp. (Company), as more particularly described and set forth in the management proxy circular (the Circular), dated October 29, 2014 of Company accompanying the notice of this meeting (as the Arrangement may be amended, modified or supplemented in accordance with the definitive arrangement agreement (the Arrangement Agreement) made as of July 13, 2014 among Company, Whiting Petroleum Corporation and 1007695 B.C. Ltd.), is hereby authorized, approved and adopted.

2. The plan of arrangement of Company (as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement (the Plan of Arrangement)), the full text of which is set out in Annex D to the Circular, is hereby authorized, approved and adopted.

3. The (a) Arrangement Agreement and related transactions, (b) actions of the directors of Company in approving the Arrangement Agreement, and (c) actions of the directors and officers of Company in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.

4. Company be and is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented in accordance with the Arrangement Agreement).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Company are hereby authorized and empowered to, without notice to or approval of the shareholders of Company, (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any officer or director of Company is hereby authorized and directed for and on behalf of Company to execute and deliver for filing with the Registrar under the BCBCA an amalgamation application and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such amalgamation application and any such other documents.

7.

Any officer or director of Company is hereby authorized and directed for and on behalf of Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

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ANNEX C

ARRANGEMENT AGREEMENT

among

WHITING PETROLEUM CORPORATION,

1007695 B.C. LTD.

and

KODIAK OIL & GAS CORP.

dated as of

JULY 13, 2014

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT (this Agreement) is made and effective as of July 13, 2014 among Whiting Petroleum Corporation, a corporation organized and existing under the laws of the State of Delaware, U.S.A. (Acquiror), 1007695 B.C. Ltd., a company organized and existing under the laws of British Columbia, Canada (Acquiror Canadian Sub), and Kodiak Oil & Gas Corp., a corporation continued and existing under the laws of the Yukon Territory, Canada (Company). Capitalized terms used but not otherwise defined in this Agreement shall have the meaning set forth in Section 7.12.

WHEREAS, the Board of Directors of each of Acquiror, Acquiror Canadian Sub and Company has determined that a business combination pursuant to which Acquiror Canadian Sub would acquire all of the outstanding common shares without par value per share, of the Company (the Company Common Shares) in exchange for the issuance and payment of certain shares of Common Stock, $0.001 par value per share, of Acquiror (the Acquiror Common Stock), pursuant to a Plan of Arrangement, is in the best interests of their respective shareholders;

WHEREAS, the Board of Directors of Company has unanimously approved the transactions contemplated by this Agreement and the Plan of Arrangement, and Company has agreed to submit for approval (a) a special resolution in the form attached hereto as Exhibit A (as amended from time to time in accordance with this Agreement (the Continuance Resolution) to the holders of the outstanding Company Common Shares in respect of the continuance of Company from the jurisdiction of the Yukon Territory to the jurisdiction of the Province of British Columbia pursuant to Section 302 of the BCBCA and section 191 of the *Business Corporations Act* (Yukon) (the YBCA), such continuance to occur prior to the Arrangement (as defined below) (the Company Continuance), (b) to the extent the Continuance Resolution is approved, a special resolution, in the form attached hereto as Exhibit B (as amended from time to time in accordance with this Agreement, the Arrangement Resolution), to the holders of the outstanding Company Common Shares, voting separately as a class, and the holders of the outstanding Company Common Shares and Company RSU, Option Awards and Company Restricted Stock Awards, voting together as a class, and (c) a plan of arrangement, in the form attached hereto as Exhibit C (as amended from time to time in accordance with this Agreement, the Plan of Arrangement), to the Supreme Court of British Columbia (the Court);

WHEREAS, the Board of Directors of each of Acquiror and Acquiror Canadian Sub has unanimously approved the transactions contemplated by this Agreement and the Plan of Arrangement, and Acquiror has agreed to submit to the holders of Acquiror Common Stock for approval the issuance of Acquiror Common Stock contemplated by this Agreement (the Share Issuance);

WHEREAS, for United States federal income tax purposes, it is intended that the Merger shall qualify as a reorganization within the meaning of Sections 368(a)(1)(A) and 368(a)(2)(E) of the Code, and this Agreement is intended to be, and is adopted as, a plan of reorganization for purposes of Sections 354 and 361 of the Code; and

WHEREAS, Acquiror, Acquiror Canadian Sub and Company desire to make certain representations, warranties and covenants in connection with, and to prescribe certain conditions to, the transactions contemplated hereby.

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NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and conditions set forth in this Agreement, and intending to be legally bound, Acquiror, Acquiror Canadian Sub and Company agree as follows:

ARTICLE 1

THE ARRANGEMENT

Section 1.1. *Arrangement*. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time and as more fully set forth in the Plan of Arrangement:

(a) Each Company Common Share issued and outstanding immediately prior to the Effective Time held by a shareholder of the Company that has validly exercised its Dissent Right in respect of the Arrangement will be transferred by such shareholder to Acquiror Canadian Sub.

(b) Each Company Common Share issued and outstanding immediately prior to the Effective Time (other than Company Common Shares owned, directly or indirectly, by Acquiror, Acquiror Canadian Sub and other than Company Common Shares with respect to which Dissent Rights in respect of the Arrangement have been properly exercised and not withdrawn) will be transferred by such shareholder to Acquiror Canadian Sub in exchange for the Consideration.

(c) Each outstanding Company Stock Option, each outstanding restricted stock unit that is measured in relation to, or settleable in, Company Common Shares (a Company RSU) and each award of restricted stock relating to Company Common Shares (a Company Restricted Stock Award) (each such Company Stock Option, Company RSU and Company Restricted Stock Award, a Company Compensatory Award), whether vested or unvested, shall be assumed by Acquiror and converted automatically at the Effective Time into an option, restricted stock unit or restricted stock award, as the case may be, denominated in shares of Acquiror Common Stock based on the Share Exchange Ratio and subject to terms and conditions substantially identical to those in effect at the Effective Time (each such assumed Company Compensatory Award, an Assumed Company Award), except that (i) the number of shares of Acquiror Common Stock that will be subject to each such Assumed Company Award shall be determined by multiplying the number of Company Common Shares subject to such Assumed Company Award by the Share Exchange Ratio (rounded down to the nearest whole share) and (ii) if applicable, the exercise or purchase price per share of each such Assumed Company Award shall equal (A) the per share exercise or purchase price of each such Assumed Company Award divided by (B) the Share Exchange Ratio (rounded upwards to the nearest whole cent). At the Effective Time, Acquiror shall assume the Company Stock Plan.

Section 1.2. *Company Implementation Steps.*

(a) As promptly as reasonably practicable after the date of the SEC Clearance, Company shall apply, in a manner reasonably acceptable to Acquiror, to the Court under 291 of the Business Corporations Act (British Columbia) (the BCBCA) and, in cooperation with Acquiror, prepare, file and diligently pursue an application, for the Interim Order, which shall provide (among other things):

(i) for the class of persons to whom notice shall be provided in respect of the proposed arrangement under Section 288 of the BCBCA on the terms and subject to the conditions set forth in the Plan of Arrangement (the Arrangement) and the Company Meeting and for the manner in which such notice shall be provided;

(ii) that the requisite approval (the Company Requisite Shareholder Vote) for the Arrangement Resolution shall be:

(A) at least two-thirds of the votes cast on the Arrangement Resolution by those holders of Company Common Shares present in person or represented by proxy at the Company Meeting, each Company Common Share entitling the holder thereof to one vote on the Arrangement Resolution; and

(B) at least two-thirds of the votes cast on the Arrangement Resolution by those holders of Company Common Shares and holders of Company RSUs, Option Awards and Company Restricted Stock Awards present in person or represented by proxy at the Company Meeting together voting as a class, each Company Common Share entitling the holder thereof to one vote on the Arrangement Resolution and each Company RSU, Option Award and Company Restricted Stock Award entitling the holder thereof to that number of votes equal to the number of Company Common Shares issuable upon the valid exercise of a Company Stock Option, or the valid settlement of a Company RSU or Company Restricted Stock Award, as applicable, on the Arrangement Resolution;

(iii) that, in all other respects, the terms, restrictions and conditions of Company s articles of continuation and by-laws as in effect as of the date of this Agreement, including quorum requirements and all other matters, shall apply in respect of the Company Meeting;

(iv) for the grant of the Dissent Rights in respect of the Arrangement;

(v) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(vi) that the Company Meeting may be adjourned or postponed from time to time by Company (subject to the terms of this Agreement) without the need for additional approval of the Court;

(vii) confirmation of the record date for the purposes of determining the holders of Company Common Shares, Company Stock Options, Company RSUs and Company Restricted Stock Awards, entitled to receive material and vote at the Company Meeting in accordance with the Interim Order;

(viii) that the Plan of Arrangement may be amended by the Parties, after the Interim Order, without the need for additional approval of the Court, to reflect any comments received by the United States Securities and Exchange Commission (the SEC), if any;

(ix) that it is Acquiror s intention to rely upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Acquiror Common Stock, options, restricted stock units and restricted stock awards of Acquiror (collectively, the Acquiror Issued Securities) to be issued pursuant to the Arrangement, based on the Court s approval of the Arrangement; and

(x) that it is Acquiror s intention to rely on the prospectus and registration requirements of applicable Canadian Securities Laws either by virtue of exemptive relief from the Canadian Securities Authorities or by virtue of applicable exemptions under Canadian Securities Laws with respect to the issuance of the Acquiror Issued Securities pursuant to the Arrangement.

(b) Company shall, as soon as reasonably practicable after the SEC has informed Acquiror and Company that it has no further comments with respect to or will not review (SEC Clearance) the Proxy Statement / Circular and consistent with the provisions set forth in Section 4.7, duly take all lawful action to call, give written notice of, convene and hold a meeting of its shareholders (the Company Meeting) for the purpose of voting upon the approval of (i) the Continuance Resolution by the holders of Company Common Shares and (ii) the Arrangement Resolution by (A) the holders of Company Common Shares and (B) the holders of Company Common Shares and the Company RSUs, Option Awards and Company Restricted Stock Awards, voting together as a class.

(c) If (i) the Interim Order is obtained, (ii) the Continuance Resolution is approved at the Company Meeting in accordance with the YBCA and (iii) the Arrangement Resolution is approved at the Company Meeting as provided for

in the Interim Order, then Company shall, as reasonably practicable thereafter, and no later than one Business Day thereafter, complete the Company Continuance.

(d) Company shall, as soon as reasonably practicable after the completion of the Company Continuance and no later than two Business Days thereafter, complete all actions necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 291 of the BCBCA.

(e) After obtaining the Final Order and subject to the satisfaction of the conditions set forth in Article 5 (excluding conditions that, by their terms, cannot be satisfied until the Closing Date, but subject to the satisfaction of such conditions), Company shall, one Business Day prior to the Effective Date, send an amalgamation application in respect of the Arrangement (the "Amalgamation Application"), together with such other documents as may be required in connection therewith under the BCBCA, to the Registrar appointed pursuant to Section 400 of the BCBCA (the "Registrar"), for endorsement and filing by the Registrar to give effect to the amalgamation and the conversion of Amalco to an unlimited liability company which form part of the Arrangement. The Amalgamation Application and all such other documents shall be in a form and substance reasonably satisfactory to Acquiror.

Section 1.3. *Acquiror Implementation Steps.* Acquiror shall, as soon as reasonably practicable after SEC Clearance and consistent with the provisions set forth in Section 4.7, duly take all lawful action to call, give written notice of, convene and hold a meeting of its shareholders (the "Acquiror Meeting") for the purpose of voting upon the approval of the Stock Issuance by the holders of Acquiror Common Stock.

Section 1.4. *Certain Adjustments.* If, between the date of this Agreement and the Effective Time, (a) the outstanding Company Common Shares or Acquiror Common Stock shall have been increased, decreased, changed into or exchanged for a different number of shares or different class, in each case, by reason of any reclassification, recapitalization, stock split, split-up, combination or exchange of shares, (b) a stock dividend or dividend payable in any other securities of Company or Acquiror shall be declared with a record date within such period or (c) any similar event shall have occurred, then the Share Exchange Ratio shall be appropriately adjusted to provide the holders of Company Common Shares the same economic effect as contemplated by this Agreement prior to such event.

Section 1.5. *Dissenting Shares.* Prior to the Company Meeting, Company shall provide Acquiror with prompt (and in no event later than two Business Days after receipt of notice) written notice of any purported exercise or withdrawal of Dissent Rights by any shareholder of Company that is received by Company in relation to the Continuance Resolution, the Arrangement Resolution or both. Subject to applicable Law, Company shall provide Acquiror with the opportunity to participate in and direct all negotiations and proceedings with respect to any exercise of such Dissent Rights. Company shall not make any payment with respect to, settle or offer to settle, or otherwise negotiate, any exercise of such Dissent Rights without the prior written consent of Acquiror.

Section 1.6. *Amendments to Plan of Arrangement.* Subject to the Interim Order, the Final Order, Section 6.3, Article 6 of the Plan of Arrangement and any applicable Law, Company agrees to amend the Plan of Arrangement at any time prior to the Effective Time to add, remove or amend any steps or terms as determined to be reasonably necessary or desirable by Acquiror, provided that the Plan of Arrangement shall not be amended in any manner that is (a) prejudicial to the holders of Company Common Shares or is inconsistent with the provisions of this Agreement or (b) creates a reasonable risk of materially delaying, impairing or impeding in any material respect the consummation of the transactions contemplated by this Agreement, including the receipt of any approval under any Regulatory Law or the satisfaction of any condition set forth in Article 5.

Section 1.7. *Closing.* Subject to satisfaction or waiver of all of the conditions set forth in Article 5, the Arrangement shall be effective at the Effective Time on the Closing Date and will have all of the effects provided by applicable Law.

Section 1.8. *U.S. Securities Act Matters.* The Parties agree that the Arrangement will be carried out with the intention that all Acquiror Issued Securities issued on completion of the Arrangement will be issued by Acquiror in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereunder. In order to ensure the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act, the Parties agree that the Arrangement will be carried out on the following basis:

(a) the Arrangement will be subject to the approval of the Court;

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(b) the Court will be advised as to the intention of the Parties to rely on the exemption under Section 3(a)(10) of the U.S. Securities Act prior to the hearing required to approve the Arrangement;

(c) the Court will be required to satisfy itself as to the fairness of the Arrangement to the holders of Company Common Shares, Option Awards, Company RSUs and Company Restricted Stock Awards of Company (the Company Issued Securities), subject to the Arrangement;

(d) Company will ensure that holders of Company Issued Securities entitled to receive Acquiror Issued Securities on completion of the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;

(e) the holders of Company Issued Securities entitled to receive Acquiror Issued Securities will be advised that the Acquiror Issued Securities issued pursuant to the Arrangement have not been registered under the U.S. Securities Act and will be issued by Acquiror in reliance on the exemption under Section 3(a)(10) of the U.S. Securities Act;

(f) the Final Order approving the Arrangement that is obtained from the Court will expressly state that the Arrangement is approved by the Court as being fair to the holders of Company Issued Securities;

(g) the Interim Order approving the Company Meeting will specify that each holder of Company Issued Securities will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as they enter an appearance within a reasonable time;

(h) the Final Order shall include a statement to substantially the following effect:

This Order will serve as a basis of a claim to an exemption, pursuant to Section 3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that act, regarding the distribution of securities of Acquiror, pursuant to the Plan of Arrangement.

Section 1.9. *Canadian Securities Laws Matters.* The Parties agree that the Arrangement will be carried out with the intention that all Acquiror Issued Securities issued on completion of the Arrangement will be issued by Acquiror in reliance of the prospectus and registration requirements of applicable Canadian Securities Laws either by virtue of exemptive relief from the Canadian Securities Authorities or by virtue of applicable exemptions under Canadian Securities Laws.

Section 1.10. *United States Tax Treatment.* It is intended by the Parties that (a) the transactions included in the Merger shall be treated as a single integrated transaction for U.S. federal income tax purposes and (b) for U.S. federal income tax purposes, the Merger shall qualify as a reorganization within the meaning of Sections 368(a)(1)(A) and 368(a)(2)(E) of the Code. Except as otherwise required by a final determination (within the meaning of Section 1313(a)(1) of the Code), in any Tax filing or proceeding the parties shall not take any position inconsistent with the intended U.S. federal income tax treatment of the Merger that is described in the immediately preceding sentence (the Intended Tax Treatment).

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF COMPANY

Except (a) as set forth in the disclosure schedules (with specific reference to the section or subsection of this Agreement to which the information stated in such disclosure relates; provided that any fact or condition disclosed in any section of such disclosure schedules in such a way as to make its relevance to a representation or representations made elsewhere in this Agreement or information called for by another section of such disclosure

letter reasonably apparent shall be deemed to be an exception to such representation or representations or to be disclosed on such other section of such disclosure letter notwithstanding the omission of a reference or cross reference thereto) delivered by the Company to Acquiror prior to the execution of this Agreement (the Company Disclosure Schedule), or (b) as disclosed in Company SEC Reports filed or furnished by the Company after January 1, 2014 and publicly available prior to the date of this Agreement, but excluding, in each case, any disclosures set forth in any risk factor section or in any other section to the extent they are forward-looking statements or cautionary, predictive or forward-looking in nature; provided, that the exception provided for in this clause (b) shall be applied if, and only if, the relevance of the applicable disclosure in any such Company SEC Report filed prior to the date hereof to a particular representation is reasonably apparent on the face of the text of such disclosure, Company represents and warrants to Acquiror and Acquiror Canadian Sub as follows:

Section 2.1. *Organization and Qualification.* Each of Company and its Subsidiaries is a corporation or other entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation, continuation or organization and has full power and authority to own, operate and lease the properties and assets owned or used by it and to carry on its business as and where such is now being conducted. Each of Company and its Subsidiaries is duly licensed or qualified to do business as a foreign corporation (or other applicable entity), and is in good standing, in each jurisdiction wherein the character of the properties owned or leased by it, or the nature of its business, makes such licensing or qualification necessary, except where the failure to so qualify, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. Company has, prior to the date hereof, made available to Acquiror complete and correct copies of the articles of continuation and by-laws of Company, including any amendments thereto, as presently in effect.

Section 2.2. *Subsidiaries.* Section 2.2 of the Company Disclosure Schedule sets forth a correct and complete list of all of Company s Subsidiaries, together with the jurisdiction of organization of each Subsidiary and the percentage of each Subsidiary s outstanding Equity Interests owned by Company or another Subsidiary.

Section 2.3. *Capitalization.*

(a) The authorized capital stock of Company consists entirely of an unlimited number of Company Common Shares. As of the date of this Agreement, 267,253,911 Company Common Shares were issued and outstanding. As of the date of this Agreement, there are (i) outstanding options to acquire Company Common Shares from Company representing in the aggregate the right to acquire 5,831,107 Company Common Shares (collectively, the Company Stock Options) under the Company s 2007 Stock Incentive Plan (the Company Stock Plan), (ii) Company Restricted Stock Awards relating to an aggregate of 531,305 Company Common Shares under the Company Stock Plan and (iii) and Company RSUs relating to an aggregate of 2,050,370 Company Common Shares under the Company Stock Plan. As of the date of this Agreement, except as set forth above, no Equity Interests of Company have been issued or reserved for issuance or are outstanding. All issued and outstanding Company Common Shares are duly authorized, validly issued, fully paid and non-assessable and free of preemptive (or similar) rights and registration rights. No Company Common Shares have been issued in violation of any preemptive (or similar) rights.

(b) All issued and outstanding Equity Interests of each Company Subsidiary are (i) duly authorized, validly issued, fully paid and non-assessable, (ii) free of preemptive (or similar) rights and registration rights and (iii) are owned by Company or a wholly-owned Subsidiary free and clear of any Share Encumbrances. Except for Company s Subsidiaries, Company does not directly or indirectly own any Equity Interest in, or any security convertible into or exchangeable or exercisable for any Equity Interest in, any other Person. Neither Company nor any of its Subsidiaries is obligated to make any contribution to the capital of, make any loan to or guarantee the debts of, any Person (other than Company s Subsidiaries), including any joint venture or similar entity.

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(c) Except for the Company Stock Options, Company Restricted Stock Awards and Company RSUs, there are no options, warrants, rights, convertible or exchangeable securities, phantom stock rights, stock appreciation rights, restricted stock, stock-based performance units or Contracts of any kind to which Company or any of its Subsidiaries is a party or by which any of them is bound (i) obligating Company or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional Equity Interests in, or any security convertible or exercisable for or exchangeable into any Equity Interest of, Company or any of its Subsidiaries or any of its Subsidiaries, (ii) obligating Company or any of its Subsidiaries to issue, grant, extend or enter into any such option, warrant, call, right, security, unit or Contract or (iii) giving any Person the right to receive any economic benefit or right similar to or derived from the economic benefits and rights occurring to holders of Equity Interests of Company or any of its Subsidiaries.

(d) There are no Share Encumbrances to which Company or any of its Subsidiaries is a party or by which Company or any of its Subsidiaries is bound relating to the issued or unissued Equity Interests of Company or any of its Subsidiaries (including any such Contracts that may limit in any way the solicitation of proxies by or on behalf of Company from, or the casting of votes by, its shareholders with respect to the Arrangement) or granting to any Person the right to elect, or to designate or nominate for election, a director to the Board of Directors of Company or a director of the board of directors or similar supervisory body of any Subsidiary of Company. There are no programs in place or outstanding obligations of Company or any of its Subsidiaries (i) to repurchase, redeem or otherwise acquire any Equity Interests of Company or any of its Subsidiaries or (ii) to vote or to dispose of any Equity Interest of any of Company s Subsidiaries.

Section 2.4. *Authorization.* Company has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby, subject, in the case of the consummation of the Company Continuance, to obtaining the Continuance Requisite Shareholder Vote and in the case of the consummation of the Arrangement, to obtaining the Company Requisite Shareholder Vote and approval by the Court of the Interim Order and the Final Order. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Company, and no other corporate proceedings on the part of Company or its securityholders are necessary to authorize this Agreement and to consummate the transactions contemplated hereby, other than the approval of the Company Continuance by the Continuance Requisite Shareholder Vote and the approval of the Arrangement Resolution by the Company Requisite Shareholder Vote. This Agreement has been duly executed and delivered by Company and, assuming due authorization, execution and delivery by Acquiror, constitutes a legal, valid and binding obligation of Company, enforceable against it in accordance with its terms.

Section 2.5. *No Violation.*

(a) The execution and delivery by Company of this Agreement do not, and the performance by Company of this Agreement will not, conflict with, or result in any violation of, or constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result by its terms in the, termination, amendment, cancellation or acceleration of any obligation or the loss of a material benefit under, or to increased, additional, accelerated or guaranteed rights or entitlements of any Person under, or create any obligation to make a payment to any other Person under, or the loss of, any properties or assets of Company or any of its Subsidiaries pursuant to (i) any Law or Order, (ii) any provision of the articles of continuation, by-laws or other charter documents of Company or any of its Subsidiaries or (iii) any Contract to which Company or any of its Subsidiaries is a party or by which any of their respective properties or assets is bound or of any license, permit, approval, authorization or consent of any Governmental Entity held by, or affecting, or relating in any way to, the properties, assets or business of, Company or any of its Subsidiaries, except, in the case of this subclause (iii), as individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. The execution and delivery by Company of this Agreement do not, and the performance by Company of this Agreement will not, result in the creation of any

Share Encumbrance upon any Equity Interests of Company or any of its Subsidiaries or any Lien upon any of the material properties or assets of Company or any of its Subsidiaries (excluding, in the case of Liens on any of material properties or assets, any Permitted Liens).

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(b) Except for (i) filings as required by applicable requirements of the U.S. Securities Laws, Canadian Securities Laws and the Regulatory Laws, (ii) the filing and recordation of appropriate documents as required by the YBCA and BCBCA and (iii) filings that would not prevent or materially delay the consummation of the transactions contemplated hereby, neither Company nor any of its Subsidiaries is required to submit any notice, report or other filing with any Governmental Entity in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby. No waiver, consent, approval or authorization of any Governmental Entity is required to be obtained or made by Company or any of its Subsidiaries in connection with its execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby, except (A) where the failure to obtain such waiver, consent, approval or authorization would not prevent or materially delay the performance by Company of its obligations under this Agreement or (B) in connection with any submission described in subclauses (i), (ii) and (iii) above.

Section 2.6. *Filings with the SEC; Financial Statements; No Undisclosed Liabilities; Sarbanes-Oxley Act.*

(a) Company has filed or furnished all required registration statements, prospectuses, reports, schedules, forms, statements and other documents required to be filed by it with the SEC (the Company SEC Reports) and all other applicable securities regulatory authorities and self-regulatory organizations since January 1, 2011 (collectively, including the Company SEC Reports and all exhibits thereto, the Company Securities Reports). None of the Company Securities Reports, as of their respective dates (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. All of the Company Securities Reports, as of their respective dates (or, as of the date of any amendment to the respective Company Securities Report), complied, as to form, in all material respects with the applicable requirements of the U.S. Securities Laws and the Canadian Securities Laws. No Subsidiary of Company is required to file any registration statement, prospectus, report, schedule, form, statement or other document with any applicable securities regulatory authority and self-regulatory organization, including the SEC.

(b) Each of the financial statements of Company included in the Company Securities Reports, as of their respective dates (and as of the date of any amendment to the respective Company Securities Report), (i) complied, as to form, in all material respects with applicable accounting requirements and with the published rules and regulations of the applicable U.S. Securities Laws with respect thereto, (ii) have been prepared in accordance with generally accepted accounting principles in the United States (GAAP) (except, in the case of unaudited statements, subject to normal year-end audit adjustments and the absence of footnote disclosure) applied on a consistent basis during the periods and the dates involved (except as may be indicated in the notes thereto) and (iii) fairly present, in all material respects, the consolidated financial position and consolidated results of operations and cash flows of Company and its consolidated Subsidiaries as of the respective dates or for the respective periods set forth therein.

(c) Neither Company nor any of its Subsidiaries has any liabilities or obligations required to be reflected or reserved, in accordance with GAAP, on a consolidated balance sheet of Company (including the notes thereto), except liabilities (i) as and to the extent reflected or reserved on the Company Recent Balance Sheet, (ii) incurred after the date of the Company Recent Balance Sheet in the ordinary course of business, (iii) as a result of the execution of this Agreement (iv) that, individually or in the aggregate, have not, or would not reasonably be expected to have, a Material Adverse Effect on Company; or (v) that have been discharged or paid in full.

(d) Company has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act. Company s disclosure controls and

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procedures are reasonably designed to ensure that all material information required to be disclosed by Company in the reports that it files under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to the management of Company as appropriate to allow timely decisions regarding required disclosure and to make the certifications required pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder (the Sarbanes-Oxley Act). The management of Company has completed its assessment of the effectiveness of the Company s internal control over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act for the year ended December 31, 2013, and such assessment concluded that such controls were effective. The management of Company has disclosed, based on its most recent evaluation of its system of internal control over financial reporting prior to the date of this Agreement, to Company s outside auditors and the audit committee of the Board of Directors of Company (i) any significant deficiencies and material weaknesses in the design or operation of its internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that would reasonably be expected to adversely affect in any material respect Company s ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Company s internal control over financial reporting.

(e) There are no outstanding or unresolved comments in any comment letters of any Securities Authority or self-regulatory organization received by Company relating to the Company Securities Reports. The Company has heretofore made available to Acquiror true, correct and complete copies of all written correspondence between Company and any Securities Authority occurring since January 1, 2011. None of the Company Securities Reports is, to the knowledge of Company, the subject of ongoing Securities Authority review.

(f) Neither Company nor any of its Subsidiaries is a party to, nor does it have any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract relating to any transaction or relationship between or among the Company or one of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand) or any off-balance sheet arrangements (as defined in Item 303(a) of Regulation S-K of the SEC), where the result, purpose or effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, the Company or any of its Subsidiaries in the Company s financial statements or other Company Securities Reports.

Section 2.7. *Tax Matters.*

(a) All Taxes of Company and its Subsidiaries attributable to periods preceding or ending with the date of the Company Recent Balance Sheet have been paid or are being contested in good faith through appropriate proceedings and adequate accruals, reserves or provisions have been made in the Company Recent Balance Sheet. Since the date of the Company Recent Balance Sheet, neither Company nor any of its Subsidiaries has incurred any Taxes other than Taxes incurred in the ordinary course of business consistent in type and amount with past practices of Company or such Subsidiary.

(b) Each of Company and its Subsidiaries has timely filed all Tax Returns required to be filed, and all such Tax Returns were and are correct and complete, except for failures to so file or failures to be so correct and complete that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. Company has delivered to Acquiror true and complete copies of corporate income Tax Returns filed by Company and its Subsidiaries for Tax periods ending on or after December 31, 2010.

(c) Each of Company and its Subsidiaries has duly withheld, collected and timely paid all Taxes that it was required to withhold, collect and pay relating to amounts paid or owing to any employee, independent contractor, creditor, shareholder or other Person, except for failures to withhold, collect or pay that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company.

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(d) No claim has been made by any taxing authority in a jurisdiction where Company or any of its Subsidiaries does not file Tax Returns that such entity is or may be subject to Tax or required to file a Tax Return in such jurisdiction, except for those instances where neither the imposition of any such Tax nor the filing of any such Tax Return (and the obligation to pay the Taxes reflected thereon), individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. Since January 1, 2004, Company is not, and has never been, engaged in the conduct of a trade or business within the United States within the meaning of Section 882 of the Code. There are no outstanding waivers or comparable consents that have been given by Company or any of its Subsidiaries regarding the application of the statute of limitations with respect to any Taxes or Tax Returns, other than in the ordinary course of business consistent with past practice. Neither Company nor any of its Subsidiaries is subject to any Liens for Taxes, other than Liens for current Taxes not yet due and payable.

(e) Neither Company nor any of its Subsidiaries has received from any Tax authority with respect to Tax periods ending on or after December 31, 2007: (i) any notice of underpayment of Taxes or other deficiency, or notice of proposed adjustment; (ii) any request for information relating to Taxes; or (iii) any notice indicating an intent to commence an audit.

(f) Since January 1, 2009, neither Company nor any of its Subsidiaries has requested or received a Tax ruling, private letter ruling, technical advice memorandum, advance pricing agreement, competent authority relief or similar agreement, or has entered into a closing agreement or contract with any taxing authority that, in each case, remains outstanding or effective. Neither Company nor any of its Subsidiaries is subject to a Tax sharing, allocation, indemnification or similar Contract (except such Contracts as are solely between Company and its Subsidiaries) pursuant to which it could have an obligation to make a payment to any Person in respect of Taxes. Neither Company nor any of its Subsidiaries has entered into any gain recognition agreement under Section 367 of the Code.

(g) Company is not and has never been a United States person within the meaning of Section 7701(a)(30) of the Code. At no time has any Subsidiary of Company been a member of an affiliated group of corporations that filed a consolidated U.S. federal income tax return. Neither Company nor any of its Subsidiaries has any liability for the Taxes of any person other than Company and its Subsidiaries, whether such liability arises under Treas. Reg. § 1.1502-6 or under any comparable provision of state, local, or foreign law, or arises by contract, or as a transferee or successor, or otherwise.

(h) Neither Company nor any of its Subsidiaries is participating or has participated in a reportable transaction within the meaning of Treas. Reg. § 1.6011-4 or Section 6707A(c) of the Code. Company and each of its Subsidiaries have disclosed on their U.S. federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of U.S. federal income Tax within the meaning of Section 6662 of the Code. Neither Company nor any of its Subsidiaries has received a Tax opinion with respect to any transaction relating to Company or any of its Subsidiaries other than a transaction in the ordinary course of business. Neither Company nor any of its Subsidiaries is the direct or indirect beneficiary of a guarantee of Tax benefits or any other arrangement that has the same economic effect with respect to any transaction or Tax opinion relating to Company or any of its Subsidiaries.

(i) Neither Company nor any of its Subsidiaries has (i) been the distributing corporation or a controlled corporation (within the meaning of Section 355 of the Code) with respect to a transaction that was purported to be governed in whole or in part by Section 355 of the Code, (ii) participated in an international boycott within the meaning of Section 999 of the Code, or (iii) made or revoked any election under Treas. Reg. § 301.7701-3 regarding classification as a corporation, as a partnership, or as a disregarded entity.

(j) Neither Company nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any Tax period (or portion thereof) ending after the Closing Date as a result of

any: (i) change in method of accounting for a Tax period ending on or prior to the

Closing Date under Section 481(c) of the Code (or any corresponding or similar provision of state, local, or foreign Tax law); (ii) closing agreement as described in Section 7121 of the Code (or any corresponding or similar provision of state, local, or foreign Tax law) executed on or prior to the Closing Date; (iii) installment sale or open transaction disposition made on or prior to the Closing Date; (iv) prepaid amount received on or prior to the Closing Date; or (v) election under Section 108(i) of the Code.

(k) Company has not made any election under Section 897(i) of the Code.

Section 2.8. *Absence of Certain Changes.* From the date of December 31, 2013 through the date of this Agreement, (a) Company and its Subsidiaries have conducted their respective businesses only in the ordinary course consistent with past practice in all material respects, (b) there has not been any change, event, development, condition, occurrence or combination of changes, events, developments, conditions or occurrences that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Company and (c) there has not been any action taken by Company or any of its Subsidiaries that would have required the consent of Acquiror under Section 4.2(b)(i), (ii), (iii), (iv), (v), (vi), (vii), (x), (xi), (xii), (xiii), (xv) or (xviii) (to the extent subclause 4.2(b)(xviii) relates to the foregoing subclauses) if such action was taken after the date of this Agreement.

Section 2.9. *Litigation; Orders.* There is no claim, action, suit, arbitration, proceeding, investigation or inquiry, whether civil, criminal or administrative, pending or, to the knowledge of Company, threatened against Company or any of its Subsidiaries or any of their respective officers or directors (in such capacity) or any of their respective businesses or assets, at law or in equity, before or by any Governmental Entity or arbitrator, except as, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. None of Company, any of its Subsidiaries or any of their respective businesses or assets is subject to any Order of any Governmental Entity that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company.

Section 2.10. *Permits.* Except as, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company, Company and its Subsidiaries hold all licenses, permits, approvals, authorizations and consents of all Governmental Entities that are necessary for the operation of their respective businesses as now being conducted (collectively, the Company Permits), and no suspension or cancellation of any of the Company Permits is pending or, to the knowledge of Company, threatened. Company and its Subsidiaries are in compliance with the terms of Company Permits, except for instances of noncompliance where neither the costs to comply nor the failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company.

Section 2.11. *Compliance with Laws.*

(a) Company and its Subsidiaries, and their respective assets, are in compliance with all Laws and Orders, except for instances of noncompliance where neither the costs to comply nor the failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company.

(b) To the knowledge of the Company, none of the Company, any of its Subsidiaries or any director, officer, employee, agent or other person associated with or acting on behalf of Company or any of its Subsidiaries is an official, agent or employee of any government or Governmental Entity or political party or a candidate for any political office. During the previous five years, none of Company, any of its Subsidiaries or any director, officer, employee, agent or other person associated with or acting on behalf of Company or any of its Subsidiaries has, directly or indirectly, (i) used any funds of Company or any of its Subsidiaries for unlawful contributions, unlawful gifts, unlawful entertainment or other unlawful expenses relating to political activity, (ii) made any unlawful payment

to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from funds of Company or any of its Subsidiaries, (iii) made any payments or gifts to any governmental officials out of funds of Company or any of its Subsidiaries (but excluding

payments to governmental agencies in amounts legally due and owing by Company or any of its Subsidiaries), (iv) established or maintained any unlawful fund of monies or other assets of Company or any of its Subsidiaries; (v) made any fraudulent entry on the books or records of Company or any of its Subsidiaries or (vi) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any Person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business for Company or any of its Subsidiaries, to obtain special concessions for Company or any of its Subsidiaries or to pay for favorable treatment for business secured or to pay for special concessions already obtained for Company or any of its Subsidiaries.

Section 2.12. *Environmental Matters.*

(a) Company and each of its Subsidiaries are in compliance with all applicable Laws and Orders relating to pollution, protection of the environment or human health, occupational safety and health or sanitation and all other applicable Laws and Orders relating to emissions, spills, discharges, generation, storage, leaks, injection, leaching, seepage, migration, releases or threatened releases of Hazardous Substances into the environment (including ambient air, surface water, ground water, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances, together with any plan, notice or demand letter issued, entered, promulgated or approved thereunder (collectively, Environmental Laws), except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. Neither Company nor any of its Subsidiaries has received any written notice of (i) any violation of an Environmental Law or (ii) the institution of any claim, action, suit, proceeding, investigation or inquiry by any Governmental Entity or other Person alleging that Company or any of its Subsidiaries may be in violation of or materially liable under any Environmental Law, in the case of both subclauses (i) and (ii) except that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company.

(b) Neither Company nor any of its Subsidiaries has (i) placed, held, located, released, discharged, transported or disposed of any Hazardous Substances on, under, from or at any of the properties currently or previously owned or operated by Company or any of its Subsidiaries, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company, (ii) any liability for any Hazardous Substance disposal or contamination on any of Company s or any of its Subsidiaries properties or any other properties that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company, (iii) reason to know of the presence of any Hazardous Substances on, under, at or coming from any of Company s or any of its Subsidiaries properties or any other properties but arising from the conduct of operations of Company or any of its Subsidiaries, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company, or (iv) received any written notice of (A) any actual or potential liability for the response to or remediation of Hazardous Substances at or arising from any of Company s or any of its Subsidiaries properties or any other properties or (B) any actual or potential liability for the costs of response to or remediation of Hazardous Substances at or arising from any of Company s or any of its Subsidiaries properties or any other properties, in the case of both subclauses (A) and (B), that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company. Company has provided Acquiror with correct and complete copies of all material environmental reports in the possession of Company or any of its Subsidiaries or their respective Representatives or consultants relating to properties currently or formerly owned or operated by Company or any of its Subsidiaries.

(c) There are no acts, omissions, circumstances or conditions that could lead to liability under Environmental Laws with respect to the business and operations of Company or any of its Subsidiaries or the current or former ownership or operation of any real estate by Company or any of its Subsidiaries, except that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company.

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(d) No Environmental Law imposes any obligation on Company or any of its Subsidiaries arising out of or as a condition to any transaction contemplated hereby, including any requirement to modify or transfer any Company Permit, any requirement to file any notice or other submission with any Governmental Entity, the placement of any notice, acknowledgement, or covenant in any land records, or the modification of or provision of notice under any Contract or consent Order, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company.

(e) Neither Company nor any of its Subsidiaries has any obligation, pursuant to any agreement, by operation of Law or otherwise, for any claims related to compliance with, or liability under, any Environmental Law, except that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company.

Section 2.13. *Employee Benefits.*

(a) Section 2.13(a) of the Company Disclosure Schedule sets forth a correct and complete list of all Employee Benefit Plans that are maintained by Company, any of its Subsidiaries or any ERISA Affiliate of Company or any of its Subsidiaries (each, a Company ERISA Affiliate) or to which Company, any of its Subsidiaries or any Company ERISA Affiliate is obligated to contribute or with respect to which any of them has any liability, contingent or otherwise (with the Company Stock Plan, each a Company Employee Benefit Plan and collectively, the Company Employee Benefit Plans). Section 2.13(a) of the Company Disclosure Schedule identifies the plan sponsor of each Company Employee Benefit Plan.

(b) Neither Company nor any of its Subsidiaries has ever maintained, sponsored, contributed to or been obligated to contribute to, or had any other liability with respect to any Multiemployer Plan or any plan subject to Title IV of ERISA. No entity that is or was an ERISA Affiliate of Company or any of its Subsidiaries has, either currently or during any period such entity was such an ERISA Affiliate, maintained, sponsored, contributed to or been obligated to contribute to, or had any other liability with respect to, any Multiemployer Plan or any plan subject to Title IV of ERISA.

(c) Company and each of its Subsidiaries have reserved, to the extent permitted by applicable Law, the right to amend, terminate or modify at any time all Company Employee Benefit Plans, except with respect to the Company Employee Benefit Plans that are executive compensation contracts or other agreements of the Company and its Subsidiaries on the one hand and an individual on the other hand.

(d) The Internal Revenue Service has issued a currently effective favorable determination letter with respect to each Company Employee Benefit Plan that is intended to be a qualified plan within the meaning of Section 401 of the Code, and each trust maintained pursuant thereto has been determined to be exempt from federal income taxation under Section 501 of the Code by the Internal Revenue Service, or such plan is a prototype plan entitled to rely on a currently effective opinion letter. Each such Company Employee Benefit Plan has been timely amended since the date of the latest favorable determination letter or opinion in accordance with all applicable Laws. Nothing has occurred with respect to the operation of any such Company Employee Benefit Plan that is reasonably likely to cause the loss of such qualification or exemption or the imposition of any liability, penalty or tax under ERISA or the Code or the assertion of claims by participants (as that term is defined in Section 3(7) of ERISA) other than routine benefit claims.

(e) None of Company, its Subsidiaries, the officers or directors of Company or any of its Subsidiaries or the Employee Benefits Plans that are subject to ERISA, any trusts created thereunder or any trustee or administrator thereof has engaged in a prohibited transaction (as such term is defined in Section 406 of ERISA or Section 4975 of the Code) or any other breach of fiduciary responsibility that could subject Company, any of its Subsidiaries or any officer or director of Company or any of its Subsidiaries to any tax or penalty on prohibited transactions imposed by such

Section 4975 or to any liability under Section 502 of ERISA.

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(f) There are no claims (except claims for benefits payable in the ordinary course of business and proceedings with respect to qualified domestic relations orders), suits or proceedings pending or, to the knowledge of Company, threatened against or involving any Company Employee Benefit Plan, asserting any rights or claims to benefits under any Company Employee Benefit Plan or asserting any claims against any administrator, fiduciary or sponsor thereof. There are no pending or, to the knowledge of Company, threatened investigations by any Governmental Entity involving any Company Employee Benefit Plans.

(g) All Company Employee Benefit Plans have been established, maintained and administered in accordance with their terms and with all provisions of applicable Laws, including ERISA and the Code, except for instances of noncompliance where neither the costs to comply nor the failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company. All material contributions or premiums required to be made to, or benefit liabilities arising under the terms of, each Company Employee Benefit Plan for all periods have been made or adequately reserved for or have been disclosed as liabilities on the Company Recent Balance Sheet.

(h) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in conjunction with any other event) will: (i) increase any benefits otherwise payable under any Company Employee Benefit Plan; (ii) result in any acceleration of the time of payment or vesting of any such benefits; (iii) limit or prohibit the ability to amend or terminate any Company Employee Benefit Plan; (iv) require the funding of any trust or other funding vehicle; or (v) renew or extend the term of any agreement in respect of compensation for an employee of Company or any of its Subsidiaries that would create any liability to Company, Acquiror or their respective Affiliates.

(i) Neither Company nor any of its Subsidiaries have made any payments during a period for which the statute of limitations under the Code has not ended or have been or is a party to a Contract (including this Agreement) that under any circumstances could obligate it to make payments after the date of this Agreement (either before or after the Closing Date) that will not be deductible because of Section 162(m) or Section 280G of the Code. Section 2.13(i) of the Company Disclosure Schedule sets forth the amounts payable to the executives listed therein as a result of the Arrangement and the other transactions contemplated hereby and/or any subsequent employment termination (including any cash-out or acceleration of options and restricted stock and any gross-up payments with respect to any of the foregoing) based on compensation data applicable as of the date of such Section, and the assumptions stated in such Section, of the Company Disclosure Schedule.

(j) None of Company, any of its Subsidiaries or any Company ERISA Affiliate has communicated to any current or former employee or director any intention or commitment to establish or implement any additional Company Employee Benefit Plan or to amend or modify, in any material respect, any existing Company Employee Benefit Plan.

(k) None of the Company Employee Benefit Plans are subject to the Law of any jurisdiction other than the United States.

Section 2.14. *Labor and Employee Matters.*

(a) Neither Company nor any of its Subsidiaries is party to, or bound by, any labor agreement, collective bargaining agreement, work rules or practices, or any other labor-related Contract with any labor union, labor organization or works council or group of employees. No employees of Company or any of its Subsidiaries are legally organized or recognized as a labor organization or represented by any labor union, labor organization or works council with respect to their employment with Company or any of its Subsidiaries.

(b) To the knowledge of the Company, no employees of Company or any of its Subsidiaries has made a pending demand for recognition, certification, representation or bargaining, and there are no representation or certification proceedings or petitions pending or, to the knowledge of Company, threatened to

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be brought or filed with the National Labor Relations Board or any other Governmental Entity. To the knowledge of Company, there are no organizational attempts relating to labor unions, labor organizations or works councils occurring with respect to any employees of Company or any of its Subsidiaries, and none have occurred within the previous 12 months.

(c) Except as, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company, (i) there are no unfair labor practice charges or complaints or appeals of such matters against Company or any of its Subsidiaries pending or, to the knowledge of Company, threatened before the National Labor Relations Board or any other Governmental Entity, (ii) there are no labor strikes, slowdowns, stoppages, walkouts, lockouts or other labor-related disputes pending or, to the knowledge of Company, threatened against or affecting Company or any of its Subsidiaries, (iii) there are no pending or, to the knowledge of Company, threatened employment-related lawsuits or administrative charges or arbitration proceedings against or involving Company or any of its Subsidiaries and (iv) Company and its Subsidiaries have complied with all hiring and employment obligations under the Office of Federal Contract Compliance Programs rules and regulations, where applicable.

Section 2.15. *Intellectual Property.*

(a) Company and its Subsidiaries have good title to or, with respect to items not owned by Company or its Subsidiaries, sufficient rights to use all Intellectual Property Rights that are owned or licensed by Company or any of its Subsidiaries or utilized by Company or any of its Subsidiaries in the conduct of their respective businesses (all of the foregoing items are referred to as the Company Intellectual Property). To conduct the business of Company and its Subsidiaries as presently conducted, neither Company nor any of its Subsidiaries requires any Intellectual Property Rights that Company and its Subsidiaries do not already own or license. Company has no knowledge of any infringement or misappropriation by others of Intellectual Property Rights owned or used by Company or any of its Subsidiaries. The conduct of the businesses of Company and its Subsidiaries does not infringe on or misappropriate any Intellectual Property Rights of others. The consummation of the transactions contemplated hereby, including the Arrangement, will not impair any rights of Company or any of its Subsidiaries in, to or under any Company Intellectual Property.

(b) No claims with respect to Company Intellectual Property are pending or, to the knowledge of Company, threatened in writing by any Person (i) to the effect that the manufacture, performance, sale or use of any product, process or service as now used or offered or proposed for use or sale by Company or any of its Subsidiaries infringes on any Intellectual Property Rights of any Person, (ii) against the use by Company or any of its Subsidiaries of any Company Intellectual Property or (iii) challenging the ownership, validity, enforceability or effectiveness of any Company Intellectual Property.

Section 2.16. *Certain Contracts.*

(a) Except as set forth in Section 2.16 of the Company Disclosure Schedule or Contracts filed as exhibits to the Company SEC Reports, as of the date of this Agreement, neither Company nor any of its Subsidiaries is a party to or bound by any Contract that: (i) involves or would reasonably be expected to involve aggregate future payments by Company and/or its Subsidiaries in excess of $10,000,000 as of the date of this Agreement or aggregate future payments to Company and/or its Subsidiaries in excess of $10,000,000 or its foreign currency equivalent as of the date of this Agreement (excluding contracts for equipment, goods and materials and royalty and similar agreements entered into by the Company and/or its Subsidiaries in the ordinary course of business consistent with past practice), (ii) is a material contract (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC), (iii) provides for or otherwise relates to joint venture, partnership, strategic alliance or similar arrangements affecting the Oil and Gas Interests, (iv) (A) imposes any restriction on the right or ability of Company or any of its Subsidiaries to compete with

any other person or acquire or dispose of the securities of another person or (B) contains an exclusivity or most favored nation clause that restricts the business of Company or any of its Subsidiaries in a material manner, other than those contained in customary oil and gas leases, (v) constitutes or provides for indentures, mortgages, promissory

notes, loan agreements, guarantees, letter of credit or other agreements or instruments of Company or any of its Subsidiaries or commitments for the borrowing or the lending by Company or any of its Subsidiaries, (vi) provides for the sale by Company or any of its Subsidiaries of Hydrocarbons that (A) has a remaining term of greater than 90 days or (B) contains a take-or-pay clause or any similar material prepayment or forward sale arrangement or obligation (excluding gas balancing arrangements associated with customary joint operating agreements) to deliver Hydrocarbons at some future time without then or thereafter receiving full payment therefor, (vii) that provides for a call or option on production, or acreage dedication to a gathering, transportation or other arrangement downstream of the wellhead, (viii) is a joint development agreement, exploration agreement, participation or program agreement or similar agreement that contractually requires Company and its Subsidiaries to make expenditures that would reasonably be expected to be in excess of $10,000,000 in the aggregate during the 12-month period following the date of this Agreement containing any type of provision that becomes applicable due to the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, or (ix) that contains earn out or other contingent payment obligations, or remaining indemnity or similar obligations (other than asset retirement obligations, plugging and abandonment obligations and other reserves of the Company set forth in the Company Reserve Reports), that could reasonably be expected to result in payments after the date hereof by Company or any of its Subsidiaries in excess of $10,000,000.

(b) Each Company Contract is valid and binding on Company and/or its Subsidiaries, as applicable, and in full force and effect. Each of Company and its Subsidiaries and, to the knowledge of Company, the other Person or Persons thereto has in all material respects performed all of its obligations required to be performed by it under each Company Contract, except for instances of noncompliance where neither the costs to comply nor the failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Company.

Section 2.17. *Properties and Assets.*

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company, Company and its Subsidiaries have good and defensible title to all of the Oil and Gas Interests reflected in the Company Reserve Reports as attributable to interests owned by Company and its Subsidiaries, except for such Oil and Gas Interests sold, used, farmed out or otherwise disposed of since December 31, 2013 in the ordinary course of business, free and clear of all Liens other than Permitted Liens and Production Burdens. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company, (i) each Oil and Gas Lease to which Company or any of its Subsidiaries is a party is valid and in full force and effect, (ii) none of Company or any of its Subsidiaries has violated any provision of, or taken or failed to take any act which, with or without notice, lapse of time, or both, would constitute a default under the provisions of such Oil and Gas Lease, and (iii) none of Company or any of its Subsidiaries has received written notice from the other party to any such Oil and Gas Lease that Company or any of its Subsidiaries, as the case may be, has breached, violated or defaulted under any Oil and Gas Lease.

(b) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company, (i) either Company or a Subsidiary of Company has good and valid title to each real property (and each real property at which operations of Company or any of its Subsidiaries are conducted) owned by Company or any Subsidiary (but excluding the Oil and Gas Interests) (such owned property collectively, the Company Owned Real Property) and (ii) either Company or a Subsidiary of Company has a good and valid leasehold interest in each lease, sublease and other agreement under which Company or any of its Subsidiaries uses or occupies or has the right to use or occupy any real property (or real property at which operations of Company or any of its Subsidiaries are conducted) (but excluding the Oil and Gas Interests) (such property subject to a lease, sublease or other agreement, the Company Leased Real Property and such leases, subleases and other agreements are, collectively, the Company Real Property Leases), in each case, free and clear of all Liens other than any Permitted Liens, and other than any conditions,

encroachments, easements, rights-of-way, restrictions and other encumbrances that do not adversely affect the existing use of the real property subject thereto by the owner (or lessee to the extent a leased property) thereof in

the operation of its business. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company, (A) each Company Real Property Lease is valid, binding and in full force and effect and (B) no uncured default of a material nature on the part of the Company or, if applicable, its Subsidiary or, to the Company s knowledge, the landlord thereunder, exists under any Company Real Property Lease, and no event has occurred or circumstance exists which, with the giving of notice, the passage of time, or both, would constitute a material breach or default under a Company Real Property Lease.

(c) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company, (i) there are no leases, subleases, licenses, rights or other agreements affecting any portion of the Company Owned Real Property or the Company Leased Real Property that would reasonably be expected to adversely affect the existing use of such Company Owned Real Property or the Company Leased Real Property by Company or its Subsidiaries in the operation of its business thereon, (ii) except for such arrangements solely among the Company and its Subsidiaries or among Company s Subsidiaries, there are no outstanding options or rights of first refusal in favor of any other party to purchase any Company Owned Real Property or any portion thereof or interest therein that would reasonably be expected to adversely affect the existing use of the Company Owned Real Property by the Company in the operation of its business thereon, and (iii) neither Company nor any of its Subsidiaries is currently subleasing, licensing or otherwise granting any person the right to use or occupy a material portion of a Company Owned Real Property or Company Leased Real Property that would reasonably be expected to adversely affect the existing use of such Company Owned Real Property or Company Leased Real Property by the Company or its Subsidiaries in the operation of its business thereon.

(d) Except as would not be material to Company and its Subsidiaries, taken as a whole, all proceeds from the sale of Hydrocarbons produced from the Oil and Gas Interests of Company and its Subsidiaries are being received by them in a timely manner and are not being held in suspense for any reason other than awaiting preparation and approval of division order title opinions for recently drilled Wells.

(e) All of the Wells and all water, CO_2 or injection wells located on the Oil and Gas Leases or Units of Company and its Subsidiaries or otherwise associated with an Oil and Gas Interest of Company or its Subsidiaries have been drilled, completed and operated within the limits permitted by the applicable Oil and Gas Contracts and applicable Law, and all drilling and completion (and plugging and abandonment) of the Wells and such other wells and all related development, production and other operations have been conducted in compliance with all applicable Laws except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company.

(f) All Oil and Gas Interests operated by Company and its Subsidiaries have been operated in accordance with reasonable, prudent oil and gas field practices and in compliance with the applicable Oil and Gas Leases and applicable Law, except where the failure to so operate would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company.

(g) None of the material Oil and Gas Interests of Company or its Subsidiaries is subject to any preferential purchase, consent or similar right that would become operative as a result of the transactions contemplated by this Agreement, except for any such preferential purchase, consent or similar rights that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Company.

(h) None of the Oil and Gas Interests of Company or its Subsidiaries are subject to any Tax partnership agreement or provisions requiring a partnership income Tax Return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Code.

Section 2.18. *Reserve Reports.* Company has delivered or otherwise made available to Acquiror true and correct copies of all written reports requested or commissioned by Company or its Subsidiaries and delivered to Company or its Subsidiaries in writing on or before the date of this Agreement estimating Company s and such Subsidiaries proved oil and gas reserves prepared by any unaffiliated person (each, a Company Report

Preparer) concerning the Oil and Gas Interests of the Company and such Subsidiaries as of December 31, 2013 (the Company Reserve Reports). The factual, non-interpretive data provided by Company and its Subsidiaries to each Company Report Preparer in connection with the preparation of the Company Reserve Reports that was material to such Company Report Preparer s estimates of the proved oil and gas reserves set forth in the Company Reserve Reports was, as of the time provided (or as modified or amended prior to the issuance of the Company Reserve Reports) accurate in all material respects. The oil and gas reserve estimates of Company set forth in the Company Reserve Reports are derived from reports that have been prepared by the petroleum consulting firm as set forth therein, and such reserve estimates fairly reflect, in all material respects, the oil and gas reserves of Company at the dates indicated therein and are in accordance with SEC guidelines applicable thereto applied on a consistent basis throughout the periods involved. Except for changes generally affecting the oil and gas exploration, development and production industry (including changes in commodity prices) and normal depletion by production, there has been no change in respect of the matters addressed in the Company Reserve Reports that would have, or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Company.

Section 2.19. *Derivatives.* The Company SEC Reports accurately summarize, in all material respects, the outstanding Derivative positions of Company and its Subsidiaries, including Hydrocarbon and financial Derivative positions attributable to the production and marketing of the Company and its Subsidiaries, as of the dates reflected therein. As of the date of this Agreement, all Derivative Contracts to which Company or any of its Subsidiaries is a party have been made available to Acquiror in Company s electronic dataroom.

Section 2.20. *Insurance.* All material insurance policies maintained by Company or any of its Subsidiaries, including policies with respect to fire, casualty, general liability, business interruption and product liability, are with reputable insurance carriers, provide full and adequate coverage for all normal risks incident to the respective businesses, properties and assets of Company and its Subsidiaries and are in character and amount similar to that carried by Persons engaged in similar businesses and subject to the same or similar perils or hazards, except for failures to maintain such insurance policies that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Company. Company and each of its Subsidiaries have made all payments required to maintain such policies in full force and effect. Neither Company nor any of its Subsidiaries has received written notice of default under any such policy or notice of any pending or threatened termination or cancellation, coverage limitation or reduction or material premium increase with respect to any such policy. Section 2.20 of the Company Disclosure Schedule sets forth the aggregate annual premiums that Company is paying with respect to Company s directors and officers insurance policy for the current policy period that includes the date of this Agreement.

Section 2.21. *Company Board Approval*. The Board of Directors of Company, by resolutions duly adopted by unanimous vote at a meeting duly called and held and not subsequently rescinded or modified in any way, has duly (a) determined that this Agreement and the Arrangement are fair to and in the best interests of Company and its shareholders, (b) approved this Agreement, the Company Continuance, the Arrangement and the other transactions contemplated hereby and (c) recommended that the shareholders of Company approve the Continuance Resolution, the Arrangement Resolution and directed that such matters be submitted to a vote by Company s shareholders at the Company Meeting. The only votes of the shareholders or the securityholders of Company required to adopt this Agreement and approve the transactions contemplated hereby are the Continuance Requisite Shareholder Vote and the Company Requisite Shareholder Vote.

Section 2.22. *Canadian Business.* Company is not a Canadian business within the meaning of the *Investment Canada Act*.

Section 2.23. *Foreign Issuer Exemption.* Company is a reporting issuer in British Columbia and Alberta, and Company qualifies as an SEC issuer pursuant to National Instrument 51-102-*Continuous Disclosure Obligations*.

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Section 2.24. *Opinions of Financial Advisors.* Company has received the opinions of each of Petrie Partners Securities, LLC and Credit Suisse Securities (USA) LLC, each dated as of the date of the meeting of the Board of Directors of Company to approve this Agreement, to the effect that, as of such date and subject to the assumptions, limitations, qualifications and other matters considered in connection with the preparation of such opinions, the Share Exchange Ratio pursuant to the Arrangement is fair, from a financial point of view, to the holders of Company Common Shares.

Section 2.25. *Interested Party Transactions.* Since December 31, 2011 until the date of this Agreement, no event has occurred or transaction entered into that would be required to be reported by the Company pursuant to Item 404 of Regulation S-K promulgated by the SEC under the Exchange Act.

Section 2.26. *Proxy Statement / Circular.* The Proxy Statement / Circular will comply in all material respects with the applicable requirements of the U.S. Securities Laws and the Canadian Securities Laws, except that no representation or warranty is being made by Company with respect to the information supplied by or on behalf of Acquiror for inclusion in the Proxy Statement / Circular. The Proxy Statement / Circular will not, at the time the Proxy Statement / Circular (or any amendment or supplement thereto) is filed with the Canadian Securities Authorities or first sent to shareholders or at the time of Company Meeting contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 2.27. *No Brokers or Finders.* With the exception of the engagement of Petrie Partners Securities, LLC and Credit Suisse Securities (USA) LLC by Company, none of Company and its Subsidiaries has any liability or obligation to pay any fees or commissions to any financial advisor, broker, finder or agent with respect to the transactions contemplated hereby. Company has provided Acquiror with correct and complete copies of any engagement letters or other Contracts between Company and Petrie Partners, LLC and between Company and Credit Suisse Securities (USA) LLC relating to the Arrangement and the other transactions contemplated hereby.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF ACQUIROR AND ACQUIROR CANADIAN SUB

Except (a) as set forth in the disclosure schedules (with specific reference to the section or subsection of this Agreement to which the information stated in such disclosure relates; provided that any fact or condition disclosed in any section of such disclosure schedules in such a way as to make its relevance to a representation or representations made elsewhere in this Agreement or information called for by another section of such disclosure letter reasonably apparent shall be deemed to be an exception to such representation or representations or to be disclosed on such other section of such disclosure letter notwithstanding the omission of a reference or cross reference thereto) delivered by Acquiror to Company prior to the execution of this Agreement (the "Acquiror Disclosure Schedule"), or (b) as disclosed in Acquiror SEC Reports filed or furnished by the Company after January 1, 2014, but excluding, in each case, any disclosures set forth in any risk factor section or in any other section to the extent they are forward-looking statements or cautionary, predictive or forward-looking in nature; provided, that the exception provided for in this clause (b) shall be applied if, and only if, the relevance of the applicable disclosure in any such Acquiror SEC Report filed prior to the date hereof to a particular representation is reasonably apparent on the face of the text of such disclosure, Acquiror and Acquiror Canadian Sub represent and warrant to Company as follows:

Section 3.1. *Organization and Qualification.* Each of Acquiror, Acquiror Canadian Sub and Acquiror s other Subsidiaries is a corporation or other entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization and has full power and authority to own, operate and lease the properties and assets owned or used by it and to carry on its business as and where such is now being conducted. Each of Acquiror, Acquiror Canadian Sub and Acquiror s other Subsidiaries is duly licensed or

qualified to do business as a foreign corporation (or other applicable entity), and is in good standing, in each jurisdiction wherein the character of the properties owned or leased by it, or the nature of its business, makes such licensing or qualification necessary, except where the failure to so qualify, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror. Each of Acquiror and Acquiror Canadian Sub has, prior to the date hereof, made available to Company a complete and correct copies of the articles of continuation, articles of incorporation, by-laws and other charter documents of Acquiror and Acquiror Canadian Sub, including any amendments thereto, as presently in effect.

Section 3.2. *Subsidiaries; Acquiror Canadian Sub*. Section 3.2 of the Acquiror Disclosure Schedule sets forth a correct and complete list of all of Acquiror s Subsidiaries, together with the jurisdiction of organization of each Subsidiary and the percentage of each Subsidiary s outstanding Equity Interests owned by Acquiror or another Subsidiary. All of the issued and outstanding Equity Interests of Acquiror Canadian Sub are, and at the Effective Time will be, owned by Acquiror. Acquiror Canadian Sub has not conducted any business prior to the date hereof and has, and prior to the Effective Time will have, no assets, liabilities or obligations of any nature other than those incident to its formation and pursuant to this Agreement and the Arrangement and the other transactions contemplated by this Agreement.

Section 3.3. *Capitalization.*

(a) The authorized capital stock of Acquiror consists entirely of 300,000,000 shares of Acquiror Common Stock and 5,000,000 shares of preferred stock of Acquiror, par value of $0.001 per share (the Acquiror Preferred Stock). As of the date of this Agreement, (i) 118,981,965 shares of Acquiror Common Stock were issued and outstanding and (ii) 1,500,000 shares of Acquiror Preferred Stock have been designated Series A Junior Participating Preferred Stock, none of which were issued and outstanding. As of the date of this Agreement, there are outstanding (A) options to acquire Acquiror Common Stock from Acquiror representing in the aggregate the right to acquire 412,303 shares of Acquiror Common Stock (collectively, the Acquiror Stock Options) under Acquiror s 2003 Equity Incentive Plan, as amended through October 23, 2007, and Acquiror s 2013 Equity Incentive Plan (collectively, the Acquiror Stock Plans) and (B) restricted shares of Acquiror Common Stock relating to an aggregate of 1,461,256 shares of Acquiror Common Stock under the Acquiror Stock Plans.

(b) As of the date of this Agreement, except as set forth above, no Equity Interests of Acquiror have been issued or reserved for issuance or are outstanding. All issued and outstanding shares of Acquiror Common Stock are duly authorized, validly issued, fully paid and nonassessable and free of preemptive (or similar) rights and registration rights. No Acquiror Common Stock has been issued in violation of any preemptive (or similar) rights.

(c) All issued and outstanding Equity Interests of each Acquiror Subsidiary are (i) duly authorized, validly issued, fully paid and nonassessable, (ii) free of preemptive (or similar) rights and registration rights and (iii) are owned by Acquiror or a wholly-owned Subsidiary free and clear of any Share Encumbrances. Except for Acquiror s Subsidiaries, Acquiror does not directly or indirectly own any Equity Interest in, or any security convertible into or exchangeable or exercisable for any Equity Interest in, any other Person. Neither Acquiror nor any of its Subsidiaries is obligated to make any contribution to the capital of, make any loan to or guarantee the debts of, any Person (other than Acquiror s Subsidiaries), including any joint venture or similar entity.

(d) Except for the Acquiror Stock Options, there are no options, warrants, rights, convertible or exchangeable securities, phantom stock rights, stock appreciation rights, restricted stock, stock-based performance units or Contracts of any kind to which Acquiror or any of its Subsidiaries is a party or by which any of them is bound (i) obligating Acquiror or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional Equity Interests in, or any security convertible or exercisable for or exchangeable into any Equity Interest of, Acquiror or any

of its Subsidiaries, (ii) obligating Acquiror or any of its Subsidiaries to issue, grant, extend or enter into any such option, warrant, call, right, security, unit or Contract or

(iii) giving any Person the right to receive any economic benefit or right similar to or derived from the economic benefits and rights occurring to holders of Equity Interests of Acquiror or any of its Subsidiaries.

(e) There are no Share Encumbrances to which Acquiror or any of its Subsidiaries is a party or by which Acquiror or any of its Subsidiaries is bound relating to the issued or unissued Equity Interests of Acquiror or any of its Subsidiaries (including any such Contracts that may limit in any way the solicitation of proxies by or on behalf of Acquiror from, or the casting of votes by, its shareholders with respect to the Share Issuance) or granting to any Person the right to elect, or to designate or nominate for election, a director to the Board of Directors of Acquiror or a director of the board of directors or similar supervisory body of any Subsidiary of Acquiror. There are no programs in place or outstanding obligations of Acquiror or any of its Subsidiaries (i) to repurchase, redeem or otherwise acquire any Equity Interests of Acquiror or any of its Subsidiaries or (ii) to vote or to dispose of any Equity Interest of any of Acquiror s Subsidiaries.

Section 3.4. *Authorization.* Each of Acquiror and Acquiror Canadian Sub has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby, subject to the approval of the Share Issuance by the affirmative vote of the holders of a majority of the voting power of the shares of Acquiror Common Stock represented in person or by proxy at the Acquiror Meeting, as required by Section 312.03(c) and 312.07 of the NYSE Listed Company Manual at which a quorum is present (the Acquiror Requisite Shareholder Vote). The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Acquiror and Acquiror Canadian Sub, and no other corporate proceedings on the part of Acquiror or its shareholders or Acquiror Canadian Sub or its shareholders are necessary to authorize this Agreement and to consummate the transactions contemplated hereby, other than the approval of the Stock Issuance by the Acquiror Requisite Shareholder Vote. This Agreement has been duly executed and delivered by Acquiror and Acquiror Canadian Sub and, assuming due authorization, execution and delivery by Acquiror and Acquiror Canadian Sub, constitutes a legal, valid and binding obligation of Acquiror and Acquiror Canadian Sub, enforceable against it in accordance with its terms.

Section 3.5. *No Violation.*

(a) The execution and delivery by each of Acquiror and Acquiror Canadian Sub of this Agreement do not, and the performance by each of Acquiror and Acquiror Canadian Sub of this Agreement will not, conflict with, or result in any violation of, or constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result by its terms in the, termination, amendment, cancellation or acceleration of any obligation or the loss of a material benefit under, or to increased, additional, accelerated or guaranteed rights or entitlements of any Person under, or create any obligation to make a payment to any other Person under, or the loss of, any properties or assets of Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries pursuant to (i) any Law or Order, (ii) any provision of the certificate of incorporation, by-laws or other charter documents of Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries or (iii) any Contract to which Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries is a party or by which any of their respective properties or assets is bound or of any license, permit, approval, authorization or consent of any Governmental Entity held by, or affecting, or relating in any way to, the properties, assets or business of, Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries, except, in the case of this subclause (iii), as individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror. The execution and delivery by each of Acquiror and Acquiror Canadian Sub of this Agreement do not, and the performance by each of Acquiror and Acquiror Canadian Sub of this Agreement will not, result in the creation of any Share Encumbrance upon any Equity Interests of Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries or any Lien upon any of the material properties or assets of Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries (excluding, in the case of Liens on any of material properties or assets, any Permitted Liens).

(b) Except for (i) filings as required by applicable requirements of the U.S. Securities Laws, Canadian Securities Laws and the Regulatory Laws, (ii) the filing and recordation of appropriate documents as

required by the BCBCA and the Delaware General Corporation Law and (iii) filings that would not prevent or materially delay the consummation of the transactions contemplated hereby, none of Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries is required to submit any notice, report or other filing with any Governmental Entity in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby. No waiver, consent, approval or authorization of any Governmental Entity is required to be obtained or made by Acquiror, Acquiror Canadian Sub or any of Acquiror s other Subsidiaries in connection with its execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby, except (A) where the failure to obtain such waiver, consent, approval or authorization would not prevent or materially delay the performance by each of Acquiror and Acquiror Canadian Sub of its obligations under this Agreement or (B) in connection with any submission described in subclauses (i), (ii) and (iii) above.

Section 3.6. *Filings with the SEC; Financial Statements; No Undisclosed Liabilities; Sarbanes-Oxley Act.*

(a) Acquiror has filed or furnished all required registration statements, prospectuses, reports, schedules, forms, statements and other documents required to be filed by it with the SEC (the Acquiror SEC Reports) and all other applicable securities regulatory authorities and self-regulatory organizations since January 1, 2011 (collectively, including the Acquiror SEC Reports and all exhibits thereto, the Acquiror Securities Reports). None of the Acquiror Securities Reports, as of their respective dates (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. All of the Acquiror Securities Reports, as of their respective dates (or, as of the date of any amendment to the respective Acquiror Securities Report), complied, as to form, in all material respects with the applicable requirements of the U.S. Securities Laws and the applicable rules and regulations promulgated thereunder. No Subsidiary of Acquiror is required to file any registration statement, prospectus, report, schedule, form, statement or other document with any applicable securities regulatory authority and self-regulatory organization, including the SEC.

(b) Each of the financial statements of Acquiror included in the Acquiror Securities Reports, as of their respective dates (and as of the date of any amendment to the respective Acquiror Securities Report), (i) complied, as to form, in all material respects with applicable accounting requirements and with the published rules and regulations of the applicable U.S. Securities Laws with respect thereto, (ii) have been prepared in accordance with GAAP (except, in the case of unaudited statements, subject to normal year-end audit adjustments and the absence of footnote disclosure) applied on a consistent basis during the periods and the dates involved (except as may be indicated in the notes thereto) and (iii) fairly present, in all material respects, the consolidated financial position and consolidated results of operations and cash flows of Acquiror and its consolidated Subsidiaries as of the respective dates or for the respective periods set forth therein.

(c) Neither Acquiror nor any of its Subsidiaries has any liabilities or obligations required to be reflected or reserved, in accordance with GAAP, on a consolidated balance sheet of Acquiror (including the notes thereto), except liabilities (i) as and to the extent reflected or reserved on the Acquiror Recent Balance Sheet, (ii) incurred after the date of the Acquiror Recent Balance Sheet in the ordinary course of business, (iii) as a result of the execution of this Agreement (iv) that, individually or in the aggregate, have not, or would not reasonably be expected to have, a Material Adverse Effect on Acquiror; or (v) that have been discharged or paid in full.

(d) Acquiror has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act. Acquiror s disclosure controls and procedures are reasonably

designed to ensure that all material information required to be disclosed by Acquiror in the reports that it files under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated

and communicated to the management of Acquiror as appropriate to allow timely decisions regarding required disclosure and to make the certifications required pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act. The management of Acquiror has completed its assessment of the effectiveness of Acquiror s internal control over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act for the year ended December 31, 2013, and such assessment concluded that such controls were effective. The management of Acquiror has disclosed, based on its most recent evaluation of its system of internal control over financial reporting prior to the date of this Agreement, to Acquiror s outside auditors and the audit committee of the Board of Directors of Acquiror (i) any significant deficiencies and material weaknesses in the design or operation of its internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that would reasonably be expected to adversely affect in any material respect Acquiror s ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Acquiror s internal control over financial reporting.

(e) There are no outstanding or unresolved comments in any comment letters of any Securities Authority or self-regulatory organization received by Acquiror relating to the Acquiror Securities Reports. Acquiror has heretofore made available to Company true, correct and complete copies of all written correspondence between Acquiror and any Securities Authority occurring since January 1, 2011. None of the Acquiror Securities Reports is, to the knowledge of Acquiror, the subject of ongoing Securities Authority review.

(f) Neither Acquiror nor any of its Subsidiaries is a party to, nor does it have any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract relating to any transaction or relationship between or among Acquiror or one of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand) or any off-balance sheet arrangements (as defined in Item 303(a) of Regulation S-K of the SEC), where the result, purpose or effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, Acquiror or any of its Subsidiaries in Acquiror s financial statements or other Acquiror Securities Reports.

Section 3.7. *Tax Matters.*

(a) All Taxes of Acquiror and its Subsidiaries attributable to periods preceding or ending with the date of the Acquiror Recent Balance Sheet have been paid or have been included in a liability accrual for the specific Taxes on the Acquiror Recent Balance Sheet. Since the date of the Acquiror Recent Balance Sheet, neither Acquiror nor any of its Subsidiaries has incurred any Taxes other than Taxes incurred in the ordinary course of business consistent in type and amount with past practices of Acquiror or such Subsidiary.

(b) Each of Acquiror and its Subsidiaries has timely filed all Tax Returns required to be filed, and all such Tax Returns were and are correct and complete, except for failures to so file or failures to be so correct and complete that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror. Acquiror has delivered to Company true and complete copies of corporate income Tax Returns filed by Acquiror and its Subsidiaries for Tax periods ending on or after December 31, 2010.

(c) Each of Acquiror and its Subsidiaries has duly withheld, collected and timely paid all Taxes that it was required to withhold, collect and pay relating to amounts paid or owing to any employee, independent contractor, creditor, shareholder or other Person, except for failures to withhold, collect or pay that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror.

(d) No claim has been made by any taxing authority in a jurisdiction where Acquiror or any of its Subsidiaries does not file Tax Returns that such entity is or may be subject to Tax or required to file a Tax Return in such jurisdiction, except for those instances where neither the imposition of any such Tax nor the filing of any such Tax Return (and the obligation to pay the Taxes reflected thereon), individually or in the aggregate, would

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not reasonably be expected to have a Material Adverse Effect on Acquiror. There are no outstanding waivers or comparable consents that have been given by Acquiror or any of its Subsidiaries regarding the application of the statute of limitations with respect to any Taxes or Tax Returns, other than in the ordinary course of business consistent with past practice. Neither Acquiror nor any of its Subsidiaries is subject to any Liens for Taxes, other than Liens for current Taxes not yet due and payable.

(e) Neither Acquiror nor any of its Subsidiaries has received from any Tax authority with respect to Tax periods ending on or after December 31, 2007: (i) any notice of underpayment of Taxes or other deficiency, or notice of proposed adjustment; (ii) any request for information relating to Taxes; or (iii) any notice indicating an intent to commence an audit.

(f) Since January 1, 2009, neither Acquiror nor any of its Subsidiaries has requested or received a Tax ruling, private letter ruling, technical advice memorandum, advance pricing agreement, competent authority relief or similar agreement, or has entered into a closing agreement or contract with any taxing authority that, in each case, remains outstanding or effective. Neither Acquiror nor any of its Subsidiaries is subject to a Tax sharing, allocation, indemnification or similar Contract (except such Contracts as are solely between Acquiror and its Subsidiaries) pursuant to which it could have an obligation to make a payment to any Person in respect of Taxes. Neither Acquiror nor any of its Subsidiaries has entered into any gain recognition agreement under Section 367 of the Code.

(g) At no time has Acquiror or any Subsidiary of Acquiror been a member of an affiliated group of corporations that filed a consolidated U.S. federal income tax return, other than a group the common parent of which at such time was Acquiror or a Subsidiary of Acquiror. No affiliated group of corporations of which Acquiror or any Subsidiary of Acquiror has been a member has discontinued filing consolidated U.S. federal income tax returns during the three years preceding the Closing Date. Neither Acquiror nor any of its Subsidiaries has any liability for the Taxes of any person other than Acquiror and its Subsidiaries, whether such liability arises under Treas. Reg. § 1.1502-6 or under any comparable provision of state, local, or foreign law, or arises by contract, or as a transferee or successor, or otherwise.

(h) Neither Acquiror nor any of its Subsidiaries is participating or has participated in a reportable or listed transaction within the meaning of Treas. Reg. §1.6011-4 or Section 6707A(c) of the Code. Acquiror and each of its Subsidiaries have disclosed on their U.S. federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of U.S. federal income Tax within the meaning of Section 6662 of the Code. Neither Acquiror nor any of its Subsidiaries has received a Tax opinion with respect to any transaction relating to Acquiror or any of its Subsidiaries other than a transaction in the ordinary course of business. Neither Acquiror nor any of its Subsidiaries is the direct or indirect beneficiary of a guarantee of Tax benefits or any other arrangement that has the same economic effect with respect to any transaction or Tax opinion relating to Acquiror or any of its Subsidiaries.

(i) Neither Acquiror nor any of its Subsidiaries has (i) been the distributing corporation or a controlled corporation (within the meaning of Section 355 of the Code) with respect to a transaction that was purported to be governed in whole or in part by Section 355 of the Code, (ii) participated in an international boycott within the meaning of Section 999 of the Code, or (iii) made or revoked any election under Treas. Reg. § 301.7701-3 regarding classification as a corporation, as a partnership, or as a disregarded entity.

(j) Neither Acquiror nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any Tax period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for a Tax period ending on or prior to the Closing Date under Section 481(c) of the Code (or any corresponding or similar provision of state, local, or foreign Tax law); (ii) closing agreement as described in Section 7121 of the Code (or any corresponding or similar provision of state, local, or foreign Tax law)

executed on or prior to the Closing Date; (iii) installment sale or open transaction disposition made on or prior to the Closing Date; (iv) prepaid amount received on or prior to the Closing Date; or v) election under Section 108(i) of the Code.

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Section 3.8. *Absence of Certain Changes.* From the date of December 31, 2013 through the date of this Agreement, (a) Acquiror and its Subsidiaries have conducted their respective businesses only in the ordinary course consistent with past practice in all material respects, (b) there has not been any change, event, development, condition, occurrence or combination of changes, events, developments, conditions or occurrences that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Acquiror and (c) there has not been any action taken by Acquiror or any of its Subsidiaries that would have required the consent of Company under Section 4.3(b)(i), (iii), (iv), (v), (vi) or (ix) (to the extent subclause 4.3(b)(ix) relates to the foregoing subclauses) if such action was taken after the date of this Agreement.

Section 3.9. *Litigation; Orders.* There is no claim, action, suit, arbitration, proceeding, investigation or inquiry, whether civil, criminal or administrative, pending or, to the knowledge of Acquiror, threatened against Acquiror or any of its Subsidiaries or any of their respective officers or directors (in such capacity) or any of their respective businesses or assets, at law or in equity, before or by any Governmental Entity or arbitrator, except as, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror. None of Acquiror, any of its Subsidiaries or any of their respective businesses or assets is subject to any Order of any Governmental Entity that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Acquiror.

Section 3.10. *Compliance with Laws.*

(a) Acquiror and its Subsidiaries, and their respective assets, are in compliance with all Laws and Orders, except for instances of noncompliance where neither the costs to comply nor the failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Acquiror.

(b) To the knowledge of Acquiror, none of Acquiror, any of its Subsidiaries or any director, officer, employee, agent or other person associated with or acting on behalf of Acquiror or any of its Subsidiaries is an official, agent or employee of any government or Governmental Entity or political party or a candidate for any political office. During the previous five years, none of Acquiror, any of its Subsidiaries or any director, officer, employee, agent or other person associated with or acting on behalf of Acquiror or any of its Subsidiaries has, directly or indirectly, (i) used any funds of Acquiror or any of its Subsidiaries for unlawful contributions, unlawful gifts, unlawful entertainment or other unlawful expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from funds of Acquiror or any of its Subsidiaries, (iii) made any payments or gifts to any governmental officials out of funds of Acquiror or any of its Subsidiaries (but excluding payments to governmental agencies in amounts legally due and owing by Acquiror or any of its Subsidiaries), (iv) established or maintained any unlawful fund of monies or other assets of Acquiror or any of its Subsidiaries; (v) made any fraudulent entry on the books or records of Acquiror or any of its Subsidiaries or (vi) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any Person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business for Acquiror or any of its Subsidiaries, to obtain special concessions for Acquiror or any of its Subsidiaries or to pay for favorable treatment for business secured or to pay for special concessions already obtained for Acquiror or any of its Subsidiaries.

Section 3.11. *Environmental Matters.*

(a) Acquiror and its Subsidiaries are in compliance with all applicable Environmental Laws, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror. Neither Acquiror nor any of its Subsidiaries has received any written notice of (i) any violation of an Environmental Law or (ii) the institution of any claim, action, suit, proceeding, investigation or inquiry by any Governmental Entity

or other Person alleging that Acquiror or any of its Subsidiaries may be in violation of or materially liable under any Environmental Law, in the case of both subclauses (i) and (ii) except that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror.

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(b) Neither Acquiror nor any of its Subsidiaries has (i) placed, held, located, released, discharged, transported or disposed of any Hazardous Substances on, under, from or at any of the properties currently or previously owned or operated by Acquiror nor any of its Subsidiaries, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror, (ii) any liability for any Hazardous Substance disposal or contamination on any of Acquiror s or any of its Subsidiaries properties or any other properties that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Acquiror, (iii) reason to know of the presence of any Hazardous Substances on, under, at or coming from any of Acquiror s or any of its Subsidiaries properties or any other properties but arising from the conduct of operations of Acquiror or any of its Subsidiaries, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror, or (iv) received any written notice of (A) any actual or potential liability for the response to or remediation of Hazardous Substances at or arising from any of Acquiror s or any of its Subsidiaries properties or any other properties or (B) any actual or potential liability for the costs of response to or remediation of Hazardous Substances at or arising from any of Acquiror s or any of its Subsidiaries properties or any other properties, in the case of both subclauses (A) and (B), that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Acquiror. Acquiror has provided Company with correct and complete copies of all material environmental reports in the possession of Acquiror or any of its Subsidiaries or their respective Representatives or consultants relating to properties currently or formerly owned or operated by Acquiror or any of its Subsidiaries.

(c) There are no acts, omissions, circumstances or conditions that could lead to liability under Environmental Laws with respect to the business and operations of Acquiror or any of its Subsidiaries or the current or former ownership or operation of any real estate by Acquiror or any of its Subsidiaries, except that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror.

(d) No Environmental Law imposes any obligation on Acquiror or any of its Subsidiaries arising out of or as a condition to any transaction contemplated hereby, except in a manner that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror.

(e) Neither Acquiror nor any of its Subsidiaries has any obligation, pursuant to any agreement, by operation of Law or otherwise, for any claims related to compliance with, or liability under, any Environmental Law, except that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Acquiror.

Section 3.12. *Certain Contracts.*

(a) Except as set forth in Section 3.12 of the Acquiror Disclosure Schedule or Contracts filed as exhibits to the Acquiror SEC Reports, as of the date of this Agreement, neither Acquiror nor any of its Subsidiaries is a party to or bound by any Contract that: (i) is a material contract (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC), (ii) provides for or otherwise relates to joint venture, partnership, strategic alliance or similar arrangements affecting the Oil and Gas Interests, (iii) (A) imposes any restriction on the right or ability of Acquiror or any of its Subsidiaries to compete with any other person or acquire or dispose of the securities of another person or (B) contains an exclusivity or most favored nation clause that restricts the business of Acquiror or any of its Subsidiaries in a material manner, other than those contained in customary oil and gas leases, or (iv) constitutes or provides for indentures, mortgages, promissory notes, loan agreements, guarantees, letter of credit or other agreements or instruments of Acquiror or any of its Subsidiaries or commitments for the borrowing or the lending by Acquiror or any of its Subsidiaries.

(b) Each Acquiror Contract is valid and binding on Acquiror and/or its Subsidiaries, as applicable, and in full force and effect. Each of Acquiror and its Subsidiaries and, to the knowledge of Acquiror, the other Person or Persons

thereto has in all material respects performed all of its obligations required to be performed by

it under each Acquiror Contract, except for instances of noncompliance where neither the costs to comply nor the failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Acquiror.

Section 3.13. *Properties and Assets.*

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror, Acquiror and its Subsidiaries have good and defensible title to all of the Oil and Gas Interests reflected in the Acquiror Reserve Reports as attributable to interests owned by Acquiror and its Subsidiaries, except for such Oil and Gas Interests sold, used, farmed out or otherwise disposed of since December 31, 2013 in the ordinary course of business, free and clear of all Liens other than Permitted Liens and Production Burdens. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror, (i) each Oil and Gas Lease to which Acquiror or any of its Subsidiaries is a party is valid and in full force and effect, (ii) none of Acquiror or any of its Subsidiaries has violated any provision of, or taken or failed to take any act which, with or without notice, lapse of time, or both, would constitute a default under the provisions of such Oil and Gas Lease, and (iii) none of Acquiror or any of its Subsidiaries has received written notice from the other party to any such Oil and Gas Lease that Acquiror or any of its Subsidiaries, as the case may be, has breached, violated or defaulted under any Oil and Gas Lease.

(b) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror, (i) either Acquiror or a Subsidiary of Acquiror has good and valid title to each real property (and each real property at which operations of Acquiror or any of its Subsidiaries are conducted) owned by Acquiror or any Subsidiary (but excluding the Oil and Gas Interests) (such owned property collectively, the Acquiror Owned Real Property) and (ii) either Acquiror or a Subsidiary of Acquiror has a good and valid leasehold interest in each lease, sublease and other agreement under which Acquiror or any of its Subsidiaries uses or occupies or has the right to use or occupy any real property (or real property at which operations of Acquiror or any of its Subsidiaries are conducted) (but excluding the Oil and Gas Interests) (such property subject to a lease, sublease or other agreement, the Acquiror Leased Real Property and such leases, subleases and other agreements are, collectively, the Acquiror Real Property Leases), in each case, free and clear of all Liens other than any Permitted Liens, and other than any conditions, encroachments, easements, rights-of-way, restrictions and other encumbrances that do not adversely affect the existing use of the real property subject thereto by the owner (or lessee to the extent a leased property) thereof in the operation of its business. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror, (A) each Acquiror Real Property Lease is valid, binding and in full force and effect and (B) no uncured default of a material nature on the part of Acquiror or, if applicable, its Subsidiary or, to Acquiror s knowledge, the landlord thereunder, exists under any Acquiror Real Property Lease, and no event has occurred or circumstance exists which, with the giving of notice, the passage of time, or both, would constitute a material breach or default under a Acquiror Real Property Lease.

(c) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror, (i) there are no leases, subleases, licenses, options, rights or other agreements affecting any portion of the Acquiror Owned Real Property or the Acquiror Leased Real Property that would reasonably be expected to adversely affect the existing use of such Acquiror Owned Real Property or the Acquiror Leased Real Property by Acquiror or its Subsidiaries in the operation of its business thereon, and (ii) neither Acquiror nor any of its Subsidiaries is currently subleasing, licensing or otherwise granting any person the right to use or occupy a material portion of a Acquiror Owned Real Property or Acquiror Leased Real Property that would reasonably be expected to adversely affect the existing use of such Acquiror Owned Real Property or Acquiror Leased Real Property by Acquiror or its Subsidiaries in the operation of its business thereon.

(d) Except as would not be material to Acquiror and its Subsidiaries, taken as a whole, all proceeds from the sale of Hydrocarbons produced from the Oil and Gas Interests of Acquiror and its Subsidiaries

are being received by them in a timely manner and are not being held in suspense for any reason other than awaiting preparation and approval of division order title opinions for recently drilled Wells.

(e) All of the Wells and all water, CO_2 or injection wells located on the Oil and Gas Leases or Units of Acquiror and its Subsidiaries or otherwise associated with an Oil and Gas Interest of Acquiror or its Subsidiaries have been drilled, completed and operated within the limits permitted by the applicable Oil and Gas Contracts and applicable Law, and all drilling and completion (and plugging and abandonment) of the Wells and such other wells and all related development, production and other operations have been conducted in compliance with all applicable Laws except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror.

(f) All Oil and Gas Interests operated by Acquiror and its Subsidiaries have been operated in accordance with reasonable, prudent oil and gas field practices and in compliance with the applicable Oil and Gas Leases and applicable Law, except where the failure to so operate would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror.

(g) None of the material Oil and Gas Interests of Acquiror or its Subsidiaries is subject to any preferential purchase, consent or similar right that would become operative as a result of the transactions contemplated by this Agreement, except for any such preferential purchase, consent or similar rights that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror.

Section 3.14. *Reserve Reports.* Acquiror has delivered or otherwise made available to Company true and correct copies of all written reports requested or commissioned by Acquiror or its Subsidiaries and delivered to Acquiror or its Subsidiaries in writing on or before the date of this Agreement estimating Acquiror s and such Subsidiaries proved oil and gas reserves prepared by any unaffiliated person (each, a Acquiror Report Preparer) concerning the Oil and Gas Interests of Acquiror and its Subsidiaries as of December 31, 2013 (the Acquiror Reserve Reports). The factual, non-interpretive data provided by Acquiror and its Subsidiaries to each Acquiror Report Preparer in connection with the preparation of the Acquiror Reserve Reports that was material to such Acquiror Report Preparer s estimates of the proved oil and gas reserves set forth in the Acquiror Reserve Reports was, as of the time provided (or as modified or amended prior to the issuance of the Acquiror Reserve Reports) accurate in all material respects. The oil and gas reserve estimates of Acquiror set forth in the Acquiror Reserve Reports are derived from reports that have been prepared by the petroleum consulting firm as set forth therein, and such reserve estimates fairly reflect, in all material respects, the oil and gas reserves of Acquiror at the dates indicated therein and are in accordance with SEC guidelines applicable thereto applied on a consistent basis throughout the periods involved. Except for changes generally affecting the oil and gas exploration, development and production industry (including changes in commodity prices) and normal depletion by production, there has been no change in respect of the matters addressed in the Acquiror Reserve Reports that would have, or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Acquiror.

Section 3.15. *Acquiror Board Approval.* The Board of Directors of Acquiror, by resolutions duly adopted by unanimous vote at a meeting duly called and held and not subsequently rescinded or modified in any way, has duly (a) determined that this Agreement and the Arrangement are fair to and in the best interests of Acquiror and its shareholders, (b) approved this Agreement and the transactions contemplated hereby and (c) recommended that the shareholders of Acquiror approve the Share Issuance and directed that such matter be submitted to a vote by Acquiror s shareholders at the Acquiror Meeting.

Section 3.16. *Opinion of Financial Advisor.* Acquiror has received the opinion of J.P. Morgan Securities LLC, dated as of the date of this Agreement, to the effect that, as of such date and based upon and subject to the factors,

assumptions, limitations and qualifications set forth in such opinion, the Share Exchange Ratio is fair, from a financial point of view, to Acquiror.

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Section 3.17. *Proxy Statement / Circular.* The Proxy Statement / Circular will comply in all material respects with the applicable requirements of the U.S. Securities Laws, except that no representation or warranty is being made by Acquiror with respect to the information supplied by or on behalf of Company for inclusion in the Proxy Statement / Circular. The Proxy Statement / Circular will not, at the time the Proxy Statement / Circular (or any amendment or supplement thereto) is filed with the SEC or first sent to shareholders or at the time of Company Meeting contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except that no representation or warranty is being made by Acquiror with respect to the information supplied by or on behalf of Company for inclusion in the Proxy Statement / Circular.

Section 3.18. *No Brokers or Finders.* With the exception of the engagement of J.P. Morgan Securities LLC by Acquiror, none of Acquiror and its Subsidiaries has any liability or obligation to pay any fees or commissions to any financial advisor, broker, finder or agent with respect to the transactions contemplated hereby.

Section 3.19. *Acquiror Plans; Continuing Employee Plans.* Section 3.19 of the Acquiror Disclosure Schedule contains a complete list identifying each Acquiror Plan in which the Continuing Employees are expected to participate (the Continuing Employee Plans). Each Continuing Employee Plan has been maintained in material compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations, including ERISA and the Code, which are applicable to such Continuing Employee Plan. For purposes hereof, Acquiror Plan shall mean each Employee Benefit Plan which is maintained, administered or contributed by Acquiror or any ERISA Affiliate and covers any current or former employee, director or other independent contractor of Acquiror or any of its Subsidiaries, or with respect to which Acquiror or any of its Subsidiaries has any liability.

ARTICLE 4

CERTAIN COVENANTS

Section 4.1. *Pre-Acquisition Reorganization.*

(a) Company shall use its commercially reasonable efforts to effect and shall cause its Subsidiaries to use their commercially reasonable efforts to effect such reorganization of its business, operations, subsidiaries and assets or such other transactions as Acquiror may reasonably request, which shall include the steps set forth in Exhibit E, which Acquiror may modify in its discretion subject to the provisions of this Section 4.1 (each, a Pre-Acquisition Reorganization) prior to the Effective Time, and the Arrangement, if required, shall be modified accordingly; provided, however, that Company need not effect a Pre-Acquisition Reorganization which in the opinion of Company: (i) would require Company to obtain the prior approval of the shareholders of Company in respect of such Pre-Acquisition Reorganization; or (ii) would impede or delay the consummation of the Arrangement. Acquiror shall provide written notice to Company of any proposed Pre-Acquisition Reorganization at least ten Business Days prior to the Effective Date. In addition:

(i) Acquiror shall indemnify and save harmless Company and its Subsidiaries and any of their respective officers, directors, employees, agents, advisors and representatives from and against any and all liabilities, losses, damages, claims, costs, Taxes, reasonable expenses, interest awards, judgments and penalties suffered or incurred by any of them in connection with or as a result of any Pre-Acquisition Reorganization or as a result of the reversal (where such reversal is determined by Company to be necessary, acting reasonably) of all or any of the Pre-Acquisition Reorganization steps in the event the Arrangement does not proceed (including actual out-of-pocket costs and expenses for filing fees and external counsel);

(ii) unless the Parties otherwise agree, any Pre-Acquisition Reorganization to be effected shall not become effective unless Acquiror shall have confirmed in writing the satisfaction or waiver of all conditions

in its favor in Section 5.1 and Section 5.2 and shall have confirmed in writing that it is prepared to promptly without condition (other than the satisfaction of the condition contemplated by Section 5.2 as it relates to the Pre-Acquisition Reorganization) proceed to effect the Arrangement;

(iii) any Pre-Acquisition Reorganization shall not require Company or any of its Subsidiaries to contravene any applicable Laws, their respective organizational documents or any Contract;

(iv) Company and its Subsidiaries shall not be obligated to take any action that has a material likelihood of resulting in any adverse Tax, economic or other consequences to Company and its Subsidiaries and any of their directors, officers, employees, shareholders or securityholders; and

(v) such cooperation does not require the directors, officers or employees of Company to take any action in any capacity other than as a director, officer or employee, as applicable.

(b) Acquiror acknowledges and agrees that the planning for and implementation of any Pre-Acquisition Reorganization requested by Acquiror shall not be considered a breach of any covenant under this Agreement and shall not be considered in determining whether a representation or warranty of Company hereunder has been breached. Acquiror and Company shall work cooperatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization. For greater certainty, Company and its Subsidiaries and any of their directors, officers, employees, agents, advisors or representatives shall not be liable for any Taxes or other costs arising as a result of, or the failure of Acquiror or its Subsidiaries to benefit from any anticipated Tax reduction, Tax refund, or any other Tax efficiency as a result of, a Pre-Acquisition Reorganization.

Section 4.2. *Conduct of Business by Company.*

(a) From and after the date of this Agreement until the earlier of the Effective Time or the Termination Date, and except (i) as may be required by applicable Law, (ii) with the prior written consent of Acquiror, (iii) as may be expressly contemplated or required by this Agreement or (iv) as set forth on Section 4.2 of the Company Disclosure Schedule, Company covenants and agrees that the business of Company and its Subsidiaries shall be conducted in the ordinary course of business, and shall use commercially reasonable efforts to preserve intact their present lines of business, maintain their rights, franchises and Company Permits and preserve their relationships with customers, suppliers and service providers; provided, however, that no action by Company or its Subsidiaries with respect to matters specifically addressed by any provision of Section 4.2(b) shall be deemed a breach of this sentence unless such action would constitute a breach of such other provision.

(b) Company agrees with Acquiror, on behalf of itself and its Subsidiaries, that from the date hereof and prior to the earlier of the Effective Time and the Termination Date, except (i) as may be required by applicable Law, (ii) with the prior written consent of Acquiror, (iii) as may be expressly contemplated or required by this Agreement or (iv) as set forth on Section 4.2 of the Company Disclosure Schedule, Company:

(i) shall not adopt any amendments to its certificate of continuation or incorporation or bylaws or similar applicable organizational documents, and shall not permit any of its Subsidiaries to adopt any amendments to its certificate of incorporation or bylaws or similar applicable organizational documents;

(ii) shall not, and shall not permit any of its Subsidiaries to, split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, except for any such transaction by a wholly owned Subsidiary of Company which remains a wholly owned Subsidiary

after consummation of such transaction;

(iii) shall not, and shall not permit any of its Subsidiaries that is not wholly owned by Company or wholly owned Subsidiaries of any such Subsidiaries to, authorize or pay any dividends on or make any distribution with respect to its outstanding shares of capital stock (whether in cash, assets, stock or other securities of Company or its Subsidiaries), except dividends or distributions by any Subsidiaries only to Company or to any Subsidiary of Company in the ordinary course of business;

(iv) shall not, and shall not permit any of its material Subsidiaries to, adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization, other than the Arrangement and other than any mergers, consolidations, restructurings or reorganizations solely among Company and its Subsidiaries or among Company s Subsidiaries, or take any action with respect to any securities owned by such person that would reasonably be expected to prevent, materially impede or materially delay the consummation of the Arrangement, or any other transaction by Acquiror;

(v) shall not, and shall not permit any of its Subsidiaries to, make any acquisition of any other person or business or make any loans, advances or capital contributions to, or investments in, any other person except (A) as contemplated by Company s fiscal 2014 budget and capital expenditure plan previously provided to Acquiror (the Company Budget) or (B) as made in connection with any transaction among Company and its wholly owned Subsidiaries or among Company s wholly owned Subsidiaries; provided, however, that Company shall not, and shall not permit any of its Subsidiaries to, make any acquisition of any other person or business or make loans, advances or capital contributions to, or investments in, any other person that would reasonably be expected to prevent, materially impede or materially delay the consummation of the Arrangement;

(vi) shall not, and shall not permit any of its Subsidiaries to, sell, lease, license, transfer, exchange or swap, or otherwise dispose of or encumber any properties or non-cash assets except (A) sales, transfers and dispositions of obsolete or worthless equipment, (B) sales, transfers and dispositions of inventory, commodities and produced Hydrocarbons, crude oil and refined products in the ordinary course of business or (C) sales, leases, transfers or other dispositions made in connection with any transaction among Company and its wholly owned Subsidiaries or among Company s wholly owned Subsidiaries; provided, however, if Company or its Subsidiaries desire to sell assets in the ordinary course of business and not otherwise permitted by this Section 4.2(b)(vi), then Company shall provide Acquiror notice of the material terms of such proposed sale prior to entering into a definitive agreement to effect such sale and Acquiror s consent to such sale shall not be unreasonably withheld;

(vii) shall not, and shall not permit any of its Subsidiaries to, authorize any capital expenditures except for (A) expenditures contemplated by the Company Budget, or (B) expenditures made in response to any emergency, whether caused by weather events, public health events, outages or otherwise;

(viii) shall not, and shall not permit any of its Subsidiaries to, enter into any new Contract to sell Hydrocarbons other than in the ordinary course of business consistent with past practice;

(ix) except as required by applicable Law or the terms of any Company Employee Benefit Plan, shall not, and shall not permit any of its Subsidiaries to (except acceleration of the time of payment or vesting of any outstanding Company Compensatory Award scheduled to vest on or before January 15, 2015 or any outstanding Company Compensatory Award of any employee whose employment with the Company is involuntarily terminated other than for cause on or after the Effective Date), (A) establish, adopt, amend, modify, or terminate any Company Employee Benefit Plan (other than amendments or modifications to broad-based Company Employee Benefit Plans in the ordinary course of business that do not increase the cost or expense to Company of providing or administering such benefits), (B) increase in any manner the compensation, severance or benefits of any of the current or former directors, officers, employees or consultants of Company or its Subsidiaries (other than non-material salary increases in the ordinary course of business consistent with past practice), (C) pay or award, or commit to pay or award, any bonuses or incentive compensation to any officer, director, employee or consultants of Company or its Subsidiaries (other than (1) paying bonuses to non-executive officers for the first half of 2014 in July 2014 and (2) establishing bonuses for and, if the transactions contemplated by this Agreement are not consummated prior to December 31, 2014, paying to non-executive officers bonuses for the second half of 2014 prior to the Effective Date, in each case which shall be in the ordinary course of business consistent with past practice and shall not in aggregate exceed the amounts set forth on

Section 4.2 of the Company Disclosure Schedule), (D) enter into any new or modify any existing employment, severance, termination, retention or consulting agreement with any current or former directors, officers, employees or consultants of Company

or any of its Subsidiaries, (E) accelerate the time of payment or vesting of any rights or benefits under any Company Employee Benefit Plan, (F) fund any rabbi trust or similar arrangement with respect to any Company Employee Benefit Plan, (G) grant or amend any equity awards (except that, notwithstanding any provisions in this Agreement to the contrary, the Company may grant option awards to newly hired non-officer employees in the ordinary course of business consistent with past practice which have an exercise price equal to the fair market value of Company Common Shares on the grant date) or (H) change any actuarial assumptions used to calculate funding obligations with respect to any Company Employee Benefit Plan or change the manner in which contributions to such plans are made or the basis on which such contributions are determined, except as may be required by GAAP or applicable Law;

(x) shall not, and shall not permit any of its Subsidiaries to, materially change financial accounting policies or procedures or any of its methods of reporting income, deductions or other material items for financial accounting purposes, except as required by GAAP, SEC rule or policy or applicable Law;

(xi) shall not, and shall not permit any of its Subsidiaries to, issue, sell, pledge, dispose of or encumber, or authorize the issuance, sale, pledge, disposition or encumbrance of, any Equity Interests in Company or any of its Subsidiaries or any securities convertible into or exchangeable for any Equity Interests or take any action to cause to be exercisable any otherwise unexercisable award under any existing Company Employee Benefit Plans (except as otherwise provided by the terms of this Agreement or the express terms of any unexercisable or unexercised awards or warrants outstanding on the date hereof), other than (A) issuances of Company Common Shares in respect of the exercise, vesting or settlement of any Company Compensatory Awards, (B) the sale of shares of Company Common Shares pursuant to the exercise of Company Stock Options, the vesting of Company Restricted Stock Awards or for withholding of Taxes with respect to any Company Compensatory Awards, to the extent provided by the terms of such awards as in effect on the date hereof or (C) for transactions among Company and its wholly owned Subsidiaries or among Company s wholly owned Subsidiaries;

(xii) shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, purchase, redeem or otherwise acquire any shares of the capital stock of any of them or any rights, warrants or options to acquire any such shares, except for transactions among Company and its Subsidiaries or among Company s Subsidiaries and except for shares acquired pursuant to a net exercise of a Company Compensatory Award under the Company Employee Benefit Plans;

(xiii) shall not, and shall not permit any of its Subsidiaries to, incur, assume, guarantee or otherwise become liable for any indebtedness for borrowed money or any guarantee of such indebtedness, except (A) for any indebtedness incurred in the ordinary course of business under that Amended and Restated Credit Agreement, dated as of October 28, 2011, as amended, (B) for any indebtedness among Company and its wholly owned Subsidiaries or among Company s wholly owned Subsidiaries, (C) for any guarantees by Company of indebtedness of Subsidiaries of Company or guarantees by Company s Subsidiaries of indebtedness of Company or any Subsidiary of Company, which indebtedness is incurred in compliance with this Section 4.2(b); provided, however, that in the case of each of subclauses (A) through (C) such indebtedness does not impose or result in any additional restrictions or limitations that would be material to Company and its Subsidiaries, or, following the Closing, Acquiror and its Subsidiaries, other than any obligation to make payments on such indebtedness and other than any restrictions or limitations to which Company or any Subsidiary is currently subject under the terms of any indebtedness outstanding as of the date hereof;

(xiv) other than in the ordinary course of business, shall not, and shall not permit any of its Subsidiaries to, modify, amend or terminate, or waive any rights under any Company Contract or under any Company Permit, or enter into any new Contract which would be a Company Contract or which would reasonably be expected to, after the Effective Time, restrict or limit in any material respect Acquiror or Company or any of their respective affiliates from engaging in any business or competing in any geographic location with any person;

(xv) shall not, and shall not permit any of its Subsidiaries to, waive, release, assign, settle or compromise any claim, action or proceeding, other than waivers, releases, assignments, settlements or

compromises (A) equal to or lesser than the amounts reserved with respect thereto on the balance sheet as of the Company Recent Balance Sheet included in the Company Securities Reports or (B) that do not exceed $2,000,000 individually or $10,000,000 in the aggregate;

(xvi) shall not make, change or revoke any material Tax election, change any material tax accounting method, file any material amended Tax return, enter into any material closing agreement, request any material Tax ruling, settle or compromise any material Tax proceeding, or surrender any claim for a material refund of Taxes;

(xvii) and its Subsidiaries shall use commercially reasonable efforts not to take any action that would prevent or impede the Merger from qualifying as a reorganization under Section 368(a) of the Code; and

(xviii) shall not, and shall not permit any of its Subsidiaries to, agree, in writing or otherwise, to take any of the foregoing actions that are prohibited pursuant to subclauses (i) through (xvii) of this Section 4.2(b).

Section 4.3. *Conduct of Business by Acquiror and Acquiror Canadian Sub*.

(a) From and after the date hereof until the earlier of the Effective Time or Termination Date, and except (i) as may be required by applicable Law, (ii) with the prior written consent of Company, (iii) as may be expressly contemplated or required by this Agreement or (iv) as set forth on Section 4.3 of the Acquiror Disclosure Schedule, each of Acquiror and Acquiror Canadian Sub covenants and agrees that the business of Acquiror and its Subsidiaries shall be conducted in the ordinary course of business; provided, however, that no action by Acquiror or its Subsidiaries with respect to matters specifically addressed by any provision of Section 4.3(b) shall be deemed a breach of this sentence unless such action would constitute a breach of such other provision.

(b) Each of Acquiror and Acquiror Canadian Sub agrees with Company, on behalf of itself and its Subsidiaries, that from the date hereof and prior to the earlier of the Effective Time and the Termination Date, except (i) as may be required by applicable Law, (ii) with the prior written consent of Company, (iii) as may be expressly contemplated or required by this Agreement or (iv) as set forth on Section 4.3 of the Acquiror Disclosure Schedule, Acquiror:

(i) shall not adopt any amendments to its certificate of incorporation or bylaws or similar applicable organizational documents;

(ii) except in each case as would not disproportionately adversely affect a holder of Company Common Shares relative to a holder of Acquiror Common Stock or delay or impede the Arrangement or the other transactions contemplated by this Agreement, shall not adjust, reclassify, split, combine, subdivide or redeem, directly or indirectly, any Equity Interest of Acquiror or securities convertible or exchangeable into or exercisable for any shares of capital stock or other equity interest of Acquiror;

(iii) shall not authorize or pay any dividends on or make any distribution with respect to its outstanding shares of capital stock (whether in cash, assets, stock or other securities of Acquiror);

(iv) shall not adopt or implement a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of Acquiror, other than the Arrangement or pursuant to a Permitted Transaction under Section 4.9;

(v) shall not, and shall not permit any of its Subsidiaries to acquire Acquiror Common Stock except for shares acquired pursuant to a net exercise of Acquiror Stock Options or withholding of shares of Acquiror Common Stock upon vesting of restricted stock;

(vi) shall not, and shall not permit any of its Subsidiaries to, make any acquisition of any other Person or business or make any loans, advances or capital contributions to, or investments in, any other Person that

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would cause a material change in the nature of Acquiror s business or business strategy or would reasonably be expected to prevent, materially impede or materially delay the consummation of the Arrangement;

(vii) shall not make, change or revoke any material Tax election, change any material tax accounting method, file any material amended Tax return, enter into any material closing agreement, request any material Tax ruling, settle or compromise any material Tax proceeding, or surrender any claim for a material refund of Taxes;

(viii) Acquiror Canadian Sub and its Affiliates shall use commercially reasonable efforts not to take any action that would prevent or impede the Merger from qualifying as a reorganization under Section 368(a) of the Code; and

(ix) shall not agree, in writing or otherwise, to take any of the foregoing actions that are prohibited pursuant to subclauses (i) through (viii) of this Section 4.3(b).

Section 4.4. *Access and Information*.

(a) Upon reasonable notice, each Party shall, and each Party shall cause its Subsidiaries to, afford the other Party and its officers, directors, employees, consultants, representatives and other agents, including investment bankers, attorneys, accountants and other advisors and consultants (collectively, Representatives), reasonable access, during normal business hours prior to the Effective Time, to the officers, employees, properties, books and records of the other Party and its Subsidiaries so that they may have the opportunity to make such investigations of the business and affairs of the other Party and its Subsidiaries as they reasonably desire. Each Party shall cause its officers and employees, in a manner consistent with the fulfillment of their ongoing duties and obligations, to furnish such additional financial and operating data and other information, and respond to such inquiries, as the other Party reasonably requests from time to time.

(b) Prior to the Effective Time, each Party shall furnish, as promptly as reasonably practicable, to the other Party a copy of all monthly and other interim financial statements as the same become available and shall cause one or more of its designated Representatives to confer on a regular and frequent basis with designated Representatives of the other Party. Each Party shall provide the other Party with prompt written notice of any material change in the business or affairs of such Party or any of its Subsidiaries and of any complaints, investigations or hearings (or communications indicating that the same may be contemplated) by Governmental Entities, or the institution or, to its knowledge, the threat of material litigation (including all litigation relating to the transactions contemplated hereby), and such disclosing Party shall keep the other Party fully informed of such events.

(c) Notwithstanding the foregoing, neither Party (nor any of its Subsidiaries) shall be required to provide access to or to disclose (i) information that, if provided, would adversely affect the ability of such Party (or any of Subsidiaries) to assert attorney-client or attorney work product privilege or a similar privilege, (ii) information that, in the reasonable opinion of such Party s legal counsel, may result in a violation of any applicable Law or Order or any binding Contract entered into prior to the date of this Agreement or (iii) information that such Party reasonably believes is competitively sensitive. Each Party shall use commercially reasonable efforts to make appropriate substitute disclosure arrangements under circumstances in which the restrictions of the preceding sentence apply.

(d) No investigation made by either Party or its Representatives shall affect the representations and warranties made by the other Party in this Agreement.

Section 4.5. *Commercially Reasonable Efforts; Cooperation.*

(a) Prior to the Effective Time, each Party shall cooperate with and assist the other Party, and shall use its commercially reasonable efforts, to promptly (i) take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated hereby as soon

as reasonably practicable, including preparing and filing as promptly as reasonably practicable all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents, and (ii) obtain and maintain all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any other Person, including any Governmental Entity, that are necessary, proper or advisable to consummate the transactions contemplated hereby. Neither Party shall take any action or omit to take any action where such action or omission would reasonably be expected to result in (A) the inability to satisfy any of the conditions set forth in Article 5 or (B) a material delay in the satisfaction of any of such conditions.

(b) In furtherance and not in limitation of Section 4.5(a), each Party shall (i) make all appropriate filings and/or applications under all applicable Regulatory Laws in the jurisdictions set forth in Exhibit F with respect to the transactions contemplated hereby as promptly as reasonably practicable after the date of this Agreement (which filings and applications shall be made in any event within ten Business Days after the date of this Agreement), (ii) comply at the earliest practicable date with any request under all such Regulatory Laws for additional information, documents or other materials received by such Party and its Affiliates from any Governmental Entity in respect of such filings, applications or such transactions and (iii) cooperate with the other Party in connection with such filings and applications (including, to the extent permitted by applicable Law, permitting each Party to review all such documents of the other Party prior to filing and consulting with the other Party with respect to the content thereof) and in connection with resolving any investigation or other inquiry of any Governmental Entity under all such Regulatory Laws, including in connection with contesting any adverse determination made by a Governmental Entity under any such Regulatory Law if such adverse determination is reasonably likely to materially delay the consummation of the transactions contemplated hereby.

(c) In connection with this Section 4.5, each Party shall promptly inform the other Party of any material communication received by such Party from, or given by such Party to, any Governmental Entity in connection with any filing or application with, submission to or investigation or inquiry by any Governmental Entity under any applicable Regulatory Law. No Party shall independently participate in any meeting with any Governmental Entity in respect of any such filing, submission, investigation or inquiry without providing the other Party with reasonable prior notice of the meeting and, to the extent permitted by such Governmental Entity, the opportunity to attend and/or participate. Subject to applicable Law, the Parties shall consult and cooperate with one another in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals relating to any such filing, application, submission, investigation or inquiry made or submitted by or on behalf of either Party. No Party shall be required to share information related to its valuation of the transactions contemplated hereby. Either Party may, as it deems advisable, reasonably designate any competitively sensitive material provided to the other Party under this Section 4.5 as outside counsel only. Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and shall not be disclosed by such outside counsel to directors, officers, employees or other agents of the recipient, unless express prior written permission is obtained from the source of the materials.

(d) Notwithstanding anything to the contrary in this Agreement, neither Acquiror nor any of its Subsidiaries shall be required to grant a license in respect of, or to dispose or hold separate, or to agree to or to consent to any request to grant a license, dispose of, hold separate or restrict its ownership and operation of, all or any portion of the business or assets of Acquiror and its Subsidiaries, including, for this purpose, Company and its Subsidiaries, for any reason or purpose that would be reasonably likely to individually or in the aggregate have a material and negative effect on the business, operations or assets of Acquiror and its Subsidiaries or Company and its Subsidiaries or Acquiror s anticipated benefits from the transaction contemplated by this Agreement. With regard to this Section 4.5, Acquiror shall have the right to take (or decline to take) any steps or actions Acquiror chooses to minimize the extent or effect of any relief that may be sought in relation to the transaction contemplated by this Agreement, and Company and its Subsidiaries shall cooperate with and assist Acquirer with regard to the foregoing.

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Section 4.6. *Proxy Statement / Circular.*

(a) As soon as reasonably practicable after the date of this Agreement, (i) Acquiror and Company shall jointly prepare the Proxy Statement / Circular together with any other documents required by the YBCA, BCBCA, Canadian Securities Laws and all other applicable Laws, to be prepared or filed by Company in connection with the Company Meeting and the Arrangement, (ii) Acquiror shall file the Proxy Statement / Circular with the SEC and (iii) Company shall file the Proxy Statement / Circular with the SEC and the relevant Canadian Securities Authorities where such filing is required. Company shall file and mail or deliver the Proxy Statement / Circular to its shareholders and such other Persons as required by applicable Laws and the Interim Order as soon as reasonably practicable after obtaining the Interim Order and SEC Clearance. Acquiror shall file and mail or deliver the Proxy Statement / Circular to its shareholders as soon as reasonably practicable after obtaining the Interim Order and SEC Clearance as required in accordance with applicable Laws. On the date of mailing or delivery thereof, the Proxy Statement/Circular shall comply in all material respects with all applicable Laws and shall contain sufficient detail to permit the shareholders of Company and Acquiror to form a reasoned judgment concerning the matters to be placed before them at the Company Meeting and the Acquiror Meeting, as applicable. Upon reasonable request, each Party shall furnish the other Party with all information reasonably necessary or advisable in connection with the Proxy Statement / Circular.

(b) Each Party shall, as promptly as practicable after receipt thereof, provide the other Party with copies of all written comments, and advise the other Party of all oral comments, with respect to the Proxy Statement / Circular received from the SEC. If, at any time prior to the Effective Time, any information shall be discovered by Acquiror or Company that should be set forth in an amendment or supplement to the Proxy Statement / Circular so that such documentation would not include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, then the Party that discovers such information shall promptly notify the other Party, and to the extent required by applicable Law, each of Acquiror and Company shall promptly file an appropriate amendment with the SEC and relevant Canadian Securities Authorities to the Proxy Statement / Circular describing such information and each of Acquiror and Company shall promptly disseminate an appropriate amendment or supplement describing such information to its respective shareholders and file the same.

(c) Notwithstanding the foregoing, prior to the filing, mailing or delivery of the Proxy Statement / Circular (or of any amendment or supplement to the foregoing) or responding to any comments of the SEC with respect either of the foregoing, each Party shall (i) provide the other Party and its legal counsel with a reasonable opportunity to review and comment on such document or response and (ii) include in such document or response all reasonable comments that the other Party proposes. On the date of their filing or delivery, each Party shall provide the other Party with a copy of all such filings with, and all such responses delivered to, the SEC and the relevant Canadian Securities Authorities. Notwithstanding anything to the contrary in this Agreement, no amendment or supplement (including by incorporation by reference) to the Proxy Statement / Circular shall be made without the prior written consent of Acquiror; provided, however, that nothing in this Section 4.6(c) will limit the Company s ability to exercise its rights under Section 4.9.

Section 4.7. *Shareholder Meetings.*

(a) Each Party shall use commercially reasonable efforts to cause the Company Meeting and the Acquiror Meeting (as applicable) to occur on the same date as soon as reasonably practicable after the procurement of the Interim Order and SEC Clearance for the purpose of obtaining the Continuance Requisite Shareholder Vote and the Company Requisite Shareholder Vote in the case of Company and the Acquiror Requisite Shareholder Vote in the case of Acquiror. Except as required by Law or required by its shareholders, neither Acquiror nor Company shall adjourn, postpone or cancel (or propose for adjournment, postponement or cancellation) its shareholders meeting without the prior written

consent of the other Party except as required for quorum purposes, to comply with requirements of applicable Law (including any disclosure obligations under

Canadian or U.S. Laws provided that the Company uses commercially reasonable efforts to comply with such Laws in a timely manner), by the Court or by the shareholders of Company. Company shall take all lawful action to solicit the approval of the Continuance Resolution by the Continuance Requisite Shareholder Vote and the Arrangement Resolution by the Company Requisite Shareholder Vote, and Acquiror shall take all lawful action to solicit the approval of the transactions contemplated by this Agreement by the Acquiror Requisite Shareholder Vote. Each Party will advise the other Party as it may reasonably request, and at least on a daily basis on each of the last ten business days prior to the date of the Company Meeting or Acquiror Meeting (as applicable), as to the aggregate tally of the proxies received by Company in respect of the Continuance Resolution and the Arrangement Resolution or Acquiror in respect of the Acquiror Requisite Shareholder Vote (as applicable).

(b) The Board of Directors of Company shall unanimously recommend approval of the Continuance Resolution by the shareholders of the Company and the Arrangement Resolution by the shareholders of Company and the holders of Company Compensatory Awards to the effect set forth in Section 2.21 (the "Company Recommendation"), and the Board of Directors of Acquiror shall unanimously recommend approval of the Share Issuance by the shareholders of Acquiror to the effect set forth in Section 3.15 (the "Acquiror Recommendation"). The Board of Directors of each Party shall not make an Adverse Recommendation Change except in accordance with, and subject to the limitations set forth in, Section 4.9. Absent an Adverse Recommendation Change in accordance with, and subject to the limitations set forth in Section 4.9, the Board of Directors of a Party shall reconfirm its recommendation to the effect set forth in Section 2.21 or Section 3.15 (as applicable) within three Business Days after a written request to do so by the other Party. Notwithstanding any Adverse Recommendation Change or the existence of any Takeover Proposal or any Superior Proposal, Company shall cause this Agreement, the Continuance Resolution and the Arrangement Resolution to be submitted to its shareholders and holders of Company Compensatory Awards at the Company Meeting.

Section 4.8. *Stock Exchange Listing and De-Listing.* Acquiror shall use its commercially reasonable efforts to cause the shares of Acquiror Common Stock to be issued and paid in the Arrangement to be approved for listing on the New York Stock Exchange prior to the Effective Time, subject to official notice of issuance. Acquiror shall use its commercially reasonable efforts to cause the Company Common Shares to be de-listed from the New York Stock Exchange and de-registered under the Exchange Act as soon as reasonably practicable after the Effective Time.

Section 4.9. *No Solicitation.*

(a) The Subject Company shall not, nor shall it authorize or permit any of its Subsidiaries, any of its or their respective directors, officers, employees or any Representative to, directly or indirectly through another Person, (i) solicit, initiate, cause, knowingly encourage, or knowingly facilitate, any inquiries or the making of any proposal that constitutes or is reasonably likely to lead to a Takeover Proposal or (ii) participate in any discussions or negotiations regarding any Takeover Proposal, or furnish to any Person any information in connection with or in furtherance of any Takeover Proposal; provided that, so long as the Subject Company and its Representatives have otherwise complied with this Section 4.9, none of the foregoing shall prohibit the Subject Company and its representatives from contacting in writing any Person or group of Persons who has made a Takeover Proposal after the date of this Agreement solely to request the clarification of the terms and conditions thereof so as to determine whether the Takeover Proposal is a Superior Proposal, or is reasonably likely to lead to a Superior Proposal. Without limiting the foregoing, it is agreed that any violation of the restrictions set forth in the preceding sentence by any Representative of the Subject Company or any of its Subsidiaries shall be a breach of this Section 4.9(a) by the Subject Company. The Subject Company shall, and shall cause its Subsidiaries and instruct its Representatives to, immediately cease and cause to be terminated all existing discussions or negotiations with any Person conducted heretofore with respect to any Takeover Proposal, request the prompt return or destruction of all confidential information previously furnished and terminate access to any electronic dataroom. Notwithstanding any of the foregoing in this Section 4.9(a), at any time prior to obtaining the Subject Company Shareholder Approval (and in no event after obtaining such Subject Company

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Shareholder Approval), in response to an unsolicited bona fide written Takeover Proposal made after the date hereof that the Subject Company Board determines in good faith (after receiving advice of a financial advisor of nationally recognized reputation and of its outside counsel) constitutes or is reasonably likely to lead to a Superior Proposal, the Subject Company may, if the Subject Company Board determines in good faith (after receiving advice of its outside counsel) that it is necessary to do so in order to comply with its fiduciary duties of the Subject Company under applicable Law, and subject to compliance with Section 4.9(c), (A) furnish information with respect to the Subject Company and its Subsidiaries to the Person (and its Representatives) making such Takeover Proposal pursuant to a customary confidentiality agreement (a copy of which shall be provided to the Other Party promptly after its execution) not less restrictive of such Person than the Confidentiality Agreement (the parties agreeing that the confidentiality agreement shall include a standstill), provided, that all such oral or written information (to the extent that such information has not been previously provided to the Other Party) is provided or made available to the Other Party, as the case may be, prior to or substantially concurrently with the time it is provided or made available to such Person, as the case may be, and (B) participate in discussions or negotiations with the Person making such Takeover Proposal (and its Representatives) regarding such Takeover Proposal. Notwithstanding the foregoing, nothing in this Agreement shall preclude Acquiror from considering, participating in any discussions or negotiations regarding, or furnishing to any Person any of Acquiror s information in connection with or in furtherance of, or entering into any agreement providing for or in connection with, any inquiry, proposal or offer that would otherwise constitute a Takeover Proposal (which, for purposes of this definition of a Permitted Transaction, (x) the references to 15% in the definition of Takeover Proposal shall be deemed to be 50% and (y) clause (d) of such definition will be excluded), so long as (1) such inquiry, proposal or offer contemplates a transaction that would not require or be subject to an Adverse Recommendation Change by Acquiror or a termination of this Agreement and (2) with respect to the entry into any such agreement or the consummation of the transactions contemplated by such agreement, such entry or consummation would not reasonably be expected to prevent or materially impair Acquiror s ability to consummate the Arrangement and the other transactions contemplated by this Agreement prior to the Termination Date (Permitted Transaction). For the avoidance of doubt, nothing in this Section 4.9(a) shall relieve any party from its obligations under Section 4.5 of this Agreement.

For purposes of this Agreement, Takeover Proposal shall mean, with respect to the Subject Company, any inquiry, proposal or offer, whether or not conditional and whether or not withdrawn, (a) for a merger, consolidation, arrangement, share exchange, dissolution, recapitalization or other business combination involving the Subject Company, (b) for the issuance of 15% or more of the equity securities of the Subject Company as consideration for the assets or securities of another Person, (c) to acquire in any manner, directly or indirectly, 15% or more of the equity securities of the Subject Company or assets (including equity securities of any Subsidiary of the Subject Company) that represent 15% or more of the total consolidated assets or revenues of the Subject Company, other than the transactions contemplated by this Agreement or any Permitted Transaction, or (d) any other transaction, the consummation of which would reasonably be expected to impede, interfere with, prevent or materially delay the transactions contemplated hereby or which would reasonably be expected to dilute materially the aggregate benefits of the transactions contemplated hereby to the Party that is not the Subject Party.

For purposes of this Agreement, Other Party shall mean (a) Acquiror, when used with respect to any Takeover Proposal for the Company, and (b) the Company, when used with respect to any Takeover Proposal for Acquiror or any Permitted Transaction.

For purposes of this Agreement, Subject Company shall mean (a) the Company, when used with respect to any Takeover Proposal for, or Intervening Event of, the Company, and (b) Acquiror, when used with respect to any Takeover Proposal for, or Intervening Event of, Acquiror or any Permitted Transaction.

For purposes of this Agreement, Subject Company Board shall mean (a) the Board of Directors of Company, when the context refers to Company as the Subject Company, and (b) the Board of Directors of Acquiror, when the context refers to Acquiror as the Subject Company.

For purposes of this Agreement, Subject Company Shareholder Approval shall mean obtaining the Company Requisite Shareholder Vote or the Acquiror Requisite Shareholder Vote, as the case may be.

For purposes of this Agreement, Superior Proposal shall mean any bona fide written offer made by a third party, that if consummated would result in such Person (or its shareholders) owning, directly or indirectly, 50% or more of the Company Common Shares or Acquiror Common Stock (excluding the transactions contemplated by this Agreement), as the case may be, then outstanding (or of the surviving entity in a merger or the direct or indirect parent of the surviving entity in a merger) or all or substantially all of the total consolidated assets of the Subject Company (i) on terms which the Subject Company Board determines in good faith (after receiving advice of a financial advisor of nationally recognized reputation and of its outside counsel and in light of all relevant circumstances, including, without limitation, all the terms and conditions of such proposal and this Agreement) to be more favorable to the shareholders of the Subject Company from a financial point of view than the transactions contemplated by this Agreement, (ii) which is reasonably likely to be completed, taking into account any financing and approval requirements and all other financial, legal, regulatory and other aspects of such proposal and (iii) for which financing, if a cash transaction (in whole or part), is then fully committed or reasonably determined to be available by the Subject Company Board.

(b) Neither the Subject Company Board nor any committee thereof shall (i) (A) withdraw (or modify in a manner adverse to the Other Party), or propose to withdraw (or modify in a manner adverse to the Other Party), the Company Recommendation, where Company is the Subject Company, or the Acquiror Recommendation, where Acquiror is the Subject Company, (it being understood that taking a neutral position or no position with respect to a Takeover Proposal, other than a stop, look and listen statement in compliance with Rule 14d-9 promulgated under the Exchange Act, shall be considered an adverse modification) or (B) recommend, adopt or approve, or propose publicly to recommend, adopt or approve, any Takeover Proposal (any action described in this subclause (i) being referred to as an Adverse Recommendation Change) or (ii) approve or recommend, or propose to approve or recommend, or allow the Subject Company or any of its Subsidiaries to execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, merger agreement, arrangement agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar agreement constituting or related to, any Takeover Proposal (other than a confidentiality agreement pursuant to Section 4.9(a)). Notwithstanding the foregoing, the Subject Company Board may, prior to obtaining the Subject Company Shareholder Approval (and in no event after obtaining such applicable Subject Company Shareholder Approval), if the Subject Company Board determines in good faith (after receiving advice of its outside counsel) that it is necessary to do so in order to comply with its fiduciary duties of the Subject Company under applicable Law, (1) effect an Adverse Recommendation Change in light of a Superior Proposal or terminate this Agreement solely in order to concurrently enter into an agreement with respect to a Superior Proposal or (2) effect an Adverse Recommendation Change solely in response to an Intervening Event, but, in each case, only at a time that is after the third Business Day following the Other Party s receipt of written notice from the Subject Company (an Adverse Notice) advising the Other Party that the Subject Company Board has determined, in the case of the preceding subclause (1), that a Takeover Proposal is a Superior Proposal, that the Subject Company Board intends to make such Adverse Recommendation Change or to terminate this Agreement and containing all information required by Section 4.9(c), together with copies of any written offer or proposal in respect of such Superior Proposal, (it being agreed that any amendment to the financial terms or other material terms of such Superior Proposal shall require a new Adverse Notice and a new three Business Day period), and, in the case of the preceding subclause (2), that the Subject Company Board intends to make such Adverse Recommendation Change, a description of the Intervening Event and the reasons for the Adverse Recommendation Change (it being agreed that changes in circumstances shall require a new Adverse Notice and a new three Business Day period). In determining whether to make an Adverse Recommendation Change or to terminate this Agreement in response to a Superior Proposal, the Subject Company Board shall take into account any changes to the terms of this Agreement in a bona fide written proposal by the Other Party (in response to an Adverse Notice or otherwise) in determining whether such

third party Takeover Proposal still constitutes a Superior Proposal. In determining whether to make an Adverse Recommendation Change in response to an Intervening Event, the Subject Company Board shall take into

account any changes to the terms of this Agreement in a bona fide written proposal by the Other Party (in response to an Adverse Notice or otherwise) in determining whether an Adverse Recommendation Change ceases to be necessary in order to comply with the Subject Company Board s fiduciary duties to the shareholders of the Subject Company under applicable Law. In all cases, during the three Business Day period following delivery of an Adverse Notice, the Subject Company and its Representatives shall, if requested by the Other Party, negotiate in good faith with the Other Party and the Other Party s Representatives to make such adjustments in the terms of this Agreement as would enable the Other Party to proceed with the Arrangement and the other transactions contemplated hereby on such adjusted terms without effecting an Adverse Recommendation Change or terminating this Agreement, as applicable.

For purposes of this Agreement, Intervening Event shall mean a material event, circumstance, change or effect that was not known or reasonably foreseeable (or if known or reasonably foreseeable, the probability or magnitude of consequences of which were not known or reasonably foreseeable) to the Subject Company Board on the date of this Agreement, which event, circumstance, change or effect (including any change in probability or magnitude of consequences) becomes known to the Subject Company Board before the Subject Company Shareholder Approval is obtained; provided, that in no event shall (i) any action taken by either Party pursuant to and in compliance with the affirmative covenants set forth in Section 4.5, and the consequences of any such action, constitute an Intervening Event, (ii) the receipt, existence of or terms of a Takeover Proposal for the Subject Company or any inquiry relating thereto or the consequences thereof constitute an Intervening Event of the Subject Company, (iii) any decline in the market price or trading volume of the securities of the Other Party, (iv) any change in general economic, political, business or other capital market conditions (including prevailing interest rates and any effects on the economy arising as a result of acts of terrorism), (v) any change or developments in the market price for oil, natural gas or other commodity prices or for raw material inputs and end products, (vi) any change affecting the oil and gas exploration and production industry generally, (vii) any change in accounting requirements or principles imposed by GAAP or any change in law after the Effective Date, (viii) earthquakes, any weather-related or other force majeure event or natural disasters or outbreak or escalation of hostilities or acts of war; except in each of cases (iv), (v), (vi), (vii) and (viii), where such event disproportionately affects the Subject Company, taken as a whole, relative to the Other Party, taken as a whole, constitute an Intervening Event of the Subject Company.

(c) In addition to the obligations of the Subject Company set forth in paragraphs (a) and (b) of this Section 4.9, the Subject Company shall promptly advise the Other Party orally and in writing of any request for information or other inquiry that the Subject Company reasonably believes could lead to any Takeover Proposal or Permitted Transaction, the financial and other material terms and conditions of any such request, Takeover Proposal, Permitted Transaction or inquiry (including any changes thereto), the identity of the Person making any such request, Takeover Proposal, Permitted Transaction or inquiry, and copies of any written offer, proposal or other documentation in respect of such request, Takeover Proposal, Permitted Transaction or inquiry. The Subject Company shall promptly keep the Other Party reasonably informed of the status and material details (including any change to the financial and other material terms thereof) of any such request, Takeover Proposal, Permitted Transaction or inquiry.

(d) Nothing contained in this Section 4.9 shall prohibit the Subject Company or the Subject Company Board from (i) complying with the Subject Company s obligations required under Rules 14d-9 and 14e-2 promulgated under the Exchange Act or (ii) making any required disclosure to the shareholders of the Subject Company if, in the good faith judgment of the Subject Company Board (after consultation with outside counsel), failure to so disclose would constitute a violation of applicable Law; provided, however, that any such disclosure relating to a Takeover Proposal or Intervening Event (other than a stop, look and listen statement in compliance with Rule 14d-9 under the Exchange Act) shall be deemed an Adverse Recommendation Change unless the Subject Company Board reaffirms its recommendation and declaration of advisability of this Agreement and the Arrangement.

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Section 4.10. *Financing; ISDA Agreements; Consent Solicitations.*

(a) Company shall, if reasonably requested by Acquiror, cooperate in good faith with Acquiror in connection with Acquiror s efforts to obtain any financing in connection with the transactions contemplated by this Agreement (Financing) and take any actions with respect to any existing financing of Acquiror and its Affiliates that Acquiror reasonably deems necessary or advisable in connection with the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, Company shall, and shall cause its Subsidiaries and their respective Representatives to (i) facilitate contact between (A) senior management and advisors, including auditors, of Company and (B) the proposed lenders, lead arrangers and other financing sources, as applicable, and/or Acquiror s or any of its Affiliate s auditors in connection with, any Financing, at reasonable times and upon reasonable advance notice; (ii) make available, at reasonable times and upon reasonable advance notice, the necessary employees and advisors of Company and its Subsidiaries to provide reasonable assistance with the preparation of business projections, financing documents and offer materials by Acquiror and its Affiliates; (iii) use commercially reasonable efforts to obtain the reasonable cooperation and assistance of counsel to Company and its Subsidiaries in providing customary legal opinions (it being understood that the opinions related to any Financing customarily provided by buyer s counsel will be rendered by counsel to Acquiror); (iv) provide customary information, documents, authorization letters and certificates, enter into agreements (including supplemental indentures) and take other actions that are or may be customary in connection with any Financing or necessary, proper, advisable or desirable to permit Acquiror or any of its Affiliates to fulfill conditions or obligations under any financing document (including all documentation and other information required by bank regulatory authorities under applicable know-your-customer and anti-money laundering rules and regulations); (v) provide assistance in the preparation of one or more confidential information memoranda and other marketing and syndication materials (including with respect to the presence or absence of material non-public information and the accuracy of the information contained therein) reasonably requested by Acquiror or any of its Affiliates; (vi) use commercially reasonable efforts to assist Acquiror in ensuring that the syndication efforts benefit materially from the existing banking relationships of Company and its Subsidiaries; and (vii) execute and deliver any pledge and security documents (including mortgages), other definitive financing documents, or other certificates or documents as may be reasonably requested by Acquiror (including a certificate of the chief financial officer of Company or one or more of its Subsidiaries with respect to solvency matters) and otherwise facilitating the pledging of, and granting, recording and perfection of security interests in share certificates, securities and other collateral, and obtaining surveys and title insurance as reasonably requested by Acquiror; provided that (A) none of Company or any of its Subsidiaries shall be required to pay any commitment or other fee or incur any other liability or obligation in connection with any Financing or other action provided for in this Section 4.10 or to take any action that would be prohibited by any applicable Law or cause a default of, or breach under, or otherwise violate any Company Contract, in each case except for any payment, incurrence or action that is conditioned upon, and shall not take effect until, the Effective Time, (B) no obligations of Company or any of its Subsidiaries under any certificate, opinion, contract, indenture or other document or instrument delivered pursuant to this Section 4.10 shall be effective until the Effective Time, and none of Company or any of its Subsidiaries shall be required to take any action pursuant to this Section 4.10 under any certificate, opinion, contract, indenture or other document or instrument that is not contingent upon the Closing or that would be effective prior to the Effective Time and (C) any requested cooperation shall not unreasonably interfere with the ongoing operations of Company and its Subsidiaries. Company will provide to Acquiror such information as may be necessary so that the marketing materials as they relate to Company and its Affiliates are complete and correct in all material respects.

(b) Company shall use commercially reasonable efforts to (i) obtain customary payoff letters from third-party lenders and trustees with respect to the indebtedness of Company and its Subsidiaries specified in Section 4.10(b) of the Company Disclosure Schedule no later than ten Business Days prior to the Effective Time and (ii) deliver or cause to be delivered such payoff letters to Acquiror promptly thereafter, and in any event no later than seven Business Days prior to the Effective Time. At the Effective Time, subject to Acquiror making available necessary funds to do so,

Company shall use commercially reasonable efforts to, and to cause its Subsidiaries to, permanently (A) terminate the indebtedness specified in Section 4.10(b) of the Company

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Disclosure Schedule and all related Contracts to which Company or any of its Subsidiaries is a party and (B) make satisfactory arrangements for the release of Liens on assets relating to such terminated indebtedness.

(c) Prior to the Effective Time, Company shall, with Acquiror s cooperation, use commercially reasonable efforts to take all such actions as are necessary and appropriate to obtain, from each of the counterparties to the International Swaps and Derivatives Association (ISDA) Master Agreements relating to derivatives that are open as of the Effective Time, (i) waivers to the effect that the consummation of the transactions contemplated by this Agreement, shall not result in any violation or breach of, or default under, or give rise to a right of termination, cancellation or acceleration of any obligation or to the loss of a benefit under, each such ISDA Master Agreements or any related Contracts, and (ii) such amendments to any such ISDA Master Agreements and related Contracts as Acquiror may reasonably request to cause the terms thereof to be substantially consistent with the other financing and hedging arrangements of Acquiror and its Affiliates. Company shall also, if reasonably requested by Acquiror, cooperate in good faith with Acquiror in connection with Acquiror s efforts to terminate as of the Effective Time any existing hedging arrangements of Company and establish new or replacement hedging arrangements in connection with the transactions contemplated by this Agreement.

(d) As soon as practicable following the execution and delivery of this Agreement, Acquiror, in consultation with Company, shall prepare the documentation to be sent to the holders of the 2019 Notes, 2021 Notes and 2022 Notes (collectively the Notes) in connection with a registered offering of an Acquiror guarantee and consent solicitations (together, the Consent Solicitations) regarding the amendments to the indentures governing the Notes (collectively, the Indentures) contemplated by Exhibit D (the Indenture Amendments). Within three Business Days after Acquiror and Company finalize the documentation with respect to the Consent Solicitations, Acquiror and Company shall use commercially reasonable efforts to commence the Consent Solicitations and deliver such documentation to holders of the Notes. Acquiror, after having consulted with Company, shall have the sole right to control decisions with respect to the strategy and conduct of the Consent Solicitations (including selecting any solicitation agent(s) in connection with the Consent Solicitations and modifying the terms and structure of the Consent Solicitations as set forth in Exhibit D; provided, however, that Acquiror shall not be required to modify the terms of the Consent Solicitations set forth therein). Company shall provide and cause its Subsidiaries to provide, all cooperation reasonably requested by Acquiror in connection with the Consent Solicitations including assisting in the preparation and execution of all documents required in connection therewith. Without limiting the generality of the foregoing, Company shall, and shall cause its Subsidiaries and their respective Representatives to (i) use its commercially reasonable efforts to obtain the consent of Company s auditor to the use of its report on the most recently available audited consolidated financial statements of Company in connection with the registered offering contemplated by the Consent Solicitations and use commercially reasonable efforts to cause such auditor to provide customary comfort letters (providing negative assurance comfort) and drafts thereof to the solicitation agent(s) in connection with the Consent Solicitation; (ii) make available, at reasonable times and upon reasonable advance notice, the necessary employees and advisors of Company and its Subsidiaries to attend due diligence sessions; (iii) use commercially reasonable efforts to obtain the reasonable cooperation and assistance of counsel to Company and its Subsidiaries in providing customary legal opinions and negative assurance statements; and (iv) provide customary information, documents, authorization letters and certificates and enter into agreements, including a solicitation agent agreement containing customary terms relating to representations and warranties, indemnification provisions and necessary closing documentation. All documentation for the Consent Solicitations will be customary for transactions of this nature and shall be in form and substance reasonably acceptable to Acquiror and Company. The Consent Solicitations and other actions taken in connection therewith shall be conducted in accordance with the terms of the applicable Indentures and all applicable rules and regulations of the SEC and other applicable Laws. If, at any time prior to the Effective Time, any information shall be discovered by Acquiror or Company that should be set forth in an amendment or supplement to documents mailed or delivered to Note holders in respect to the Consent Solicitations so that such documentation would not include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to

make the statements therein, in the light of the circumstances under which they

were made, not misleading, then the Party that discovers such information shall promptly notify the other Party, and to the extent required by applicable Law, an appropriate amendment or supplement describing such information shall promptly be prepared and, if required, filed with the SEC and/or disseminated to the holders of Notes. In accordance with the terms of the Consent Solicitations, assuming the requisite consents are received, Company and its Subsidiaries and Acquiror and its Subsidiaries, as applicable, shall execute supplemental indentures to each of the Indentures among Company, the guarantors named therein and the trustee party thereto reflecting the Indenture Amendments, which supplemental indentures shall be in a form reasonably acceptable to Acquiror and Company and become operative as set forth in Exhibit D.

(e) Acquiror shall promptly pay, or reimburse Company s payment of, any consent payment to holders of the Notes in connection with the Consent Solicitation and pay the fees and out-of-pocket expenses of any dealer manager, information agent, solicitation agent, tabulation agent, depositary or other agent retained in connection with the Consent Solicitation upon the incurrence of such fees and out-of-pocket expenses. Acquiror shall promptly, upon request by Company, reimburse Company for all reasonable out-of-pocket costs and expenses (including reasonable attorneys fees) incurred by Company in connection with the cooperation of Company contemplated by this Section 4.10 and shall indemnify and hold harmless Company, its Subsidiaries and their respective representatives from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in connection with the Consent Solicitation and any information used in connection therewith, except with respect to any information provided by Company.

Section 4.11. *Indemnification; Directors and Officers Insurance.* From and after the Effective Time, Acquiror shall, or shall cause Company or Amalco to, indemnify and hold harmless all current and former officers and directors of Company and its Subsidiaries to the same extent such Persons may be indemnified and held harmless as of the date of this Agreement by Company pursuant to the articles of continuation or by-laws of Company for acts or omissions occurring at or prior to the Effective Time, including those in respect of the Arrangement and the other transactions contemplated hereby. Company shall be permitted, prior to the Effective Time, to obtain and fully pay for a tail insurance policy in respect of Company s current directors and officers with an extended reporting period of at least six years from and after the Effective Time with respect to directors and officers liability insurance with benefits and levels of coverage at least as favorable as Company s existing policy with respect to matters existing or occurring at or prior to the Effective Time (including in connection with this Agreement or the transactions or actions contemplated hereby); provided, however, that in no event shall Company expend for such policy an annual premium amount in excess of 300% of the amount paid by Company in its current fiscal year, but in such case may purchase as much coverage as is available for such amount. If any person makes any claim for indemnification or advancement of expenses under this Section 4.11 that is denied by Acquiror, Company or Amalco, and a court of competent jurisdiction determines that such indemnified person is entitled to such indemnification, then Acquiror, Company and Amalco shall pay such indemnified person s costs and expenses, including reasonable legal fees and expenses, incurred in connection with pursuing such claim against Acquiror, Company or Amalco. The rights of the indemnified persons under this Section 4.11 shall be in addition to any rights such indemnified persons may have under the constating documents of Company or Amalco, or under any applicable Law. All rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the Effective Time and rights to advancement of expenses relating thereto in favor of any indemnified person as provided in the constating documents of Company shall survive the Effective Time for a period of not less than six years and shall not be amended, repealed or otherwise modified in any manner that would adversely affect any right thereunder of any such indemnified person. The provisions of this Section 4.11 shall survive the consummation of the transactions contemplated by this Agreement and are intended for the benefit of, and shall be enforceable by, the indemnified persons, and their respective heirs, executors, administrators and legal personal representatives and shall be binding on each of Acquiror, Company and Amalco and its successors and assigns, and, for such purpose only, Company hereby confirms that it is acting as trustee on their behalf.

Section 4.12. *Public Announcements.* Each Party shall consult with, and provide the other Party the reasonable opportunity to review and comment on, any press release or other public announcement relating to

this Agreement or the transactions contemplated hereby or thereby and shall not issue any such press release or other public announcement prior to such consultation except as may be required by applicable Law or by obligations pursuant any national securities exchange.

Section 4.13. *Section 16 Matters.* Prior to the Effective Time, Company shall take all actions that are required (to the extent permitted under applicable legal requirements and no-action letters issued by the SEC) to cause any dispositions of Company Common Shares (and derivative securities with respect to Company Common Shares) resulting from the transactions contemplated by Section 1.1 by each officer or director of Company who may become subject to the reporting requirements of Section 16(a) of the Exchange Act as an officer or director of Acquiror to be exempt under Rule 16b-3 promulgated under the Exchange Act.

Section 4.14. *Takeover Laws*. If any fair price, business combination or control share acquisition statute or similar Law shall become applicable to the transactions contemplated hereby, then Company and the Board of Directors of Company shall use their respective commercially reasonable efforts to grant such approvals and take such actions as are necessary so that the transactions contemplated hereby may be consummated as promptly as practicable on the terms contemplated hereby and otherwise act to minimize the effects of any such statute or similar Law on the transactions contemplated hereby.

Section 4.15. *Notification of Certain Matters.* Each Party shall use commercially reasonable efforts to provide the other Party with prompt written notice of: (a) any event the occurrence or non-occurrence of which such Party is aware and that would be reasonably likely to (i) cause any representation or warranty made by such Party in this Agreement to be untrue or inaccurate in any material respect, (ii) cause any covenant made by such Party in this Agreement not to be complied with or satisfied in all material respects or (iii) result in any condition set forth in Article 5 to be unsatisfied at any time from the date of this Agreement to the Effective Time; (b) any failure of such Party to comply in a timely manner with any covenant made by such Party in this Agreement; or (c) any change or event affecting such Party that would be reasonably likely to have that a Material Adverse Effect on such Party. Each Party shall provide the other Party with prompt written notice of any notice or other communication from any third party alleging that the consent of such third party is or may be required in connection with the transactions contemplated hereby. Notwithstanding the foregoing, the delivery of any notice pursuant to this Section 4.15 shall not limit or otherwise affect the remedies available under this Agreement to the Party receiving such notice.

Section 4.16. *Certain Litigation.* Each Party to this Agreement shall promptly advise the other Parties orally and in writing of any shareholder litigation against the Party and/or its directors and officers relating to this Agreement, the Arrangement and/or the transactions contemplated by this Agreement and shall keep the other Party reasonably informed regarding any such shareholder litigation. Each party shall give the other Parties the opportunity to consult with the Party regarding the defense or settlement of any such shareholder litigation, shall give due consideration to the other Party s advice with respect to such shareholder litigation and shall not settle any such litigation prior to such consultation and consideration; provided, however, that Company further will not, without Acquiror s prior written consent, settle any shareholder litigation.

Section 4.17. *Confidentiality.* Each Party acknowledges and confirms that (a) Acquiror and Company have entered into a Confidentiality Agreement, dated February 10, 2014 (the Confidentiality Agreement), (b) all information provided by each Party to the other Party pursuant to this Agreement is subject to the terms of the Confidentiality Agreement and (c) the Confidentiality Agreement shall remain in full force and effect in accordance with its terms and conditions.

Section 4.18. *Resignations.* Prior to the Effective Time, Company shall cause each member of the Board of Directors of Company to execute and deliver a letter, which shall not be revoked or amended prior to the Effective Time,

effectuating his or her resignation as a director of Company effective immediately prior to the Effective Time. Prior to the Effective Time, Company shall obtain the resignations of such directors or officers of its Subsidiaries as Acquiror shall request with reasonable advance notice.

Section 4.19. *Acquiror Board of Directors.* As of the Effective Time, Acquiror shall take all necessary corporate action to appoint Lynn A. Peterson and James E. Catlin to the Board of Directors of Acquiror.

Section 4.20. *Tax-Free Reorganization Treatment.*

(a) None of Acquiror, Company or Acquiror Canadian Sub shall knowingly take any action, cause any action to be taken, fail to take any commercially reasonable action or cause any commercially reasonable action to fail to be taken, which action or failure to act would reasonably be expected to negatively impact the Intended Tax Treatment.

(b) Company shall use commercially reasonable efforts to cause Dorsey & Whitney LLP, counsel to the Company, or such other Tax counsel reasonably satisfactory to Company, to deliver an opinion to Company, on the basis of certain facts, representations and assumptions set forth in such opinion, dated the Closing Date, to the effect that the Merger should qualify for the Intended Tax Treatment; provided, however, in no event shall the delivery of the opinion referred to in this sentence be a condition to Company s obligations to consummate the transactions contemplated by this Agreement, including the Arrangement. Acquiror shall use commercially reasonable efforts to cause Foley & Lardner LLP, counsel to Acquiror, or such other Tax counsel reasonably satisfactory to Acquiror and Company, to deliver an opinion to Acquiror, on the basis of certain facts, representations and assumptions set forth in such opinion, dated the Closing Date, to the effect that the Merger should qualify for the Intended Tax Treatment. In rendering such opinions, such counsels may require and shall be entitled to rely upon reasonable and customary representations and covenants, including those contained in representation letters signed by officers of Acquiror, the Company and Acquiror Canadian Sub.

Section 4.21. *Employee Matters.*

(a) Acquiror shall provide, or cause its Subsidiaries or Company or its Subsidiaries to provide, to employees of the Company or any of its Subsidiaries as of the Effective Time who continue employment with Acquiror, its Subsidiaries or any of its Affiliates (Continuing Employees) for one year following the Effective Time, base salary at a rate not less than the rate of base salary received by the Continuing Employees immediately prior to the Effective Time.

(b) If the transactions contemplated by this Agreement are consummated prior to December 31, 2014, Acquiror shall provide, or cause its Subsidiaries or Company or its Subsidiaries to provide, for payment to Continuing Employees (other than executive officers) the bonus established by the Company prior to the Effective Date pursuant to Section 4.2(b)(ix)(C) for the second half of 2014, which shall be paid on or before December 31, 2014. For 2015, Acquiror shall provide, or cause its Subsidiaries or Company or its Subsidiaries to provide, to the Continuing Employees a bonus opportunity that is substantially comparable in the aggregate to the bonus opportunity provided to similarly-situated Acquiror employees.

(c) From the Effective Time until the end of the calendar year in which the transaction contemplated hereby is consummated, Acquiror shall cause Company or its Subsidiaries to provide to the Continuing Employees benefits (other than base salary, bonus or equity-based compensation) at a level that is substantially comparable in the aggregate to the level of such benefits provided to the Continuing Employees immediately prior to the Effective Time. During the calendar year after the calendar year in which the transaction contemplated hereby is consummated, Acquiror shall provide, or cause its Subsidiaries or Company or its Subsidiaries to provide, to the Continuing Employees such benefits at a level that is substantially comparable in the aggregate to the level of such benefits provided to similarly-situated Acquiror employees.

(d) With respect to any employee benefit plan, as defined in Section 3(3) of ERISA, maintained by Acquiror or any of its Subsidiaries in which any Continuing Employee becomes a participant, such Continuing Employee shall receive

full credit for service with the Company or any of its Subsidiaries for purposes of eligibility to participate and vesting, to the same extent such service was recognized as of the

Effective Time under a comparable plan of the Company and its Subsidiaries in which the Continuing Employee participated (but not for purposes of benefit accrual under any defined benefit pension plans, special or early retirement programs, window separation programs, or similar plans which may be in effect from time to time); provided that in no event shall such service recognition result in any duplication of benefits; and provided further that with respect to any such plan maintained by Acquiror or any of its subsidiaries that is insured, the insurance carrier consents to the recognition of such prior service credit, if required. Company shall provide to Acquiror a list of each Continuing Employee and his or her service credit under each Company Employee Benefit Plan as of the Effective Time, and Acquiror shall be entitled to rely on such information.

(e) To the extent permitted by applicable Law and the terms of any insurance policy, Acquiror shall waive, or cause to be waived, any pre-existing condition limitations, exclusions and waiting periods with respect to participation and coverage requirements under any welfare benefit plan maintained by Acquiror or any of its Subsidiaries in which the Continuing Employees (and their eligible dependents) will be eligible to participate from and after the Effective Time, except to the extent that such pre-existing condition limitations, exclusions and waiting periods would not have been satisfied or waived under the comparable plan of the Company and its Subsidiaries in which the Continuing Employee participated.

(f) Nothing in this Section 4.21 shall (i) be treated as an amendment of, or undertaking to amend, any benefit plan, (ii) prohibit Acquiror or any of its Subsidiaries from amending or terminating any employee benefit plan or (iii) confer any rights or benefits on any person other than the parties to this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall prohibit Acquiror from terminating or causing the Company to terminate (i) any Acquiror employee benefit plan following the Effective Time or (ii) the employment (for any reason or for no reason) of any Continuing Employee following the Effective Time without the provision of further salary, bonus or benefits following such termination except to the extent required by applicable Law.

ARTICLE 5

CONDITIONS

Section 5.1. *Conditions to Obligation of Each Party.* The respective obligation of Acquiror and Company to consummate the transactions contemplated by this Agreement, including the Arrangement, shall be subject to satisfaction of the following conditions at or prior to the Effective Time:

(a) the Acquiror Issued Securities to be issued pursuant to the Arrangement shall either be: (i) exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; or (ii) be registered pursuant to an effective registration statement under the U.S. Securities Act; provided, however, that Company shall not be entitled to the benefit of this condition in this Section 5.1(a), and shall be deemed to have waived such condition, in the event that Company fails to advise the Court prior to the hearing in respect of the Final Order that Acquiror intends to rely on the exemption from registration afforded by Section 3(a)(10) of the U.S. Securities Act based on the Court s approval of the Arrangement and comply with the requirements set forth in Section 1.8.

(b) The distribution of the Acquiror Issued Securities pursuant to the Arrangement shall be exempt from the prospectus and registration requirements of applicable Canadian Securities Laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Canadian Securities Laws and shall not be subject to resale restrictions under applicable Canadian Securities Laws (other than as applicable to control Persons or pursuant to Section 2.6 of the National Instrument 45-102 *Resale of Securities*).

(c) The Continuance Resolution shall have been approved by the Continuance Requisite Shareholder Vote, the Arrangement Resolution shall have been approved by the Company Requisite Shareholder Vote at the Company Meeting, and the Interim Order and the Final Order shall each have been obtained on terms

consistent with this Agreement and otherwise reasonably satisfactory to Acquiror and Company and shall not have been set aside or modified in a manner reasonably unacceptable to Company and Acquiror on appeal or otherwise.

(d) A continuance application in connection with the Company Continuance in form and substance satisfactory to each of Company and Acquiror, acting reasonably shall have been filed with the Registrar and the Registrar shall have issued to Company a Certificate of Continuation giving effect to the Company Continuance.

(e) The Share Issuance shall have been approved by the Acquiror Requisite Shareholder Vote.

(f) The shares of Acquiror Common Stock that shall be issued and paid to the shareholders of Company upon consummation of the Arrangement shall have been authorized for listing on the New York Stock Exchange, subject to official notice of issuance.

(g) No Law or Order (whether temporary, preliminary or permanent) shall have been enacted, entered, promulgated, adopted, issued or enforced by any Governmental Entity that is then in effect and has the effect of making illegal or otherwise prohibiting the consummation of the transactions contemplated by this Agreement, including the Arrangement.

(h) All waiting periods applicable to the transactions contemplated hereby under applicable Regulatory Laws in the jurisdictions set forth in Exhibit F shall have expired or terminated, and all approvals and rulings by, and filings with, Governmental Entities in respect of the transactions contemplated hereby under applicable Regulatory Laws in the jurisdictions set forth in Exhibit F shall have been obtained or made.

(i) Acquiror shall have received an opinion of Foley & Lardner LLP, counsel to Acquiror, or such other Tax counsel reasonably satisfactory to Acquiror and Company, on the basis of certain facts, representations and assumptions set forth in such opinion, dated the Closing Date, to the effect that the Merger should qualify for the Intended Tax Treatment. In rendering such opinion, such counsel may require and shall be entitled to rely upon reasonable and customary representations and covenants, including those contained in representation letters signed by officers of Acquiror, the Company and Acquiror Canadian Sub. The opinion condition referred to in this Section 5.2(i) shall not be waivable.

Section 5.2. *Additional Conditions to Obligation of Acquiror.* The obligation of Acquiror to effect the Arrangement shall be further subject to satisfaction of the following conditions at or prior to the Effective Time:

(a) Each of the representations and warranties of Company set forth in Section 2.3 shall be correct and complete in all respects (other than *de minimis* inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date, except (i) for changes specifically contemplated by this Agreement and (ii) to the extent representations and warranties by their terms speak only as of a certain date, in which case such representations and warranties shall be correct and complete as of such date; and each of the other representations and warranties of Company set forth in this Agreement (but without regard to any materiality qualifications or references to Material Adverse Effect contained in any representation or warranty) shall be correct and complete in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date, except (A) for changes specifically contemplated by this Agreement, (B) to the extent representations and warranties by their terms speak only as of a certain date, in which case such representations and warranties shall be correct and complete as of such date, and (C) where such failures of the representations and warranties to be correct and complete in all respects, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect on Company.

(b) Company shall have performed in all material respects all obligations and complied in all material respects with all covenants required by this Agreement to be performed or complied with by it at or prior to the Effective Time.

(c) No event, change, effect, condition, fact or circumstance shall have occurred after the date of this Agreement, including any event, change, effect, condition, fact or circumstance that reflects an adverse change in the matters disclosed to Acquiror in the Company Disclosure Schedule, that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Company.

(d) Company shall have delivered to Acquiror a certification of the Chief Executive Officer, the Chief Financial Officer or another executive officer (reasonably acceptable to Acquiror) of Company to the effect that each of the conditions specified in Section 5.2(a), Section 5.2(b) and Section 5.2(c) is satisfied in all respects.

(e) The total number of Company Common Shares with respect to which Dissent Rights have been properly exercised and not withdrawn shall not exceed 5% of the outstanding Company Common Shares as of the Closing Date.

(f) No claim, action, suit, arbitration, proceeding, investigation or inquiry shall have been commenced or threatened by any Governmental Entity against Acquiror, Company or any of their respective Subsidiaries with respect to the transactions contemplated hereby.

Section 5.3. *Additional Conditions to Obligation of Company.* The obligation of Company to effect the Arrangement shall be further subject to satisfaction of the following additional conditions at or prior to the Effective Time:

(a) Each of the representations and warranties of Acquiror set forth in Section 3.3 shall be correct and complete in all respects (other than *de minimis* inaccuracies) as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date, except (i) for changes specifically contemplated by this Agreement and (ii) to the extent representations and warranties by their terms speak only as of a certain date, in which case such representations and warranties shall be correct and complete as of such date; and each of the other representations and warranties of Acquiror set forth in this Agreement (but without regard to any materiality qualifications or references to Material Adverse Effect contained in any representation or warranty) shall be correct and complete in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date, except (A) for changes specifically contemplated by this Agreement, (B) to the extent representations and warranties by their terms speak only as of a certain date, in which case such representations and warranties shall be correct and complete as of such date, and (C) where such failures of the representations and warranties to be correct and complete in all respects, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect on Acquiror.

(b) Acquiror shall have performed in all material respects all obligations and complied in all material respects with all covenants required by this Agreement to be performed or complied with by it at or prior to the Closing Date.

(c) No event, change, effect, condition, fact or circumstance shall have occurred after the date of this Agreement, including any event, change, effect, condition, fact or circumstance that reflects an adverse change in the matters disclosed to Company in the Acquiror Disclosure Schedule, that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Acquiror.

(d) Acquiror shall have delivered to Company a certification of the Chief Executive Officer, the Chief Financial Officer or another executive officer (reasonably acceptable to Company) of Acquiror to the effect that each of the conditions specified in Section 5.3(a), Section 5.3(b) and Section 5.3(c) is satisfied in all respects.

(e) (i) Lynn A. Peterson and James E. Catlin shall have been elected to serve as directors of Acquiror, subject to and effective upon the occurrence of the Effective Time; provided, however, that if either of such individuals is unable to serve as a director of Acquiror as of the Effective time, then Company s Board of

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Directors shall be able to designate a substitute individual reasonably acceptable to Acquiror to serve as a director of Acquiror, subject to and effective upon the occurrence of the Effective Time, and (ii) after giving effect to such election, the Board of Directors of Acquiror shall consist of a total of not more than ten directors.

ARTICLE 6

TERMINATION, AMENDMENT AND WAIVER

Section 6.1. *Termination.* This Agreement may be terminated at any time prior to the Effective Time, whether before or after receipt of the Company Requisite Shareholder Vote or the Acquiror Requisite Shareholder Vote, as applicable.

(a) by mutual written consent of Company and Acquiror;

(b) by either Party if (i) a Law shall have been enacted, entered or promulgated prohibiting the consummation of the transactions contemplated hereby substantially on the terms contemplated hereby, (ii) an Order shall have been enacted, entered, promulgated or issued by a Governmental Entity permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby substantially on the terms contemplated hereby, and such Order shall have become final and non-appealable; provided, however, that the Party seeking to terminate this Agreement pursuant to this subclause (ii) shall have used its commercially reasonable efforts to remove such Order, or (iii) a Governmental Entity shall have failed to issue an Order or take any other action, and such denial of a request to issue such Order or take such other action shall have become final and non-appealable, that is necessary to satisfy any condition set forth in Article 5; provided, however, neither Party shall be able to terminate this Agreement pursuant to this Section 6.1(b) in the case of the failure to obtain the Interim Order or Final Order which shall solely be addressed in Section 6.1(f); provided, further, that the right to terminate this Agreement pursuant to this subclause (iii) shall not be available to any Party whose failure to comply with Section 4.5 has been the cause of such inaction; and provided further that the right to terminate this Agreement pursuant to this Section 6.1(b) shall apply only if the Law, Order or act or omission of the Governmental Entity, as the case may be, shall have caused the failure of any condition set forth in Article 5 to be satisfied and the Party entitled to rely on such condition shall not elect to waive such condition;

(c) by either Party if the Arrangement shall not have been consummated on or prior to the date that is 180 days after the date of this Agreement or such other date as Acquiror and Company shall agree in writing (the Termination Date); provided, however, that (i) the Termination Date shall be automatically extended for a period not to exceed 60 days to the extent necessary to satisfy the condition set forth in Section 5.1(h) and (ii) the right to terminate this Agreement pursuant this Section 6.1(c) shall not be available to any Party that has breached in any material respect its obligations under this Agreement in any manner that shall have caused the failure of the Arrangement to be consummated on or before the Termination Date;

(d) by either Party if all of the following shall have occurred: (i) the other Party shall have breached or failed to perform in any material respect any of its representations, warranties or covenants contained in this Agreement, (ii) such breach or failure to perform is reasonably expected to result in any condition set forth in Sections 5.2(a), 5.2(b), 5.3(a) and 5.3(b) to not be satisfied and (iii) such breach or failure to perform is incapable of being cured by the other Party prior to the date that is 30 days after receipt of written notice thereof or, if such breach or failure to perform is capable of being so cured, the other Party shall not have cured such breach or failure to perform within 30 days after receipt of written notice thereof;

(e) by either Party if (i) the approval of the Continuance Resolution shall not have been obtained by reason of the failure to obtain the Continuance Requisite Shareholder Vote at the Company Meeting (or of any adjournment or postponement thereof) or (ii) the approval of the Arrangement Resolution shall not have been obtained by reason of the failure to obtain the Company Requisite Shareholder Vote at the Company Meeting (or of any adjournment or postponement thereof); provided, however, that the right to terminate this Agreement

pursuant to this Section 6.1(e) shall not be available to Company where Company s breach of Section 4.7 or Section 4.9 shall have caused the failure to obtain such approval;

(f) by either Party, if the Interim Order or the Final Order shall have not been obtained on terms consistent with this Agreement or shall have been set aside or modified in a manner reasonably unacceptable to Acquiror and Company on appeal or otherwise; provided, however, that the right to terminate this Agreement pursuant to this Section 6.1(f) shall not be available to any Party that has breached in any material respect its obligations under this Agreement in any manner that shall have caused the failure of the Arrangement to be consummated on or before the Termination Date;

(g) by either Party if the approval of the transactions contemplated hereby shall not have been obtained by reason of the failure to obtain the Acquiror Requisite Shareholder Vote at the Acquiror Meeting (or of any adjournment or postponement thereof); provided, however, that the right to terminate this Agreement pursuant to this Section 6.1(g) shall not be available to Acquiror where Acquiror s breach of Section 4.7 or Section 4.9 shall have caused the failure to obtain such approval;

(h) by either Party if any of the following actions has occurred: (i) the other Party, any of its Affiliates or any of their respective Representatives shall have materially breached its obligations of Section 4.9; (ii) the Board of Directors of the other Party shall have failed to make its recommendation as required by Section 4.7(b) or shall have effected an Adverse Recommendation Change (or resolved or publicly proposed to take any such action), whether or not permitted by the terms of this Agreement, (iii) the Board of Directors of the other Party shall have failed to reconfirm its recommendation as required by Section 4.7(b) within five Business Days after a written request to do so by the terminating Party, (iv) the other Party shall have materially breached its obligations under this Agreement by reason of a failure to call or conduct its meeting of shareholders in accordance with Section 1.2(b) or Section 1.3, as applicable, (v) the Board of Directors of the other Party shall have recommended to its shareholders any Takeover Proposal or Superior Proposal; or (vi) the other Party shall have entered into any agreement, letter of intent, agreement-in-principle, acquisition agreement or other instrument contemplating or otherwise relating to any Takeover Proposal or Superior Proposal or requiring such other Party to abandon, terminate or fail to consummate any of the transactions contemplated hereby, including the Arrangement; or

(i) by either Party if the Board of Directors of such Party shall have approved or recommended, or such Party shall have entered into a definitive agreement with respect to, a Superior Proposal in compliance with Section 4.9(b).

Notwithstanding the foregoing, neither Party may terminate this Agreement pursuant this Section 6.1 unless such Party shall have made all payments required to be made to the other Party pursuant to Section 6.2.

Section 6.2. *Effect of Termination.*

(a) If this Agreement is terminated pursuant to Section 6.1, then this Agreement (other than as set forth in Section 4.1, Section 4.10(e), Section 4.17, this Section 6.2 and Article 7, which provisions shall survive such termination) shall become void and of no effect with no liability on the part of any Party (or of any of its Affiliates or its or their Representatives); provided, however, no such termination shall relieve either Party from any obligation to pay, if applicable, the amounts described in the other provisions of this Section 6.2 and neither Company nor Acquiror shall be relieved or released from any liabilities arising out of its willful breach of this Agreement.

(b) *Company Termination Fees*

(i) If (A) Acquiror terminates this Agreement pursuant to Section 6.1(h), (B) Acquiror or Company terminates this Agreement pursuant to Section 6.1(i) as a result of the Company s Board of Directors having

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approved or recommended a Superior Proposal or Company having entered into a definitive agreement with respect to a Superior Proposal, (C) Acquiror or Company terminates this Agreement pursuant to Section 6.1(c) without the Company Meeting having occurred, (D) Acquiror terminates this Agreement pursuant to Section 6.1(d) or (E) Acquiror or Company terminates this Agreement pursuant to Section 6.1(e) or Section 6.1(f) and in the case of any such termination pursuant to Section 6.1(c), Section 6.1(d), or Section 6.1(e) or Section 6.1(f) (1) at any time after the date of this Agreement and prior to such termination a Takeover Proposal shall have been publicly announced or otherwise publicly communicated to the senior management, Board of Directors or shareholders of Company that is not publicly withdrawn without qualification prior to ten Business Days before termination and (2) prior to the date that is 12 months after the effective date of such termination, the Company shall consummate a Takeover Proposal or enter into a definitive agreement with respect to a Takeover Proposal during such period that is thereafter consummated, then Company shall (X) reimburse Acquiror and its Subsidiaries for all reasonable out-of-pocket expenses incurred by Acquiror or any of its Subsidiaries in connection with the negotiation, preparation, execution and performance of this Agreement and related documentation, including printing fees, filing fees and fees and expenses of its legal, accounting and financial advisors, petroleum engineers and consultants and all fees and expenses payable to any financing sources related to this Agreement, the transactions contemplated hereby and any related financing in an amount not to exceed $10,000,000 (collectively, Acquiror s Costs), and (Y) pay to Acquiror a termination fee equal to $130,000,000 (in the case of termination under Section 6.1(e), less the amounts that Company previously paid to Acquiror pursuant to Section 6.2(b)(ii)). Company shall satisfy its obligations under the preceding sentence by the wire transfer of immediately available funds to an account that Acquiror designates (I) in the case of termination pursuant to subclause (A) or (B) above, not later than the date of such termination and (II) in the case of subclause (C), (D) or (E) above, not later than the date on which Company executes and delivers a definitive agreement with respect to (or, if earlier, consummates) a Takeover Proposal.

(ii) If Acquiror or Company terminates this Agreement pursuant to Section 6.1(e), then Company shall reimburse Acquiror and its Subsidiaries for all Acquiror s Costs.

(iii) If (A) Acquiror or Company terminates this Agreement pursuant to Section 6.1(c) without the Company Meeting having occurred and circumstances exist such that the condition set forth in Section 5.2(c) would not have been satisfied at the time of such termination or (B) Acquiror terminates this Agreement pursuant to Section 6.1(d) and, in each of the cases described in subclauses (A) and (B), the provisions of Section 6.2(b)(i) do not apply to any such termination, then Company shall reimburse Acquiror and its Subsidiaries for all of Acquiror s Costs. Company shall satisfy its obligation under the preceding sentence by the wire transfer of immediately available funds to an account that Acquiror designates not later than the date of such termination (or, if later, on the Business Day immediately following the date on which Acquiror provides written notice of the amount of Acquiror s Costs to Company).

(c) *Acquiror Termination Fees*

(i) If (A) Company terminates this Agreement pursuant to Section 6.1(h), (B) Acquiror or Company terminates this Agreement pursuant to Section 6.1(i) as a result of Acquiror s Board of Directors having approved or recommended a Superior Proposal or Acquiror having entered into a definitive agreement with respect to a Superior Proposal, (C) Company or Acquiror terminates this Agreement pursuant to Section 6.1(c) without the Acquiror Meeting having occurred, (D) Company terminates this Agreement pursuant to Section 6.1(d), (E) Company or Acquiror terminates this Agreement pursuant to Section 6.1(g) and, solely with respect to subclauses (C), (D) and (E) above, in the case of any such termination pursuant to Section 6.1(c), Section 6.1(d) or Section 6.1(g) (1) at any time after the date of this Agreement and prior to such termination a Takeover Proposal shall have been publicly announced or otherwise publicly communicated to the senior management, Board of Directors or shareholders of Acquiror that is not publicly withdrawn without qualification prior to ten Business Days before termination and (2) prior to the date that is 12 months after the effective date of such termination, Acquiror shall enter into a definitive agreement with respect to a

Takeover Proposal or a Takeover Proposal is consummated, then Acquiror shall

(X) reimburse Company and its Subsidiaries for all out-of-pocket expenses incurred by Company or any of its Subsidiaries in connection with the negotiation, preparation, execution and performance of this Agreement and related documentation, including printing fees, filing fees and fees and expenses of its legal, accounting and financial advisors, petroleum engineers and consultants in an amount not to exceed $10,000,000 (collectively, Company s Costs), and (Y) pay to Company a termination fee equal to $130,000,000 (in the case of termination under Section 6.1(g), less the amounts that Company previously paid to Acquiror pursuant to Section 6.2(c)(ii)). Acquiror shall satisfy its obligations under the preceding sentence by the wire transfer of immediately available funds to an account that Company designates (I) in the case of termination pursuant to subclause (A) or (B) above, not later than the date of such termination and (II) in the case of subclause (C), (D), or (E) above, not later than the date on which Acquiror executes and delivers a definitive agreement with respect to (or, if earlier, consummates) a Takeover Proposal.

(ii) If Acquiror or Company terminates this Agreement pursuant to Section 6.1(g), then Acquiror shall reimburse Company and its Subsidiaries for all Company s Costs.

(iii) If (A) Acquiror or Company terminates this Agreement pursuant to Section 6.1(c) without the Acquiror Meeting having occurred and circumstances exist such that the condition set forth in Section 5.3(c) would not have been satisfied at the time of such termination or (B) Company terminates this Agreement pursuant to Section 6.1(d) and, in each of the cases described in subclauses (A) or (B) above, the provisions of Section 6.2(c)(i) do not apply to any such termination, then Acquiror shall reimburse Company and its Subsidiaries for all of Company s Costs. Acquiror shall satisfy its obligation under the preceding sentence by the wire transfer of immediately available funds to an account that Company designates not later than the date of such termination (or, if later, on the Business Day immediately following the date on which Company provides written notice of the amount of Company s Costs to Acquiror).

(d) If a Party becomes entitled to a payment under this Section 6.2 in a circumstance in which the Party may become entitled to an additional payment subject to the occurrence of subsequent events, then the other Party shall effect the payment then due and supplement such payment with any additional payment that becomes due as and when such additional payment becomes due.

(e) Each Party acknowledges that the agreements contained in this Section 6.2 are an integral part of the transactions contemplated hereby and that, without these agreements, Acquiror and Company would not enter into this Agreement. Accordingly, if either Party fails to pay the amounts payable under this Section 6.2, then the breaching Party shall pay to the other Party and its Subsidiaries all costs and expenses (including attorneys fees and expenses) incurred by such other Party and its Subsidiaries in connection with the collection of such overdue amounts and the enforcement by such other Party of its rights under this Section 6.2, together with interest on such overdue amounts at a rate per annum equal to the prime rate (as announced by JPMorgan Chase Bank, N.A. or any successor thereto) in effect on the date on which such payment was required to be made.

Section 6.3. *Amendment.* This Agreement may be amended by Acquiror and Company, by action taken or authorized by their respective Board of Directors, at any time before or after the Company Requisite Shareholder Vote or the Acquiror Requisite Shareholder Vote is obtained provided, however, that after approval of the Arrangement by the shareholders of the Company and holders of Company Compensatory Awards, no amendment may be made which under applicable Law requires the further approval of the shareholders of the Company or the Court without such further approval. This Agreement may not be amended except by a written instrument signed on behalf of each of the Parties.

Section 6.4. *Extension; Waiver.* At any time before the Effective Time, any Party may (a) extend the time for the performance of any of the obligations or other acts of the other Party under or pursuant to this Agreement, (b) waive

any inaccuracies in the representations and warranties made by the other Party in this Agreement or in any document delivered pursuant hereto and (c) waive compliance with any of the covenants made by the other Party, or any of the conditions benefiting such waiving Party contained, in this Agreement.

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Any agreement on the part of any Party to any such extension or waiver shall be valid as against such Party only if set forth in a written instrument signed on behalf of such Party. Except for a waiver effected in accordance with the previous sentence, the failure of any Party to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of those rights.

ARTICLE 7

MISCELLANEOUS

Section 7.1. *Non-Survival of Representations, Warranties and Agreements.* None of the representations, warranties or covenants set forth in this Agreement or in any document delivered pursuant hereto shall survive the Effective Time, except that the agreements of Acquiror and Company that by their terms apply or are to performed in whole or in part after the Effective Time and that are contained in Section 4.1, Section 4.10(e), Section 4.11, Section 4.17, Article 6 or this Article 7 shall survive the Effective Time in accordance with their respective terms.

Section 7.2. *Expenses.* Whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses, except (a) as otherwise provided in Section 6.2, (b) except that the filing fee in connection with any filing made under all applicable Regulatory Laws for the acquisition of the Company Common Shares shall be shared equally by Acquiror and Company and (c) the costs and expenses incurred in connection with the filing, printing and mailing of the Proxy Statement / Circular shall be shared equally.

Section 7.3. *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed duly given or made as of the date of receipt if delivered personally, sent by facsimile (and sender shall bear the burden of proof of delivery), sent by overnight courier (providing proof of delivery) or sent by registered or certified mail (return receipt requested, postage prepaid), in each case, to the Parties at the following addresses or facsimile numbers (or at such other address or facsimile number for a Party as shall be specified by like notice): If to Company:

Kodiak Oil & Gas Corp.

1625 Broadway, Suite 250

Denver, Colorado 80202

Attention: Lynn A. Peterson

Facsimile: (303) 592-8071

with copies to:

Dorsey & Whitney LLP

701 5th Avenue, Suite 6100

Seattle, WA 98104-7043

Attention: Randal R. Jones

Facsimile: (206) 903-8820

Miller Thomson LLP

1000-840 Howe Street

Vancouver, BC V6Z 2M1

Canada

Attention: Gregory Smith

Facsimile: (604) 643-1200

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If to Acquiror and Acquiror Canadian Sub:

Whiting Petroleum Corporation

1700 Broadway, Suite 2300

Denver, Colorado 80290-2300

Attention: James J. Volker

Facsimile: (720) 644-3620

(with copies to)

Foley & Lardner LLP

777 East Wisconsin Avenue

Milwaukee, Wisconsin 53202

Attention: Benjamin F. Garmer III

John K. Wilson

Facsimile: (414) 297-4900

Stikeman Elliot LLP

1155 René-Lévesque Blvd. West

40th Floor

Montréal, OC H3B 3V2

Canada

Attention: Steeve Robitaille

Facsimile: (514) 397-3624

Section 7.4. *Entire Agreement; No Third Party Beneficiaries.*

(a) This Agreement and the Confidentiality Agreement constitute the entire agreement, and supersede all prior understandings, agreements or representations, between the Parties with respect to the subject matter hereof; provided, however, the provisions of this Agreement shall supersede any conflicting provisions of the Confidentiality Agreement.

(b) This Agreement, except for the provisions of Section 4.11, which is intended for the benefit of persons described in the last sentence thereof, and Section 7.11, shall not confer any rights or remedies upon any Person other than the Parties and their respective permitted successors and permitted assigns.

Section 7.5. *Assignment; Binding Effect.* No Party may assign this Agreement or any of its rights, interests or obligations hereunder (whether by operation of Law or otherwise, including a merger or amalgamation) without the prior written approval of the other Party, and any attempted assignment without such prior written approval shall be void and without legal effect. Subject to the preceding sentence, this Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns.

Section 7.6. *Governing Law; Jurisdiction and Venue.* This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, U.S.A. without giving effect to any choice or conflict of law provision or rule, except for the matters subject to or contemplated by the BCBCA, including the Plan of Arrangement, which shall be interpreted, construed, performed and governed by and in accordance with the laws of the Province of British Columbia and federal laws applicable therein. All actions and proceedings arising out of or relating to this Agreement shall be heard and determined in the Delaware Court of Chancery. Each of Company, Acquiror and Acquiror Canadian Sub hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the Delaware Court of Chancery for any litigation arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any litigation relating

thereto except in such court), waives any objection to the laying of venue of any such litigation in the Delaware Court of Chancery and agrees not to plead or claim that such litigation brought therein has been brought in any inconvenient forum.

Section 7.7. *Severability.* If the term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any Law or public policy, then all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner so that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 7.8. *Enforcement of Agreement.* The Parties agree that money damages or any other remedy at law would not be a sufficient or adequate remedy for any actual or threatened breach or violation of, or default under, this Agreement and that, in addition to all other available remedies, the aggrieved Party shall be entitled, to the fullest extent permitted by Law, to an injunction restraining such actual or threatened breach, violation or default and to any other equitable relief, including specific performance, without bond or other security being required.

Section 7.9. *Waiver of Jury Trial.* The Parties hereby irrevocably waive any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 7.10. *Interpretation.* For purposes of this Agreement, (a) the words including and include shall be deemed to be followed by the words without limitation, (b) the words herein, hereof, hereby, hereto or hereunder refer to Agreement as a whole, and (c) references to $ refer to United States Dollars. The term knowledge when used in this Agreement with respect to the Company or Acquiror, as applicable, shall mean the actual knowledge of the individuals listed on Exhibit G assuming reasonable inquiry. Whenever required by the context of this Agreement, the singular shall include the plural and vice versa. When calculating the period of time before which, within which or following which any act is required to be done pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and, if the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day. Any reference to any supranational, national, state, provincial, municipal, local or foreign Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires. Unless the context otherwise requires, references in this Agreement (i) to Articles, Sections, Exhibits and Schedules mean the Articles and Sections of, and the Exhibits and Schedules attached to, this Agreement and (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof. Notwithstanding anything to the contrary in this Agreement, each Section of this Agreement is qualified by the matters set forth with respect to such Section in the correspondingly numbered Section of the Company Disclosure Schedule or the Acquiror Disclosure Schedule, as applicable, only to the extent specified therein; provided, however, that any fact or item that is disclosed in any Section of the Company Disclosure Schedule or the Acquiror Disclosure Schedule, as applicable, in sufficient detail to make its relevance to any other representation and warranty of Company or Acquiror, as applicable, set forth in this Agreement readily apparent shall be deemed disclosed as an exception to such other representation and warranty. The Schedules and Exhibits referred to in this Agreement shall be construed with and as an integral part of this Agreement. Capitalized terms used but not otherwise defined in the Schedules and Exhibits referred to in this Agreement shall have the meanings set forth in this Agreement. Titles to Articles and headings of Sections are inserted for convenience of reference only and shall not be deemed a part of or to affect the meaning or interpretation of this Agreement. Notwithstanding the fact that this Agreement has been drafted or prepared by one of the Parties, each Party confirms that both it and its counsel have reviewed, negotiated and adopted this Agreement as the joint agreement and understanding of the Parties. The

language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

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Section 7.11. *No Recourse.* Notwithstanding anything to the contrary herein, Company hereby agrees, on behalf of itself and its Affiliates, that none of Acquiror s lenders and other Financing sources and their directors, officers and Affiliates shall have any liability or obligation under this Agreement or the transactions contemplated hereby (whether in contract, tort, equity or otherwise). Acquiror s lenders and other Financing sources and their directors officers and Affiliates are third party beneficiaries of Section 7.6, Section 7.9 and this Section 7.11.

Section 7.12. *Definitions.* For purposes of this Agreement,

2019 Notes shall mean Company s 8.125% Senior Notes due 2019 issued pursuant to the Indenture, dated as of November 23, 2011, among Company, a Subsidiary of Company, U.S. Bank National Association, as trustee, and Computershare Trust Company of Canada, as Canadian trustee, as amended by that certain supplemental indenture dated as of July 30, 2013 among Company, certain Subsidiaries of Company and U.S. Bank National Association, as trustee, and Computershare Trust Company of Canada, as Canadian trustee.

2021 Notes shall mean Company s 5.500% Senior Notes due 2021 issued pursuant to the Indenture, dated as of January 15, 2013, among Company, a Subsidiary of Company, U.S. Bank National Association, as trustee, and Computershare Trust Company of Canada, as Canadian trustee, as amended by that certain supplemental indenture dated as of July 30, 2013 among Company, certain Subsidiaries of Company and U.S. Bank National Association, as trustee, and Computershare Trust Company of Canada, as Canadian trustee.

2022 Notes shall mean Company s 5.500% Senior Notes due 2022 issued pursuant to the Indenture, dated as of July 26, 2013, among Company, Subsidiaries of Company, U.S. Bank National Association, as trustee, and Computershare Trust Company of Canada, as Canadian trustee.

Acquiror Contract shall mean, whether or not set forth in the Acquiror Disclosure Schedule, each Contract of the type described in Section 3.12(a).

Acquiror Recent Balance Sheet shall mean the unaudited consolidated balance sheet of Acquiror as of March 31, 2014 and the footnotes thereto set forth in Acquiror s Quarter Report on Form 10-Q for the three months ended March 31, 2014.

Affiliates shall mean, as to any Person, any other Person that, directly or indirectly, controls, or is controlled by, or is under common control with, such Person. As used in this definition, control (including, with its correlative meanings, controlled by and under common control with) shall mean the possession, directly or indirectly, of the powers to direct or cause the direction of management or policies of a Person, through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

Amalco shall have the meaning set forth in the Plan of Arrangement.

Business Day shall mean any day on which banks are not required or authorized to close in the State of Colorado, U.S.A., and the Province of British Columbia, Canada.

Canadian Securities Authorities shall mean the applicable securities commissions and other securities regulatory authorities in each of the provinces and territories of Canada.

Canadian Securities Laws shall mean all applicable Canadian provincial and territorial securities Laws, as now in effect and as they may be promulgated or amended from time to time;

Closing means the Effective Time.

Closing Date means the Effective Date.

Code means the United States Internal Revenue Code of 1986, as amended.

Company Contract shall mean each of the following, whether or not set forth in the Company Disclosure Schedule: (a) each Contract of the type described in Section 2.16(a); and (b) each Contract that constitutes a Company Employee Benefit Plan.

Company Recent Balance Sheet shall mean the unaudited consolidated balance sheet of Company as of March 31, 2014 and the footnotes thereto set forth in Company s Quarter Report on Form 10-Q for the three months ended March 31, 2014.

Company RSU and Option Awards shall mean the Company RSUs and Company Stock Options, collectively.

Consideration shall mean such number of Acquiror Common Stock to be received by a holder of Company Common Shares pursuant to the Plan of Arrangement as consideration for each Company Common Share, in accordance with the Share Exchange Ratio.

Contract shall mean any written or oral agreement, contract, loan or credit agreement, employment or severance agreement, note, mortgage, bond, indenture, lease, benefit plan, permit, franchise, license or other instrument, understanding or arrangement.

Continuance Requisite Shareholder Vote shall mean the requisite approval for the Company Continuance, which consists of at least two-thirds of the votes cast on the Continuance Resolution by those holders of Company Common Shares present in person or represented by proxy at the Company Meeting, each Company Common Share entitling the holder thereof to one vote on the Continuance Resolution.

Derivative means a derivative transaction within the coverage of Statement of Financial Accounting Standard No. 133, as issued by the Financial Accounting Standards Board, including any swap transaction, option, hedge, warrant, forward purchase or sale transaction, futures transaction, cap transaction, floor transaction or collar transaction relating to one or more currencies, commodities, bonds, equity securities, loans, interest rates, credit-related events or conditions or any indexes, or any other similar transaction (including any option with respect to any of these transactions) or combination of any of these transactions, including collateralized mortgage obligations or other similar instruments or any debt or equity instruments evidencing or embedding any such types of transactions, and any related credit support, collateral, transportation or other similar arrangements related to such transaction.

Dissent Rights shall mean the rights of dissent in favor of the holders of Company Common Shares in respect of (i) the Company Continuance as required by the YBCA and (ii) the Arrangement as described in Section 4.1 of the Plan of Arrangement.

Effective Date shall have the meaning set forth in the Plan of Arrangement.

Effective Time shall have the meaning set forth in the Plan of Arrangement.

Employee Benefit Plans shall mean all employee benefit plans, as defined in Section 3(3) of ERISA (whether or not subject to ERISA), and all other employee benefit or compensation Contracts, arrangements, perquisite programs or payroll practices that are maintained by a Person or any ERISA Affiliate or to which such Person or any ERISA Affiliate is obligated to contribute, for current or former employees or directors (or dependents or beneficiaries thereof) of such Person or any ERISA Affiliate or any predecessor of any of the foregoing.

Equity Interests shall mean (a) any partnership interests, (b) any membership interests or units, (c) any shares of capital stock, (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing entity, (e) any subscriptions, calls,

warrants, options, or commitments of any kind or character relating to, or entitling any Person to purchase or otherwise acquire membership interests or units, capital stock, or any other equity securities, (f) any securities convertible into or exercisable or exchangeable for partnership interests, membership interests or units, capital stock, or any other equity securities or (g) any other interest classified as an equity security of a Person.

ERISA shall mean the Employee Retirement Income Security Act of 1974, as amended.

ERISA Affiliate shall mean any entity that is a member of a controlled group of corporations (as defined in Section 414(b) of the Code) of which a Person is a member, an unincorporated trade or business under common control with such Person (as determined under Section 414(c) of the Code), or a member of an affiliated service group (within the meaning of Section 414(m) of the Code) of which such Person is a member.

Exchange Act shall mean the United States Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

Final Order shall mean the final order of the Court pursuant to Section 291 of the BCBCA in a form reasonably acceptable to Company and Acquiror, approving the Arrangement as such order may be amended by the Court (with the consent of both Company and Acquiror, which consent shall not be unreasonably withheld, conditioned or delayed) at any time prior to the Effective Time or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is reasonably acceptable to both Company and Acquiror on appeal.

General Developments shall mean (a) any developments or occurrences relating to or affecting domestic or foreign economic or political conditions in general or the securities, commodities or financial markets in general (including any change in the market price of oil, gas or raw materials), (b) any commencement, continuation or escalation of any act of terrorism or war (whether declared or undeclared), (c) any natural disasters, (d) any developments or occurrences relating to or affecting the industries in which Company or Acquiror (as applicable) or any of its Subsidiaries operates or (e) any changes in or interpretations of any applicable Law or generally accepted accounting practices occurring after the date of this Agreement, but excluding, in each of the cases described in clauses (a)-(e) above, any effect to the extent arising from any change, effect, condition, factor or circumstance that has, or is reasonably likely to have, a materially disproportionately impact on the business, results of operations, prospects, properties, condition (financial or otherwise), assets or liabilities of Company or Acquiror (as applicable) or any of its Subsidiaries relative to similarly situated companies principally engaged in the industries in which Company or Acquiror (as applicable) or any of its Subsidiaries conducts its business.

Governmental Entity shall mean any supranational, national, provincial, state, local or foreign government, any instrumentality, subdivision, court, administrative agency or commission or other authority thereof, or any quasi-governmental or private body exercising any regulatory, judicial, administrative, taxing, importing or other governmental or quasi-governmental authority.

Hazardous Substance shall mean (a) any petroleum, hazardous or toxic petroleum-derived substance or petroleum product, flammable or explosive material, radioactive materials, asbestos in any form, urea formaldehyde foam insulation, foundry sand or polychlorinated biphenyls (PCBs); (b) any chemical or other material or substance that is regulated, classified or defined as or included in the definition of hazardous substance, hazardous waste, hazardous material, extremely hazardous substance, restricted hazardous waste, toxic substance, toxic pollutant, pollutant contaminant under any Environmental Law, or any similar denomination intended to classify substance by reason of potential for adverse impact, toxicity, carcinogenicity, ignitability, corrosivity or reactivity under any Environmental Law; or (c) any other chemical or other material, waste or substance, exposure to which is prohibited, limited or

regulated by or under any Environmental Law.

Hydrocarbons means crude oil, natural gas, condensate, drip gas and natural gas liquids (including coalbed gas) and other liquids or gaseous hydrocarbons or other substances (including minerals) produced or associated therewith.

Intellectual Property Rights shall mean rights in the following: (a) all trademark rights, business identifiers, trade dress, service marks, trade names and brand names; (b) all copyrights and all other rights associated therewith and the underlying works of authorship; (c) all patents and all proprietary rights associated therewith; (d) all inventions, mask works and mask work registrations, know how, discoveries, improvements, designs, computer source codes, programs and other software (including all machine readable code, printed listings of code, documentation and related property and information), trade secrets, websites, domain names, shop and royalty rights and all other types of intellectual property; and (e) all registrations of any of the foregoing and all applications therefor.

Interim Order shall mean the interim order of the Court made pursuant to the BCBCA in a form reasonably acceptable to Company and Acquiror, providing for, among other things, the calling and holding of the Company Meeting, as the same may be amended by the Court with the consent of Company and Acquiror, which consent shall not be unreasonably withheld, conditioned or delayed.

Law shall mean any supernational, national, provincial, regional, state, local or foreign statute, law (including common law), ordinance, rule, regulation, code, order, judgment, injunction, writ, decree, governmental guideline, interpretation having force of law or bylaws, in each case of a Governmental Entity.

Liens shall mean mortgages, liens (statutory or otherwise), security interests, easements, encroachments, rights-of-way, rights of refusal or encumbrances of any nature whatsoever.

Material Adverse Effect shall mean any change, effect, condition, factor or circumstance that is or is reasonably likely to (a) be materially adverse to the business, results of operations, prospects, properties, condition (financial or otherwise), assets or liabilities of Company or Acquiror, as applicable, and its Subsidiaries taken as a whole or (b) materially impede Company or Acquiror (as applicable) from consummating the transactions contemplated hereby. Notwithstanding the foregoing, (i) General Developments, Transaction Developments, any failure by the Company or Acquiror to meet any financial projections, forecasts or estimates of revenues, earnings or other financial metrics for any period (it being understood that the facts and circumstances that may have given rise to such failure that are not otherwise excluded from the definition of a Material Adverse Effect may be taken into account in determining whether there has been a Material Adverse Effect), any change in the trading price or trading volume of the Parties securities and any change to the Parties credit ratings shall not be deemed, either alone or in combination, to constitute a Material Adverse Effect and (ii) no change, effect, condition, factor or circumstance arising from any of the foregoing shall be taken into account in determining whether there has been a Material Adverse Effect.

Merger shall mean the transactions described in Subsections 3.2(a) through 3.2(g) of the Plan of Arrangement.

Multiemployer Plan shall mean a multiemployer plan, as defined in Section 4001(a)(3) of ERISA.

Oil and Gas Contracts means any of the following Contracts to which the applicable Person or any of its Subsidiaries is a party (other than, in each case, an Oil and Gas Lease): all farm-in and farm-out agreements, areas of mutual interest agreements, joint venture agreements, development agreements, production sharing agreements, operating agreements, unitization, pooling and communitization agreements, declarations and orders, divisions orders, transfer orders, royalty deeds, oil and gas sales agreements, exchange agreements, gathering and processing Contracts and agreements, drilling, service and supply Contracts, geophysical and geological Contracts, land broker, title attorney and abstractor Contracts and all other Contracts relating to Hydrocarbons or revenues therefrom and claims and rights thereto, and, in each case, interests thereunder.

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Oil and Gas Interests means (a) direct and indirect interests in and rights with respect to Hydrocarbons and related properties and assets of any kind and nature, direct or indirect, including working and leasehold interests and operating rights and royalties, overriding royalties, production payments, net profit interests, carried interests, and other non-working interests and non-operating interests; (b) Hydrocarbons or revenues therefrom; (c) all Oil and Gas Leases and the leasehold estates created thereby and the lands covered by the Oil and Gas Leases or included in units with which the Oil and Gas Leases may have been pooled or united; (d) all Oil and Gas Contracts; (e) surface interests, fee interests, reversionary interests, reservations and concessions; (f) all easements, surface use agreements, rights of way, licenses and permits, in each case, in connection with Oil and Gas Leases, the drilling of Wells or the production, gathering, processing, storage, disposition, transportation or sale of Hydrocarbons, (g) all rights and interests in, under or derived from unitization and pooling agreements in effect with respect to clauses (a) and (c) above and the units created thereby which accrue or are attributable to the interests of the holder thereof; (h) all interests in machinery equipment (including Wells, well equipment and machinery), oil and gas production, gathering, transmission, treating, processing and storage facilities (including tanks, tank batteries, pipelines, flow lines, gathering Systems and metering equipment), pumps, water plants, electric plants, gasoline and gas platforms, processing plants, separation plants, refineries, testing and monitoring equipment, in each case, in connection with Oil and Gas Leases, the drilling of Wells or the production, gathering, processing, storage, disposition, transportation or sale of Hydrocarbons, and (i) all other interests of any kind or character associated with, appurtenant to, or necessary for the operation of any of the foregoing.

Oil and Gas Leases means all leases, subleases, licenses or other occupancy or similar agreements under which Company or any of its Subsidiaries, or Acquiror and any of its Subsidiaries, as applicable, leases, subleases or licenses or otherwise acquires or obtains operating rights in and to Hydrocarbons or any other real property which is material to such Party s business.

Order shall mean any order, writ, injunction, judgment, plan or decree of any Governmental Entity.

Party or Parties shall mean Acquiror and Acquiror Canadian Sub as one Party, and/or Company, as the case may be.

Permitted Lien means (a) any Lien for Taxes or governmental assessments, charges or claims of payment not yet delinquent, being contested in good faith or for which adequate accruals, provisions or reserves (based on good faith estimates of management) have been set aside for the payment thereof, (b) vendors , mechanics , materialmens , carriers , workers , landlords , repairmen s, warehousemen s, construction and other similar Liens arising or incurred in the ordinary course of business or with respect to liabilities that are not yet due and payable or, if due, are not delinquent or are being contested in good faith or for which adequate accruals or reserves (based on good faith estimates of management) have been set aside for the payment thereof, (c) Liens imposed or promulgated by applicable Law or any Governmental Entity with respect to real property, including zoning, building or similar restrictions, (d) pledges or deposits in connection with workers compensation, unemployment insurance, and other social security legislation, (e) Liens relating to intercompany borrowings among Company and its wholly owned Subsidiaries, (f) Liens that are disclosed on the Company Recent Balance Sheet or Acquiror Recent Balance Sheet, as applicable, or the notes thereto or securing liabilities reflected on such balance sheet, (g) Liens arising under or pursuant to the organizational documents of Company or any of its Subsidiaries, or (h) other Liens that do not, individually or in the aggregate, materially impair the present use of the property encumbered thereby.

Person shall mean an individual, a corporation, a partnership, a limited liability company, an unlimited liability company, an association, a trust or any other entity or organization, including a Governmental Entity.

Production Burden means all royalty interests, overriding royalty interests, production payments, net profit interests or other similar interests that constitute a burden on, and are measured by or are

payable out of, the production of Hydrocarbons or the proceeds realized from the sale or other disposition thereof (including any amounts payable to publicly traded royalty trusts), other than Taxes and assessments of Governmental Entities.

"Proxy Statement / Circular" shall mean a joint proxy statement on Schedule 14A and circular relating to (a) the notice of the Acquiror Meeting, including all schedules, appendices and exhibits thereto, to be sent, among other others, to the shareholders of Acquiror in connection with the Acquiror Meeting and (b) the notice of the Company Meeting and accompanying management proxy circular, including all schedules, appendices and exhibits thereto, to be sent, among other others, to the shareholders of Company, holders of Company Stock Options, Company RSUs and Company Restricted Stock Awards in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time.

"Regulatory Law" shall mean any Law that is designed or intended to prohibit, restrict or regulate (a) foreign investment (including the Investment Canada Act) or (b) actions having the purpose or effect of monopolization or restraint of trade or lessening of competition (including the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the Competition Act (Canada) as amended and similar Laws).

"Securities Authorities" shall mean the Canadian Securities Authorities and the SEC.

"Share Encumbrances" shall mean any (a) Lien, (b) shareholders' agreement, voting trust, proxy, power of attorney or similar instrument, (c) right or privilege capable of becoming a shareholders' agreement, voting trust, proxy, power of attorney or other instrument affecting the Equity Interests and (d) restriction affecting the ability of any holder of the Equity Interests to exercise all ownership rights thereto.

"Share Exchange Ratio" shall mean 0.177 of a share of Acquiror Common Stock per Company Common Share.

"Subsidiaries" of any Person shall mean any corporation or other form of legal entity (a) an amount of the outstanding voting securities of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are not such voting securities, 50% or more of the equity interests of which) is owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or (b) with respect to which such Person or one or more of its Subsidiaries is the general partner or the managing member or has similar authority.

"Taxes" shall mean supranational, national, state, provincial, municipal, local or foreign taxes, charges, fees, levies, or other assessments, including all net income, gross income, sales and use, goods and services, ad valorem, transfer, gains, profits, excise, franchise, real and personal property, gross receipts, single business, unincorporated business, value added, capital stock, capital production, business and occupation, disability, FICA, employment, governmental plan premiums and contributions, payroll, license, estimated, stamp, custom duties, environmental, severance or withholding taxes, or any other tax, governmental fee or other like assessment or charge of any kind whatsoever, imposed by any Governmental Entity, including any interest, fines and penalties (civil or criminal) on or additions to any such taxes, whether disputed or not, and shall include any transferee liability in respect of taxes, any liability in respect of taxes imposed by contract, tax sharing agreement, tax indemnity agreement or any similar agreement.

"Tax Return" shall mean a return, report, election, designation, estimate, claim for refund or other information, form or statement required to be prepared, filed or supplied in accordance with applicable Laws in connection with, any Taxes, including, where permitted or required, combined or consolidated returns for a group of entities and including any amendment thereof, including any schedule or attachment thereto.

Transaction Developments shall mean (a) any acts or omissions of Company or Acquiror (as applicable) or any of its Subsidiaries prior to the Closing Date specifically contemplated by this Agreement, (b) the execution, delivery and performance of this Agreement, and/or (c) any acts or omissions taken at the request, or with the approval, of Company or Acquiror (as applicable).

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U.S. Securities Act shall mean the United States Securities Act of 1933, as amended, and the rules and regulations thereunder.

U.S. Securities Laws shall mean all applicable United States federal and state securities Laws and the rules and regulations and published policies under or relating to the foregoing securities Laws and applicable stock exchange rules and listing standards of the New York Stock Exchange.

Units means all pooled, communitized or unitized acreage that includes all or a part of any Oil and Gas Lease.

Wells means all oil and/or gas wells, whether producing, operating, shut-in or temporarily abandoned, located on an Oil and Gas Leases or Unit or otherwise associated with an Oil and Gas Interest of the applicable Person or any of its Subsidiaries, together with all oil, gas and mineral production from such well.

[The next page is the signature page.]

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Arrangement Agreement as of the day and year first written above.

WHITING PETROLEUM CORPORATION

By: /s/ James J. Volker
Name: James J. Volker
Title: Chairman, President and Chief Executive Officer

1007695 B.C. LTD.

By: /s/ James J. Volker
Name: James J. Volker
Title: Chairman, President and Chief Executive Officer

KODIAK OIL & GAS CORP.

By: /s/ Lynn A. Peterson
Name: Lynn A. Peterson
Title: President and Chief Executive Officer

[*Signature Page to Arrangement Agreement*]

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ANNEX D

PLAN OF ARRANGEMENT

UNDER SECTION 288 OF THE

BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, capitalized terms used but not defined shall have the meanings ascribed to them below:

Acquiror means Whiting Petroleum Corporation, a corporation organized and existing under the laws of the State of Delaware, U.S.A.;

Acquiror Canadian Sub means 1007695 B.C. Ltd., a company incorporated under the *British Columbia Business Corporations Act* that is a direct or indirect wholly-owned subsidiary of Acquiror;

Acquiror Shares means the shares of the Common Stock of Acquiror, $0.001 par value per share;

Affected Person has the meaning ascribed thereto in Section 5.4 of this Plan of Arrangement;

Amalco has the meaning ascribed thereto in Subsection 3.2(g) of this Plan of Arrangement;

Amalgamation means the amalgamation of Company and Acquiror Canadian Sub, as contemplated under Subsection 3.2(g) of this Plan of Arrangement;

Amalgamation Application means the amalgamation application of Company and Acquiror Canadian Sub to be filed in accordance with the terms of the BCBCA after the Final Order is made, which shall be in form and content satisfactory to Company and Acquiror, each acting reasonably;

Arrangement means the arrangement of Company and Acquiror Canadian Sub pursuant to Section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 1.6 of the Arrangement Agreement or this Plan of Arrangement or made at the direction of the Court in the Final Order (provided, however, that any such amendment or variation is acceptable to both Company and Acquiror, each acting reasonably);

Arrangement Agreement means the arrangement agreement dated as of July 13, 2014 among Acquiror, Acquiror Canadian Sub and Company, as further amended, amended and restated or supplemented prior to the Effective Date;

Arrangement Resolution means the special resolution of the Company Shareholders, voting separately as a class, and the Company Securityholders, voting together as a class, approving the Plan of Arrangement which is to be

considered at the Meeting;

Assumed Company Award shall have the meaning ascribed thereto in Subsection 3.2(e);

BCBCA means the *Business Corporations Act* (British Columbia), as may be amended from time to time, including the regulations promulgated thereunder;

Broker shall have the meaning ascribed thereto in Subsection 5.4(a);

Business Day means any day on which banks are not required or authorized to close in the State of Colorado, USA, and in British Columbia, Canada;

Code means the United States Internal Revenue Code of 1986, as amended;

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Company means Kodiak Oil & Gas Corp., a corporation continued and existing under the BCBCA;

Company Common Shares means the shares of Common Stock, no par value per share, of the Company;

Company Compensatory Awards means Company Stock Options, Company RSUs and Company Restricted Stock Awards;

Company Incentive Plan means Company s 2007 Stock Incentive Plan, as amended from time to time;

Company Option Holders means holders of Company Stock Options;

Company Restricted Stock Awards means the outstanding awards of restricted stock issued under the Company Incentive Plan relating to the Company Common Shares;

Company Restricted Stock Award Holders means holders of Company Restricted Stock Awards;

Company RSUs means the outstanding restricted stock units issued under the Company Incentive Plan that is measured in relation to, or settleable in, Company Common Shares;

Company RSU Holders means holders of Company RSUs;

Company Securityholders means, collectively, Company Shareholders, Company RSU Holders, Company Option Holders and Company Restricted Stock Award Holders.

Company Shareholders means the holders of Company Common Shares;

Company Stock Options means the outstanding options to purchase Company Common Shares granted under the Company Incentive Plan;

Company Sub means Kodiak Oil & Gas (USA) Inc., a corporation organized and existing under the laws of the State of Colorado, U.S.A. that is a direct wholly-owned subsidiary of Company;

Consideration means such number of Acquiror Shares to be received by the Company Shareholders pursuant to this Plan of Arrangement as consideration for each Company Common Share, in accordance with the Share Exchange Ratio;

Court means the Supreme Court of British Columbia;

Depositary means any trust company, bank or other financial institution agreed to in writing by Company and Acquiror for the purpose of, among other things, exchanging certificates representing Company Common Shares for the Consideration in connection with the Arrangement;

Dissent Right shall have the meaning ascribed thereto in Subsection 4.1(a);

Dissenting Shareholder means a registered holder of Company Common Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value for their Company Common Shares;

Dissenting Shares means Company Common Shares held by a Dissenting Shareholder who has demanded and perfected Dissent Rights in respect of the Company Common Shares in accordance with the Interim Order and who, as of the Effective Time, has not effectively withdrawn or lost such Dissent Rights;

Effective Date means the date that Company and Acquiror agree in writing will be the date upon which the Arrangement becomes effective or, in the absence of such agreement, three Business Days following the satisfaction or waiver of all conditions set out in Article 5 of the Arrangement Agreement (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, waiver of those conditions as of the Effective Date by the applicable party for whose benefit such conditions exist);

Effective Time means 12:01 a.m. on the Effective Date, or such other time as the Company and Acquiror agree in writing;

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Final Order means the final order of the Court pursuant to the BCBCA, in a form acceptable to Company and Acquiror, approving the Arrangement as such order may be amended by the Court (with the consent of both Company and Acquiror, which consent shall not be unreasonably withheld, conditioned or delayed) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is reasonably acceptable to both Company and Acquiror) on appeal;

final proscription date shall have the meaning ascribed thereto in Section 5.5;

Interim Order means the interim order of the Court made pursuant to the BCBCA, in a form reasonably acceptable to Company and Acquiror, providing for, among other things, the calling and holding of the Meeting, as the same may be amended by the Court with the consent of Company and Acquiror, which consent shall not be unreasonably withheld, conditioned or delayed;

Letter of Transmittal means the letter of transmittal to be forwarded by the Depositary to Company Securityholders promptly following the Effective Time in connection with the Arrangement;

Liens means any liens, mortgages, pledges, assignments, hypothecs, charges, security interests, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

Meeting means the special meeting of Company Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

Parties means Company, Acquiror, Acquiror Canadian Sub and Amalco, and **Party** means any of them;

Registrar means Registrar of Companies appointed under Section 400 of the BCBCA;

Share Exchange Ratio means 0.177 Acquiror Shares per Company Common Share;

Tax Act means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time; and

Withholding Obligation shall have the meaning ascribed thereto in Section 5.4;

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

For the purposes of this Plan of Arrangement, except as otherwise expressly provided:

(a) **this Plan of Arrangement** means this Plan of Arrangement, including the recitals and Appendices hereto, and not any particular Article, Section, Subsection or other subdivision, recital or Appendix hereof, and includes any agreement, document or instrument entered into, made or delivered pursuant

to the terms hereof, as the same may, from time to time, be supplemented or amended and in effect;

(b) the words **hereof** , **herein** , **hereto** and **hereunder** and other word of similar import refer to this Plan Arrangement as a whole and not to any particular Article, Section, Subsection, or other subdivision or recital hereof;

(c) all references in this Plan of Arrangement to a designated **Article** , **Section** , **Subsection** or other subdivision or recital hereof are references to the designated Article, Section, Subsections or other subdivision or recital to, this Plan of Arrangement;

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(d) the division of this Plan of Arrangement into Article, Sections, Subsections and other subdivisions, recitals or Appendix, the inclusion of a table of contents and the insertion of headings and captions are for convenience of reference only and are not intended to interpret, define or limit the scope, extent or intent of this Plan of Arrangement or any provision hereof;

(e) a reference to a statute in this Plan of Arrangement includes all regulations, rules, policies or instruments made thereunder, all amendments to the statute, regulations, rules, policies or instruments in force from time to time, and any statutes, regulations, rules, policies or instruments that supplement or supersede such statute, regulations, rules, policies or instruments;

(f) the word **or** is not exclusive;

(g) the word **including** is not limiting, whether or not non-limiting language (such as **without limitation** or **but not limited to** or words of similar import) is used with reference thereto; and

(h) all references to **approval** , **authorization** or **consent** in this Plan of Arrangement means written approval, authorization or consent.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, unlimited liability corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of the United States and $ refers to United States dollars.

1.6 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time in British Columbia, Canada unless otherwise stipulated herein.

ARTICLE 2

ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

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ARTICLE 3

THE ARRANGEMENT

Plan of Arrangement

3.1 This Plan of Arrangement shall become effective at, and be binding at and after, the Effective Time on:

(a) Company and Amalco;

(b) Acquiror and Acquiror Canadian Sub;

(c) all registered and beneficial holders of Company Common Shares, including Dissenting Shareholders;

(d) all registered and beneficial holders of Company Compensatory Awards; and

(e) all other persons served with notice of the final application to approve the Plan of Arrangement.

3.2 On the Effective Date, commencing at the Effective Time, the following events or transactions shall occur and be deemed to occur sequentially, in the following order, without any further act or formality required on the part of any person, except as expressly provided herein:

(a) concurrently with Subsection 3.2(b) below, Acquiror shall subscribe for a number of common shares of Acquiror Canadian Sub with an aggregate fair market value equal to the amount to be paid in cash by Acquiror to Acquiror Canadian Sub in consideration therefor which amount shall be equal to the amount to be paid by Acquiror Canadian Sub to the Dissenting Shareholders for their Dissenting Shares pursuant to Subsection 4.1(a)(i) of this Plan of Arrangement;

(b) each Dissenting Share held by a Dissenting Shareholder in respect of which the Company Shareholder has validly exercised his, her or its Dissent Right shall be deemed to be transferred by such Dissenting Shareholder to Acquiror Canadian Sub (free and clear of any Liens of any nature whatsoever) in accordance with Article 4 hereof, and such Dissenting Shareholder shall cease to be a holder of such Dissenting Share and his, her or its name shall be removed from the central securities register of the Company as a holder of a Dissenting Share. Such Dissenting Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer such Dissenting Shares to Acquiror Canadian Sub in accordance with this Subsection 3.2(b). Acquiror Canadian Sub shall be the holder of all of the Dissenting Shares transferred in accordance with this Subsection 3.2(b) and the central securities register of the Company shall be

revised accordingly;

(c) concurrently with Subsection 3.2(d) below and in consideration for the Consideration issued and delivered to the Company Shareholders by Acquiror on behalf and for the benefit of Acquiror Canadian Sub in Subsection 3.2(d) below, Acquiror Canadian Sub shall issue to Acquiror a number of common shares of Acquiror Canadian Sub with an aggregate fair market value equal to the fair market value of such Consideration issued to the Company Shareholders in Subsection 3.2(d) below;

(d) one minute after Subsections 3.2(a) and 3.2(b) above, Acquiror Canadian Sub shall purchase all of the issued and outstanding Company Common Shares for the Consideration and each Company Common Share (other than any Company Common Shares held by Acquiror, Acquiror Canadian Sub and any Dissenting Shareholder) shall be deemed to be transferred to Acquiror Canadian Sub (free and clear of any Liens of any nature whatsoever) in exchange for the Consideration to be issued directly by Acquiror to Company Shareholders on behalf and for the benefit of Acquiror Canadian Sub, and such Company Shareholders shall cease to be holders of Company Common Shares and their names shall be removed from the central securities register of the Company as holders of Company Common Shares. Such Company Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer such Company Common Shares to Acquiror Canadian Sub in accordance with

this Subsection 3.2(d). Acquiror Canadian Sub shall be the holder of all of the Company Common Shares transferred in accordance with this Subsection 3.2(d) and the central securities register of the Company shall be revised accordingly;

(e) one minute after Subsections 3.2(c) and 3.2(d) above, each Company Stock Option, Company RSU, Company Restricted Stock Award, which are outstanding immediately prior to the Effective Time, whether vested or unvested, shall be assumed by Acquiror and converted automatically into an option, restricted stock unit or restricted stock award, as the case may be, denominated in Acquiror Shares based on the Share Exchange Ratio and subject to the terms and conditions substantially identical to those in effect at the Effective Time (each such assumed Company Compensatory Award, an **Assumed Company Award**), except that (i) the number Acquiror Shares that will be subject to each such Assumed Company Award shall be determined by multiplying the number of Company Common Shares subject to such Assumed Company Award by the Share Exchange Ratio (rounded down to the nearest whole share) and (ii) if applicable, the exercise or purchase price per share of each such Assumed Company Award shall equal (A) the per share exercise or purchase price of each such Assumed Company Award divided by (B) the Share Exchange Ratio (rounded upwards to the nearest whole cent). At the Effective Time, Acquiror shall assume the Company Incentive Plan;

(f) one minute after Subsection 3.2(e) above, the stated capital of all of the issued and outstanding Company Common Shares shall be reduced to $100 without any repayment of capital or distributions thereon;

(g) one minute after Subsection 3.2(f) above, Acquiror Canadian Sub and Company shall be amalgamated (the **Amalgamation**) to form one corporate entity with the same effect as if they were amalgamated under Section 269 of the BCBCA, except that the separate legal existence of Company will not cease and Company will survive the Amalgamation (Company, as such surviving entity, **Amalco**) and, for the avoidance of doubt, the Amalgamation together with the transactions described in Subsections 3.2(a) through 3.2(f) are intended to qualify as a reorganization within the meaning of sections 368(a)(l)(A) and 368(a)(2)(E) of the Code for all United States federal income tax purposes, and (iii) the Amalgamation is intended to qualify as an amalgamation as defined in subsection 87(1) of the Tax Act; and

without limiting the generality of the foregoing,

(i) at the time of the Amalgamation, the separate legal existence of Acquiror Canadian Sub shall cease without Acquiror Canadian Sub being liquidated or wound-up, and Company and Acquiror Canadian Sub shall continue as one company; and

(ii) the Amalgamation shall otherwise be effected in such manner that by virtue or because of the Amalgamation (A) all of the property of Acquiror Canadian Sub and the Company immediately before the Amalgamation (except amounts receivable from either of them, and shares in the capital stock of either of them) shall become property of Amalco, (B) all of the liabilities of Acquiror Canadian Sub and the Company immediately before the Amalgamation (except amounts

payable to either of them) shall become liabilities of Amalco, (C) each issued share of Acquiror Canadian Sub will be exchanged for one fully-paid and non-assessable Amalco common share which shall be issued by Amalco, (D) all of the Company Common Shares held by Acquiror Canadian Sub will be cancelled without any repayment of capital in respect thereof, and (E) the aggregate legal stated capital of the issued shares of Acquiror Canadian Sub immediately before the Amalgamation shall become the aggregate legal stated capital of the Amalco common shares;

(h) with effect from the time of the Amalgamation but subject to Subsection 3.2(g):

(i) *Name*. The name of Amalco shall be the name of Company;

(ii) *Registered Office*. The registered office of Amalco shall be the registered office of Company;

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(iii) *Share Provisions*. Amalco shall be authorized to issue an unlimited number of common shares;

(iv) *Notice of Articles and Articles.* The Notice of Articles and Articles of Amalco shall be substantially in the form of Company s Notice of Articles and Articles following its continuation into British Columbia;

(v) *Effect of Amalgamation*. The provisions of subsections 282(g), (h), (i), (j) and (k) of the BCBCA shall apply to the amalgamation with the result that:

(A) Amalco will continue to own and hold all property of Company and will own and hold all property of Acquiror Canadian Sub, and shall continue to be liable for the obligations of Company and will be liable for the obligations of Acquiror Canadian Sub, including civil, criminal and quasi-criminal liabilities and all contracts, disabilities, options and debts of each of Company and Acquiror Canadian Sub;

(B) all rights, contracts, permits and interests of Company or Acquiror Canadian Sub will continue as rights, contracts, permits and interests of Amalco and, for greater certainty, the Amalgamation will not constitute a transfer or assignment of the rights or obligations of either of Company or Acquiror Canadian Sub under any such rights, contracts, permits and interests;

(C) any existing cause of action, claim or liability to prosecution is unaffected;

(D) a civil, criminal or administrative action or proceeding pending by or against Company or Acquiror Canadian Sub may continue to be prosecuted by or against Amalco;

(E) a conviction against, or ruling, order or judgment in favour of or against, Company or Acquiror Canadian Sub may be enforced by or against Amalco;

(vi) *Initial Annual Meeting.* The first annual general meeting of Amalco will be held within 18 months from the Effective Date;

(vii) *Initial Directors and Officers.*

(A) *Minimum and Maximum.* The directors of Amalco shall, until otherwise changed in accordance with the BCBCA, consist of a minimum number of one director and a maximum number of ten directors;

(B) *Initial Directors.* The first directors of Amalco following the Amalgamation shall be the individuals who were directors of Acquiror Canadian Sub immediately prior to the Effective Time;

(C) *Initial Officers.* The initial officers of Amalco following the Amalgamation shall be the individuals who were officers of Acquiror Canadian Sub immediately prior to the Effective Time;

provided that none of the foregoing events or transactions shall occur or be deemed to occur unless all of the foregoing occur or is deemed to occur.

3.3 Post-Effective Time Procedures

(a) Following the receipt of the Final Order and prior to the Effective Date, Acquiror shall deliver or arrange to be delivered to the Depositary the Consideration in certificated or book-entry form required to be issued to former Company Shareholders in accordance with the provisions of Subsections 3.2(d) and 4.1(a)(ii) hereof, as applicable, which Consideration shall be held by the Depositary as agent and nominee for such former Company Shareholders for delivery to such former Company Shareholders in accordance with the provisions of Article 5 hereof.

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(b) Subject to the provisions of Article 5 hereof, and upon return of a properly completed Letter of Transmittal by a registered former Company Shareholder together with certificates, or in the case of Company Common Shares in book-entry form, an agent s message , representing Company Common Shares and such other documents as the Depositary may require, former Company Shareholders represented by such surrendered Company Common Shares shall be entitled to receive delivery of the Consideration in certificated or book-entry form to which they are entitled pursuant to Subsections 3.2(d) and 4.1(a)(ii) hereof, as applicable.

3.4 No Fractional Acquiror Securities

In no event shall any holder of Company Common Shares be entitled to a fractional securities of Acquiror. Where the aggregate number of securities of Acquiror to be issued to a Company Securityholder as consideration under this Arrangement would result in a fraction of securities of Acquiror being issuable, the number of securities of Acquiror to be received by such Company Securityholder shall be rounded down to the nearest whole Acquiror Share or other Acquiror securities, as the case may be.

ARTICLE 4

DISSENT RIGHTS

4.1 Rights of Dissent

(a) Pursuant to the Interim Order, registered holders of Company Common Shares may exercise rights of dissent (**Dissent Rights**) under Section 238 of the BCBCA, as modified by this Article 4, the Interim Order and the Final Order, with respect to Company Common Shares in connection with the Arrangement, provided, however, that the written notice setting forth the objection of such registered Company Shareholders to the Arrangement and exercise of Dissent Rights, as contemplated by Section 242 of the BCBCA, must be received by Company not later than 5:00 p.m. on the Business Day that is five (5) Business Days before the Meeting or any date to which the Meeting may be postponed or adjourned and provided further that holders who exercise such Dissent Rights and who:

(i) are ultimately entitled to be paid fair value for their Dissenting Shares, which fair value, notwithstanding anything to the contrary contained in the BCBCA, shall be determined as of the close of business on the day before the Effective Date, shall be deemed to have transferred their Dissenting Shares to Acquiror Canadian Sub in exchange for the right to be paid fair value for such Dissenting Shares, and Acquiror Canadian Sub shall thereupon be obligated to pay the amount therefore determined to be the fair value of such Dissenting Shares, provided that Company shall not make any payment with respect to, settle or offer to settle, or otherwise negotiate, any exercise of such Dissent Rights without the prior written consent of Acquiror; and

(ii) are ultimately not entitled, for any reason, to be paid fair value for their Company Common Shares, shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Company Common Shares and shall be entitled to

receive only the Consideration contemplated in Subsection 3.2(d) hereof that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights;

(b) In no circumstances shall Company, Acquiror, Acquiror Canadian Sub, Amalco or any other person be required to recognize a person purporting to exercise Dissent Rights unless such person is a registered holder of those Dissenting Shares in respect of which such rights are sought to be exercised; and

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(c) For greater certainty, in no case shall Company, Acquiror, Acquiror Canadian Sub, Amalco or any other person be required to recognize Dissenting Shareholders as holders of Company Common Shares after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the central securities register of Company as of the Effective Time. In addition to any other restrictions under the Interim Order and Section 238 of the BCBCA, and for greater certainty, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Compensatory Awards; and (ii) Company Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution.

ARTICLE 5

DELIVERY OF ACQUIROR SHARES

5.1 Delivery of Acquiror Shares

(a) Upon surrender to the Depository for cancellation of a certificate, or in the case of Company Common Shares in book-entry form, an agent s message evidencing the surrender of such shares, that immediately before the Effective Time represented one or more outstanding Company Common Shares that were transferred to Acquiror Canadian Sub in exchange for the Consideration in accordance with Subsections 3.2(d) and 4.1(a)(ii) hereof, as applicable, together with such other documents and instruments as would have been required to effect the transfer of the Company Common Shares under the BCBCA and the Articles of Company and such additional documents and instruments as the Depository may reasonably require, the holder of such surrendered Company Common Shares shall be entitled to receive in exchange therefor, and the Depository shall deliver to such holder following the Effective Time, the Consideration, in certificated or book-entry form, that such holder is entitled to receive in accordance with Subsections 3.2(d) and 4.1(a)(ii) hereof, as applicable.

(b) After the Effective Time and until surrendered for cancellation as contemplated by Subsection 5.1(a) hereof, each Company Common Share shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder is entitled to receive in accordance with Subsections 3.2(d) and 4.1(a)(ii) hereof, as applicable.

5.2 Lost Certificates

If any certificate, that immediately prior to the Effective Time represented one or more outstanding Company Common Shares that were transferred to Acquiror Canadian Sub in exchange for the Consideration in accordance with Section 3.1 hereof shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive in accordance with Subsection 3.2(d) hereof. When authorizing such delivery of Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such Consideration is to be delivered shall, as a condition precedent to the delivery of such Consideration, give a bond satisfactory to Acquiror and the Depositary in such amount as Acquiror and the Depositary may direct, or otherwise indemnify Acquiror and the Depositary in a manner satisfactory to Acquiror and the Depositary, against any claim that may be made against Acquiror or the Depositary

with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of continuance and by-laws of Company.

5.3 Distributions with Respect to Unsurrendered Company Common Shares

No dividend or other distribution declared or made after the Effective Time with respect to Acquiror Shares with a record date after the Effective Time shall be delivered to any Company Shareholder unless and until the holder shall have complied with the provisions of Section 5.1 or Section 5.2 hereof. Subject to

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applicable law, at the time of such compliance, there shall, in addition to the delivery of Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Acquiror Shares, net of any amount deducted or withheld therefrom in accordance with Section 5.4 hereof.

5.4 Withholding Rights

Acquiror, Acquiror Canadian Sub, Company, Amalco and the Depository shall be entitled to deduct and withhold from all distributions or payments otherwise payable to any former Company Shareholder, former holder of Company Compensatory Awards or other person (an **Affected Person**) such amounts as Acquiror, Acquiror Canadian Sub, Company, Amalco or the Depository is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the Code or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended (a **Withholding Obligations**). To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes hereof as having been paid to the Affected Person in respect of which such deduction and withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate taxing authority. Acquiror, Acquiror Canadian Sub, Company, Amalco and the Depository shall also have the right to:

(a) withhold and sell, on their own account or through a broker (the **Broker**), and on behalf of any Affected Person; or

(b) require the Affected Person to irrevocably direct the sale through a Broker and irrevocably direct the Broker to pay the proceeds of such sale to Company, the Depositary, Acquiror Canadian Sub, Amalco or Acquiror as appropriate (and, in the absence of such irrevocable direction, the Affected Person shall be deemed to have provided such irrevocable direction);

such number of Acquiror Shares issued or issuable to such Affected Person pursuant to the Arrangement Agreement as is necessary to produce sale proceeds (after deducting commissions payable to the broker and other costs and expenses) sufficient to fund any Withholding Obligations. Any such sale of Acquiror Shares shall be effected on a public market and as soon as practicable following the Effective Date. None of Acquiror, Acquiror Canadian Sub, Company, Amalco, the Depository or the Broker will be liable for any loss arising out of any sale of such Acquiror Shares, including any loss relating to the manner or timing of such sales, the prices at which Acquiror Shares are sold or otherwise.

5.5 Limitation and Proscription

To the extent that a former Company Shareholder shall not have complied with the provisions of Section 5.1 or Section 5.2 hereof on or before the date that is six (6) years after the Effective Date (the **final proscription date**), then the Consideration that such former Company Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital or other consideration in respect thereof and the Consideration to which such former Company Shareholder was entitled, shall be delivered to Acquiror by the Depositary and certificates representing Acquiror Shares forming the Consideration shall be cancelled by Acquiror, and the interest of the former Company Shareholder in such Acquiror Shares to which it was entitled shall be terminated as of such final proscription date for no consideration.

5.6 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens of any kind.

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5.7 Paramountcy

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Company Common Shares and Company Compensatory Award issued prior to the Effective Time or pursuant to this Plan of Arrangement; (ii) the rights and obligations of the registered holders of Company Common Shares and holders of Company Compensatory Award, and Company, Acquiror, Acquiror Canadian Sub, Amalco, the Depository and any transfer agent or other depositary in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Company Common Shares or Company Compensatory Award shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6

AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) Acquiror and Company reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided, however, that each such amendment, modification or supplement must be: (i) set out in writing; (ii) agreed to in writing by Acquiror and Company; (iii) filed with the Court and, if made following the Meeting, approved by the Court; and (iv) communicated to holders or former holders of Company securities if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Company at any time prior to the Meeting; provided, however, that Acquiror shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Meeting shall be effective only if: (i) it is consented to in writing by each of Acquiror and Company; (ii) it is filed with the Court (other than amendments contemplated in Subsections 6.1(d) and 6.1(e), which shall not require such filing) and (iii) if required by the Court, it is consented to by holders of the Company Common Shares voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made by Company and Acquiror without the approval of or communication to the Court or the Company Shareholders, provided that it concerns a matter which, in the reasonable opinion of Company and Acquiror is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of arrangement and is not materially adverse to the financial or economic interests of any of the Company Shareholders.

(e) Any amendment, modification or supplement to this Plan of Arrangement may be made by Company and Acquiror without the approval of or communication to the Court or the Company Shareholders to reflect any comments received by the United States Securities and Exchange Commission

(f) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

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ARTICLE 7

FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out therein.

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Annex E

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ANNEX G

July 13, 2014

The Board of Directors

Whiting Petroleum Corporation

1700 Broadway, Suite 2300

Denver, Colorado 80290-2300

Members of the Board of Directors:

You have requested our opinion as to the fairness, from a financial point of view, to Whiting Petroleum Corporation (the Company) of the Exchange Ratio (as defined below) in the proposed plan of arrangement under the Business Corporations Act (British Columbia) involving the Company, 1007695 B.C. Ltd., a wholly-owned subsidiary of the Company (Aquiror Canadian Sub), and Kodiak Oil & Gas Corp. (the Counterparty) pursuant to which (i) Acquiror Canadian Sub will acquire the Counterparty Common Stock (as defined below) (other than shares of Counterparty Common Stock owned, directly or indirectly, by the Company or Acquiror Canadian Sub and shares of Counterparty Common Stock with respect to which Dissent Rights (as defined in the Agreement (as defined below)) have been properly exercised and not withdrawn (collectively, the Excluded Shares)) and (ii) Acquiror Canadian Sub and the Counterparty will be amalgamated to form one corporate entity, with the Counterparty surviving the amalgamation and becoming a direct wholly-owned subsidiary of the Company (the Transaction). Pursuant to the Arrangement Agreement (the Agreement), among the Company, Acquiror Canadian Sub and the Counterparty, each outstanding share of common stock, without par value per share, of the Counterparty (the Counterparty Common Stock) (other than the Excluded Shares) will be deemed to be transferred to Acquiror Canadian Sub in exchange for 0.177 shares (the Exchange Ratio) of the Company s common stock, par value $0.001 per share (the Company Common Stock).

In connection with preparing our opinion, we have (i) reviewed a draft dated July 12, 2014 of the Agreement; (ii) reviewed certain publicly available business and financial information concerning the Counterparty and the Company and the industries in which they operate; (iii) compared the proposed financial terms of the Transaction with the publicly available financial terms of certain transactions involving companies we deemed relevant and the consideration received for such companies; (iv) compared the financial and operating performance of the Counterparty and the Company with publicly available information concerning certain other companies we deemed relevant and reviewed the current and historical market prices of the Counterparty Common Stock and the Company Common Stock and certain publicly traded securities of such other companies; (v) reviewed certain internal financial analyses and forecasts prepared by the management of the Company relating to its and the Counterparty s respective businesses and by the management of the Counterparty relating to its business, as well as the estimated amount and timing of the cost savings and related expenses and synergies expected to result from the Transaction (the Synergies); and (vi) performed such other financial studies and analyses and considered such other information as we deemed appropriate for the purposes of this opinion.

In addition, we have held discussions with certain members of the management of the Counterparty and the Company with respect to certain aspects of the Transaction, and the past and current business operations of the Counterparty and

the Company, the financial condition and future prospects and operations of the Counterparty and the Company, the effects of the Transaction on the financial condition and future prospects of the Company, and certain other matters we believed necessary or appropriate to our inquiry.

In giving our opinion, we have relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with us by the Counterparty and the Company or otherwise reviewed by or for us, and we have not independently verified (nor have we assumed responsibility or

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liability for independently verifying) any such information or its accuracy or completeness. We have not conducted or been provided with any valuation or appraisal of any assets or liabilities, nor have we evaluated the solvency of the Counterparty or the Company under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to us or derived therefrom, including the Synergies, we have assumed that they have been reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of the Counterparty and the Company to which such analyses or forecasts relate. We express no view as to such analyses or forecasts (including the Synergies) or the assumptions on which they were based. We have also assumed that the Transaction and the other transactions contemplated by the Agreement will qualify as a tax-free reorganization for United States federal income tax purposes and will be consummated as described in the Agreement, and that the definitive Agreement will not differ in any material respects from the draft thereof furnished to us. We have also assumed that the representations and warranties made by the Company and the Counterparty in the Agreement and the related agreements are and will be true and correct in all respects material to our analysis. We are not legal, regulatory or tax experts and have relied on the assessments made by advisors to the Company with respect to such issues. We have further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any adverse effect on the Counterparty or the Company or on the contemplated benefits of the Transaction.

Our opinion is necessarily based on economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion and that we do not have any obligation to update, revise, or reaffirm this opinion. Our opinion is limited to the fairness, from a financial point of view, to the Company of the Exchange Ratio in the proposed Transaction and we express no opinion as to the fairness of the Exchange Ratio to the holders of any class of securities, creditors or other constituencies of the Company or as to the underlying decision by the Company to engage in the Transaction. Furthermore, we express no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the Transaction, or any class of such persons relative to the Exchange Ratio in the Transaction or with respect to the fairness of any such compensation**.** We are expressing no opinion herein as to the price at which the Counterparty Common Stock or the Company Common Stock will trade at any future time.

We have acted as financial advisor to the Company with respect to the proposed Transaction and will receive a fee from the Company for our services, a substantial portion of which will become payable only if the proposed Transaction is consummated. In addition, the Company has agreed to indemnify us for certain liabilities arising out of our engagement. During the two years preceding the date of this letter, we and our affiliates have had commercial or investment banking relationships with the Company and the Counterparty for which we and such affiliates have received customary compensation. Such services during such period have included acting as (i) joint bookrunner for the Company s offerings of debt securities in September 2013; (ii) lead arranger and bookrunner for the revolving credit facility of a subsidiary of the Company in October 2012, June 2013 and April 2014; and (iii) co-manager for the Counterparty s offerings of debt securities in January 2013 and July 2013. In addition, our affiliate is an agent bank and a lender under an outstanding revolving credit facility of a subsidiary of the Company, for which it receives customary compensation or other financial benefits. We anticipate that we and our affiliates will arrange and/or provide financing to the Company related to the Transaction for customary compensation. In the ordinary course of our businesses, we and our affiliates may actively trade the debt and equity securities of the Company or the Counterparty for our own account or for the accounts of customers and, accordingly, we may at any time hold long or short positions in such securities.

On the basis of and subject to the foregoing, it is our opinion as of the date hereof that the Exchange Ratio in the proposed Transaction is fair, from a financial point of view, to the Company.

The issuance of this opinion has been approved by a fairness opinion committee of J.P. Morgan Securities LLC. This letter is provided to the Board of Directors of the Company (in its capacity as such) in connection with and

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for the purposes of its evaluation of the Transaction. This opinion does not constitute a recommendation to any shareholder of the Company as to how such shareholder should vote with respect to the Transaction or any other matter. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party for any purpose whatsoever except with our prior written approval. This opinion may be reproduced in full in any proxy or information statement mailed to shareholders of the Company but may not otherwise be disclosed publicly in any manner without our prior written approval.

Very truly yours,

/s/ J.P. MORGAN SECURITIES LLC

J.P. MORGAN SECURITIES LLC

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ANNEX H

July 13, 2014

The Board of Directors

Kodiak Oil & Gas Corp.

1625 Broadway, Suite 250

Denver, CO 80202

Members of the Board:

Kodiak Oil & Gas Corp., a Yukon Territory corporation (Kodiak or the Company), Whiting Petroleum Corporation, a Delaware corporation (Whiting or Parent), and 1007695 B.C. Ltd., a British Columbia company and a wholly-owned subsidiary of Parent (Merger Sub), propose to enter into an Arrangement Agreement, dated as of July 13, 2014 (including, without limitation, the Plan of Arrangement and other documents attached as exhibits to be implemented pursuant thereto, the Arrangement Agreement), pursuant to which (i) Merger Sub shall merge with and into the Company and the separate corporate existence of Merger Sub shall cease, and (ii) the Company shall be the surviving corporation and a direct wholly-owned subsidiary of Parent (including, without limitation, the other actions contemplated by the Plan of Arrangement, the Merger). By virtue of the Merger, each share of common stock of the Company issued and outstanding immediately prior to the Effective Time, as defined in the Arrangement Agreement (other than shares owned by Parent, Merger Sub or any of their Subsidiaries, as defined in the Arrangement Agreement, or held by the Company or any of its Subsidiaries, including any shares held in the treasury of the Company) (the Kodiak Common Stock), shall be converted into the right to receive 0.177 of a share of common stock of Parent, par value $0.001 per share (Whiting Common Stock), subject to certain adjustments and limitations specified in the Arrangement Agreement (such fraction of a share of Whiting Common Stock, the Exchange Ratio).

You have requested our opinion as to whether the Exchange Ratio is fair, from a financial point of view, to the stockholders of Kodiak.

In arriving at our opinion, we have, among other things:

1. reviewed certain publicly available business and financial information relating to Kodiak and Whiting, including, without limitation, (i) Annual Reports on Form 10-K and related audited financial statements of Kodiak and Whiting for the fiscal years ended December 31, 2013, respectively, and (ii) the Quarterly Reports for Kodiak and Whiting on Form 10-Q and related unaudited financial statements for the fiscal quarter ended March 31, 2014;

2. reviewed published analyst reports by independent equity research analysts with respect to the future financial performance and price targets of Kodiak and Whiting;

3. reviewed certain non-public projected financial and operating data relating to Kodiak and Whiting prepared and furnished to us by the respective management teams and staffs of Kodiak and Whiting;

4. reviewed certain estimates of Kodiak s oil and gas reserves, including (i) estimates of proved reserves prepared by Netherland, Sewell & Associates, Inc. (NSAI), as of December 31, 2013, and (ii) estimates of proved developed producing and development reserves prepared by the management and staff of Kodiak as of July 1, 2014;

5. reviewed certain estimates of Whiting s oil and gas reserves, including (i) estimates of proved, probable and possible reserves prepared by Cawley, Gillespie & Associates, Inc. (CGA), as of December 31, 2013 and (ii) estimates of proved, probable and possible reserves and potential resources prepared by the management and staff of Whiting as of July 1, 2014;

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6. discussed current operations, financial positioning and future prospects of Kodiak and Whiting with the respective management teams of Kodiak and Whiting;

7. reviewed historical market prices and trading histories of Kodiak Common Stock and Whiting Common Stock;

8. compared recent stock market capitalization indicators for Kodiak and Whiting with recent stock market capitalization indicators for certain similar publicly-traded independent energy companies;

9. compared the financial terms of the Merger with the financial terms of similar transactions that we deemed relevant;

10. participated in certain discussions and negotiations among the representatives of Kodiak and its legal advisors and Whiting and its financial and legal advisors;

11. reviewed the Arrangement Agreement; and

12. reviewed such other financial studies and analyses and performed such other investigations and have taken into account such other matters as we have deemed necessary and appropriate.

In rendering our opinion, upon the advice of Kodiak and Whiting, we have assumed and relied upon, without assuming any responsibility or liability for or independently verifying the accuracy or completeness of, all of the information publicly available and all of the information supplied or otherwise made available to us by Kodiak and Whiting. We have further relied upon the assurances of representatives of the respective managements of Kodiak and Whiting that they are unaware of any facts that would make the information provided to us incomplete or misleading in any material respect. With respect to projected financial and operating data, we have assumed, upon the advice of Kodiak and Whiting, that such data have been prepared in a manner consistent with historical financial and operating data and reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the managements and staffs of Kodiak and Whiting relating to the future financial and operational performance of Kodiak and Whiting, respectively. We express no view as to any projected financial and operating data relating to Kodiak and Whiting or the assumptions on which they are based. With respect to the estimates of oil and gas reserves and potential resources, we have assumed, upon the advice of Kodiak and Whiting, that they have been prepared in a manner consistent with historical estimates of oil and gas reserves and potential resources and reasonably prepared on bases reflecting the best available estimates and good faith judgments of the managements and staffs of Kodiak and Whiting (and NSAI and CGA, as applicable) relating to the oil and gas properties of Kodiak and Whiting, respectively. We express no view as to any reserve or potential resource data relating to Kodiak and Whiting or the assumptions on which they are based. We have not made an independent evaluation or appraisal of the assets or liabilities of Kodiak or Whiting, nor, except for the estimates of oil and gas reserves, potential resources and prospects referred to above, have we been furnished with any such evaluations or appraisals, nor have we evaluated the solvency or fair value of Kodiak or Whiting under any state, provincial, United States federal or Canadian laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct, nor have we conducted, any physical inspection of the properties or facilities of Kodiak or Whiting.

For purposes of rendering our opinion, we have assumed, in all respects material to our analysis, that the representations and warranties of each party contained in the Arrangement Agreement are true and correct, that each party will perform all of the covenants and agreements required to be performed by it under the Arrangement Agreement and that all conditions to consummation of the Merger will be satisfied without material waiver or modification thereof. We have further assumed, upon the advice of Kodiak, that all governmental, regulatory or other consents, approvals or releases necessary for the consummation of the Merger will be obtained without any material delay, limitation, restriction or condition that would have an adverse effect on Kodiak or Whiting or on the consummation of the Merger or that would materially reduce the benefits of the Merger to Kodiak.

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Our opinion relates solely to the fairness, from a financial point of view, of the Exchange Ratio to the stockholders of Kodiak. We do not express any view on, and our opinion does not address, the fairness of the proposed Merger to, or any consideration received in connection therewith by, any creditors or other constituencies of Kodiak, nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Kodiak, or any class of such persons, whether relative to the Exchange Ratio or otherwise. We have assumed that any modification to the structure of the Merger will not vary in any material respect from what has been assumed in our analysis. Our advisory services and the opinion expressed herein are provided for the information and benefit of the Board of Directors of Kodiak in connection with its consideration of the transactions contemplated by the Arrangement Agreement, and our opinion does not constitute a recommendation to any holder of Kodiak Common Stock as to how such holder should vote with respect to any of the transactions contemplated by the Arrangement Agreement. The issuance of this opinion has been approved by the Opinion Committee of Petrie Partners Securities, LLC. Our opinion does not address the relative merits of the Merger as compared to any alternative business transaction or strategic alternative that might be available to Kodiak, nor does it address the underlying business decision of Kodiak to engage in the Merger. Furthermore, we have not solicited, nor have we been asked to solicit, proposals from other parties to engage in other transactions with Kodiak. We have not been asked to consider, and this opinion does not address, the tax consequences of the Merger to any particular stockholder of Kodiak, or the prices at which Kodiak Common Stock or Whiting Common Stock will actually trade at any time, including following the announcement or consummation of the Merger. We are not rendering any legal, accounting, tax or regulatory advice and understand that Kodiak is relying on other advisors as to legal, accounting, tax and regulatory matters in connection with the Merger.

As you are aware, we are acting as financial advisor to Kodiak, and we will receive a fee from Kodiak for our services upon the rendering of this opinion regardless of the conclusions expressed herein. Kodiak has also agreed to reimburse our expenses, and we will be entitled to receive a success fee if the Merger is consummated. In addition, Kodiak has agreed to indemnify us for certain liabilities possibly arising out of our engagement. During the two-year period prior to the date hereof, no material relationship existed between us and our affiliates, on the one hand, and Kodiak or Whiting and their applicable affiliates, on the other hand, pursuant to which we or any of our affiliates received compensation as a result of such relationship. We may provide financial or other services to Kodiak and Whiting in the future and in connection with any such services we may receive customary compensation for such services. Furthermore, in the ordinary course of business, we or our affiliates may trade in the debt or equity securities of Kodiak and Whiting for our own account and, accordingly, may at any time hold long or short positions in such securities.

Our opinion is rendered on the basis of conditions in the securities markets and the oil and gas markets as they exist and can be evaluated on the date hereof and the conditions and prospects, financial and otherwise, of Kodiak and Whiting as they have been represented to us as of the date hereof or as they were reflected in the materials and discussions described above. It is understood that subsequent developments may affect this opinion and that we do not have any obligation to update, revise or reaffirm this opinion.

This opinion may not be disclosed, quoted, referred to or communicated (in whole or in part) to any third party for any purpose whatsoever except with our prior written approval, except Kodiak may describe and reproduce this opinion (but only in full) in any document that is required to be filed with Canadian courts or other Canadian governmental organizations or the U.S. Securities and Exchange Commission and required to be mailed by Kodiak or Whiting to its stockholders relating to the Merger; *provided*, *however*, that all references to us or our opinion in any such document and the description or inclusion of our opinion therein shall be subject to our prior written consent with respect to form and substance, which consent shall not be unreasonably withheld or delayed.

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Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Exchange Ratio is fair, from a financial point of view, to the stockholders of Kodiak.

Very truly yours,

PETRIE PARTNERS SECURITIES, LLC

By: /s/ Jon C. Hughes
Jon C. Hughes

Managing Director

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ANNEX I

[LETTERHEAD OF CREDIT SUISSE SECURITIES (USA) LLC]

July 13, 2014

Kodiak Oil & Gas Corp.

1625 Broadway, Suite 250

Denver, Colorado 80202

Attention: Board of Directors

Members of the Board:

You have asked us to advise you in your capacity as the Board of Directors of Kodiak Oil & Gas Corp. (the Company) with respect to the fairness, from a financial point of view, to the holders of Company Common Shares (as defined below) of the Exchange Ratio (as defined below) in the Transaction (as defined below) pursuant to the Arrangement Agreement, dated July 13, 2014 (the Agreement), among Whiting Petroleum Corporation (the Acquiror), 1007695 B.C. LTD., a wholly owned subsidiary of the Acquiror (Acquiror Canadian Sub), and the Company. We understand that, among other things, pursuant to the Agreement and the associated Plan of Arrangement, Acquiror Canadian Sub will acquire each outstanding common share, without par value per share (Company Common Shares), of the Company from the holders thereof in exchange for 0.177 of a share (the Exchange Ratio) of common stock, U.S. $0.001 par value per share (Acquiror Common Stock), of the Acquiror and the Company will become a wholly owned subsidiary of the Acquiror (the Transaction).

In arriving at our opinion, we have reviewed the Agreement, including the Plan of Arrangement attached as Exhibit C thereto, and certain publicly available business and financial information relating to the Company and the Acquiror. We have also reviewed certain other information relating to the Company and the Acquiror, including financial forecasts and projected operating and capital expenses relating to the Company prepared by and provided to us by Company management (the Company Projections) and financial forecasts and projected operating and capital expenses relating to the Acquiror prepared by and provided to us by Acquiror management (the Acquiror Projections). We have also reviewed certain oil and gas reserve reports prepared by the Company s third-party oil and gas reserves consultants with respect to the Company s proved oil and gas reserves (the Company Proved Reserve Reports); information regarding the Company s proved, probable and possible oil and gas reserves and the Company s other oil and gas resources prepared by Company management (the Company Reserves and Resource Information); riskings for the Company s proved, probable and possible oil and gas reserves and the Company s other oil and gas resources prepared by Company management (the Company Riskings); certain oil and gas reserve reports prepared by the Acquiror s third-party oil and gas reserves consultants with respect to the Acquiror s proved, probable and possible reserves (the Acquiror Reserve Reports) and adjustments to the reserves estimates set forth therein prepared and provided to us by Acquiror management to reflect, among other things, updated information (such reserves estimates, as so adjusted by Acquiror management, the Acquiror Reserves Information); information regarding the Acquiror s other oil and gas resources prepared by Acquiror management (the Acquiror Resource Information); and riskings for the Acquiror s proved, probable and possible oil and gas reserves and the Acquiror s other oil and gas resources prepared by management of the Company (the Company Riskings for the Acquiror). We have also spoken with the management of the Company and the Acquiror and certain of their representatives regarding the business and prospects of the Company and the Acquiror, and the Company s and the Acquiror s proved, probable and possible oil

and gas reserves and other oil and gas resources. We have also reviewed certain publicly available market data regarding future oil and gas commodity pricing (collectively, including information regarding pricing differentials applicable to the Company s proved, probable and possible oil and gas reserves and the Company s other oil and gas resources, as provided by Company management and information regarding pricing differentials applicable to the Acquiror s proved, probable and possible oil and gas

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reserves and the Acquiror s other oil and gas resources, as provided by Acquiror management, the Oil and Gas Pricing Data). We have also considered certain financial and stock market data of the Company and the Acquiror, and we have compared that data with similar data for other companies with publicly traded equity securities in businesses we deemed similar to those of the Company and the Acquiror, respectively, and we have considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions which have been effected or announced. We also considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which we deemed relevant.

In connection with our review, we have not independently verified any of the foregoing information, and we have assumed and relied upon such information being complete and accurate in all respects material to our analyses and this opinion. With respect to the Company Projections that we have used in our analyses, management of the Company has advised us and we have assumed that such financial forecasts have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of the Company as to the future financial performance of the Company. With respect to the Acquiror Projections that we have used in our analyses, management of the Acquiror has advised us and we have assumed that such financial forecasts have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of the Acquiror as to the future financial performance of the Acquiror. With respect to the Company Proved Reserve Reports that we have reviewed, we have assumed that such reports have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the Company s third-party oil and gas reserves consultants as to the Company s proved oil and gas reserves. With respect to the Company Reserves and Resource Information that we have reviewed, we have been advised and have assumed that such information has been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of the Company as to the Company s proved, probable and possible oil and gas reserves and the Company s other oil and gas resources. With respect to the Company Riskings, we have been advised and have assumed that they have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of the Company as to the appropriate riskings for the Company s proved, probable and possible oil and gas reserves and the Company s other oil and gas resources. With respect to the Acquiror Reserve Reports that we have reviewed, we have assumed that such reports have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the Acquiror s third-party oil and gas reserves consultants as to the Acquiror s proved, probable and possible oil and gas reserves. With respect to the Acquiror Reserves Information and the Acquiror Resource Information that we have reviewed, we have been advised and have assumed that such information has been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of the Acquiror as to the Acquiror s proved, probable and possible oil and gas reserves and the Acquiror s other oil and gas resources. With respect to the Company Riskings for the Acquiror, we have been advised and have assumed that they have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of the Company as to the appropriate riskings for the Acquiror s proved, probable and possible oil and gas reserves and the Acquiror s other oil and gas resources.

We express no view or opinion with respect to the Company Projections, the Acquiror Projections, the Company Proved Reserve Reports, the Company Reserves and Resource Information, the Company Riskings, the Acquiror Reserve Reports, the Acquiror Reserve Information, the Acquiror Resource Information, the Company Riskings for the Acquiror or the Oil and Gas Pricing Data, or the assumptions upon which any of them are based and at the direction of management of the Company have assumed that the Company Projections, the Acquiror Projections, the Company Reserves and Resource Information, the Company Riskings, the Acquiror Reserve Information, the Acquiror Resource Information, the Company Riskings for the Acquiror and the Oil and Gas Pricing Data are a reasonable basis on which to evaluate the Company, the Acquiror and the Transaction and we have used and relied upon such information for purposes of our analyses and this opinion.

In addition, we have relied upon, without independent verification (i) the assessments of the managements of the Company and the Acquiror with respect to the Acquiror s ability to integrate the businesses of the Company and

the Acquiror and (ii) the assessments of the management of the Company and the Acquiror as to the Company s and the Acquiror s existing technology and future capabilities with respect to the extraction of the Company s and the Acquiror s oil and gas reserves and other oil and gas resources and, with your consent, have assumed that there have been no developments that would adversely affect such management s views with respect to such technologies and capabilities. You have advised us and for purposes of our analyses and our opinion we have assumed that, for U.S. federal income tax purposes, the Transaction will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. We also have assumed, with your consent, that, in the course of obtaining any regulatory or third party consents, approvals or agreements in connection with the Transaction, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Company, the Acquiror or the contemplated benefits of the Transaction, that the Transaction will be consummated in accordance with all applicable Canadian, United States, federal, provincial, state and local laws including, without limitation, Section 288 of the Business Corporations Act (British Columbia), and that the Transaction will be consummated in accordance with the terms of the Agreement and the associated Plan of Arrangement, without waiver, modification or amendment of any term, condition or agreement thereof that is material to our analyses or this opinion. In addition, we have not been requested to make, and have not made, an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of the Company or the Acquiror, nor have we been furnished with any such evaluations or appraisals other than the Company Proved Reserve Reports, the Company Reserves and Resource Information, the Acquiror Reserve Reports, the Acquiror Reserve Information and the Acquiror Resource Information.

Our opinion addresses only the fairness, from a financial point of view, to the holders of Company Common Shares of the Exchange Ratio in the Transaction pursuant to the Agreement and does not address any other aspect or implication (financial or otherwise) of the Transaction or any agreement, arrangement or understanding entered into in connection therewith or otherwise, including, without limitation, the implications of any potential modifications or limitations, or the elimination of, any existing tax structures or benefits currently available to or being utilized by the Company or the Acquiror (it being understood that for purposes of our analyses and this opinion, we have assumed that no such modifications, limitations or elimination will occur), the continuance of the Company from the jurisdiction of the Yukon Territory to the jurisdiction of the Province of British Columbia, any related or unrelated refinancings of the Company s outstanding indebtedness or the fairness of the amount or nature of, or any other aspect relating to, any compensation or consideration to be received or otherwise payable to any officers, directors, employees, securityholders or affiliates of any party to the Transaction, or class of such persons, relative to the Exchange Ratio or otherwise. Furthermore, we are not expressing any advice or opinion regarding matters that require legal, regulatory, accounting, insurance, tax, environmental, executive compensation or other similar professional advice including, without limitation, any advice regarding the amounts of any company s oil and gas reserves or other oil and gas resources, the riskings of such reserves or other resources or any other aspects of any company s (including the Company s or the Acquiror s) oil and gas reserves or other oil and gas resources. We have assumed that the Company has or will obtain such advice or opinions from the appropriate professional sources. The issuance of this opinion was approved by our authorized internal committee.

Our opinion is necessarily based upon information made available to us as of the date hereof and financial, economic, market and other conditions as they exist and can be evaluated on the date hereof. We have not undertaken, and are under no obligation, to update, revise, reaffirm or withdraw this opinion, or otherwise comment on or consider events occurring or coming to our attention after the date hereof. In addition, as you are aware, the financial projections and estimates that we have reviewed relating to the future financial performance of the Company and the Acquiror reflect certain assumptions regarding the oil and gas industry and future commodity prices associated with that industry that are subject to significant uncertainty and volatility and that, if different than assumed, could have a material impact on our analyses and this opinion. Our opinion does not address the relative merits of the Transaction as compared to alternative transactions or strategies that might be available to the Company, nor does it address the underlying business decision of the Board of Directors of the Company (the Board) or the Company to proceed with or effect the

Transaction. We are not expressing any opinion as to what the value of shares of Acquiror Common Stock actually will be when issued pursuant to the

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Transaction or the price or range of prices at which Company Common Shares or Acquiror Common Stock may be purchased or sold at any time. We have assumed that the shares of Acquiror Common Stock to be issued to the holders of Company Common Shares in the Transaction will be approved for listing on the New York Stock Exchange prior to the consummation of the Transaction. We have not been requested to, and did not, initiate or participate in any discussions or negotiations with respect to the Exchange Ratio or any other aspect of the Transaction or, except in connection with the Prior Engagement (as defined below), solicit any indications of interest from, third parties with respect to the securities, assets, businesses or operations of the Company or any alternatives to the Transaction and, consequently, express no view or opinion with respect to whether other parties might be interested in acquiring the securities, assets, businesses or operations of the Company or the prices such other parties might be willing to pay for the securities, assets, businesses or operations of the Company.

We were engaged by the Company to render our opinion with respect to the fairness, from a financial point of view, to the holders of Company Common Shares of the Exchange Ratio in the Transaction pursuant to the Agreement and will receive a fee for our services, which became payable to us upon the rendering of our opinion. In addition, the Company has agreed to reimburse certain of our expenses and to indemnify us and certain related parties for certain liabilities and other items arising out of or related to our engagement. We and our affiliates may have provided other financial advice and services, and may in the future provide financial advice and services, to the Company, the Acquiror and their respective affiliates for which we and our affiliates have received, and would expect to receive, compensation including, during the past two years, having acted as a financial advisor to the Company in 2012 in connection with the Company s consideration of a potential sale or certain other strategic transactions involving the Company (the Prior Engagement) and having acted as representative of the initial purchasers in offerings of senior debt securities of the Company in July 2013 and January 2013 and a lender to the Company under certain loan and/or credit facilities. We are a full service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, we and our affiliates may acquire, hold or sell, for our and our affiliates own accounts and the accounts of customers, any currency or commodity that may be involved in the Transaction and equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company, the Acquiror and any other company that may be involved in the Transaction, as well as provide investment banking and other financial services to such companies and their affiliates.

It is understood that this letter is for the information of the Board (in its capacity as such) in connection with its consideration of the Transaction and does not constitute a recommendation to the Board with respect to the proposed Transaction or advice or a recommendation to any holder of Company Common Shares as to how such holder should vote or act on any matter relating to the proposed Transaction.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Exchange Ratio in the Transaction pursuant to the Agreement is fair, from a financial point of view, to the holders of Company Common Shares.

Very truly yours,

CREDIT SUISSE SECURITIES (USA) LLC

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ANNEX J

DIVISION 2 OF PART 8 OF THE BCBCA

Division 2 Dissent Proceedings

Definitions and application

237 (1) In this Division:

dissenter means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

notice shares means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

payout value means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder s shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company s community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

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(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company s undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder s own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder s name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder s name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder s own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder s name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder s own behalf, the shareholder s right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

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(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of

dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

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Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder s name.

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(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,
(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,
(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

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(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter s notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter s notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

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(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

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ANNEX K

YBCA DISSENT PROCEDURES

Shareholder s right to dissent

193(1) Subject to sections 194 and 243, a holder of shares of any class of a corporation may dissent if the corporation resolves to

(a) amend its articles under section 175 or 176 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class;

(b) amend its articles under section 175 to add, change or remove any restrictions on the business or businesses that the corporation may carry on;

(c) amalgamate with another corporation, otherwise than under section 186 or 189;

(d) be continued under the laws of another jurisdiction under section 191; or

(e) sell, lease or exchange all or substantially all its property under section 192.

(2) A holder of shares of any class or series of shares entitled to vote under section 178 may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

(a) at or before any meeting of shareholders at which the resolution is to be voted on; or

(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder s right to dissent, within a reasonable time after learning that the resolution was adopted and of the right to dissent.

(6) An application may be made to the Supreme Court after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation; or

(b) by a shareholder if an objection to the corporation under subsection (5) has been sent by the shareholder, to set the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section.

(7) If an application is made under subsection (6), the corporation shall, unless the Supreme Court otherwise orders, send to each dissenting shareholder a written offer to pay an amount considered by the directors to be the fair value of the shares to that shareholder.

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(8) Unless the Supreme Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant; or

(b) within 10 days after the corporation is served with a copy of the originating notice, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms; and

(b) contain or be accompanied by a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of that shareholder s shares by the corporation, in the amount of the corporation s offer under subsection (7) or otherwise, at any time before the Supreme Court pronounces an order setting the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6); and

(b) except in special circumstances shall not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Supreme Court may give directions for

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Supreme Court, are in need of representation;

(b) the trial of issues and interlocutory matters, including pleadings and examinations for discovery;

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares;

(d) the deposit of the share certificates with the Supreme Court or with the corporation or its transfer agent;

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them;

(f) the service of documents; and

(g) the burden of proof on the parties.

(13) On an application under subsection (6), the Supreme Court shall make an order

(a) setting the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application;

(b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders; and

(c) setting the time within which the corporation must pay that amount to a shareholder.

(14) On

(a) the action approved by the resolution from which the shareholder dissents becoming effective;

(b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for that shareholder s shares, whether by the acceptance of the corporation s offer under subsection (7) or otherwise; or

(c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Paragraph (14)(a) does not apply to a shareholder referred to in paragraph (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

(a) the shareholder may withdraw the dissent; or

(b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Supreme Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder because of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

(a) the pronouncement of an order under subsection (13); or

(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Even though a judgment has been given in favour of a dissenting shareholder under paragraph (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to having full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b)

the realizable value of the corporation s assets would thereby be less than the aggregate of its liabilities. *S.Y. 2002, c.20, s.193*

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ANNEX L

FORM OF THE NEW NOTICE OF ARTICLES

AND ARTICLES OF KODIAK

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NOTICE OF ARTICLES

A. NAME OF COMPANY

Set out the name of the company as set out in Item A of the Continuation Application.

Kodiak Oil & Gas Corp.

B. TRANSLATION OF COMPANY NAME

Set out every translation of the company name that the company intends to use outside of Canada.

C. DIRECTOR NAME(S) AND ADDRESS(ES)

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual s residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

LAST NAME FIRST NAME MIDDLE NAME	DELIVERY ADDRESS INCLUDING PROVINCE/STATE, COUNTRY AND POSTAL/ ZIP CODE	MAILING ADDRESS INCLUDING PROVINCE/STATE, COUNTRY AND POSTAL/ ZIP CODE
Peterson, Lynn A.	1625 Broadway, Suite 250 Denver, Colorado U.S.A. 80202	
Catlin, James E.	1625 Broadway, Suite 250 Denver, Colorado U.S.A. 80202	
Knutson, Rodney D.	1625 Broadway, Suite 250 Denver, Colorado U.S.A. 80202	
Lidstone, Jr., Herrick K.	1625 Broadway, Suite 250	

	Denver, Colorado
	U.S.A. 80202
Krysiak, William J.	1625 Broadway, Suite 250
	Denver, Colorado
	U.S.A. 80202

D. REGISTERED OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY S REGISTERED OFFICE (INCLUDING BC and POSTAL CODE)

Robson Court, 1000 840 Howe Street, Vancouver, BC V6Z 2M1

MAILING ADDRESS OF THE COMPANY S REGISTERED OFFICE (INCLUDING BC and POSTAL CODE)

Robson Court, 1000 840 Howe Street, Vancouver, BC V6Z 2M1

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E. RECORDS OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY S RECORDS OFFICE (INCLUDING BC and POSTAL CODE)

Robson Court, 1000 840 Howe Street, Vancouver, BC V6Z 2M1

MAILING ADDRESS OF THE COMPANY S RECORDS OFFICE (INCLUDING BC and POSTAL CODE)

Robson Court, 1000 840 Howe Street, Vancouver, BC V6Z 2M1

F. AUTHORIZED SHARE STRUCTURE

	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number	Kind of shares of this class or series of shares		Are there special rights or restrictions attached to the shares of this class or series of shares?
Identifying name of class or series of shares	MAXIMUM NUMBER OF SHARES AUTHORIZED OR NO MAXIMUM NUMBER	PAR VALUE OR WITHOUT PAR VALUE	TYPE OF CURRENCY	YES/NO
Common	no maximum number	without par value	n/a	No

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Incorporation Number: _____

ARTICLES

OF

KODIAK OIL & GAS CORP.

Province of British Columbia

Business Corporations Act

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PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

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SHARES

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DIVISIONS AND DEPARTMENTS

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NOTICES

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ALTERATIONS

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Incorporation Number: _____

ARTICLES OF

KODIAK OIL & GAS CORP.

(the Company)

ARTICLE 1

INTERPRETATION

Section 1.1 Definitions

In these Articles, unless the context otherwise requires:

Act means the *Business Corporations Act* (British Columbia), and any statute that may be substituted therefor, as from time to time amended; marginal references to sections of the Act herein are not made for the purpose of modifying or affecting the meaning of any provision of these Articles in any way but are inserted only for the purpose of directing the attention to provisions of the Act which may be regarded as relevant;

appoint includes elect and vice versa;

Articles means these Articles, as from time to time amended or restated;

Board means the Board of Directors of the Company;

Company means the company continued by Certificate of Continuation under the Act and named: KODIAK OIL & GAS CORP.

meeting of Shareholders includes an annual general meeting of Shareholders and a special meeting of Shareholders;
special meeting of Shareholders includes both a meeting of any class or classes acting separately from any other class or classes and also a general meeting, other than an annual general meeting, of all Shareholders entitled to vote at general meetings of Shareholders;

non-business day means Saturday, Sunday and any other day that is a holiday as defined in the *Interpretation Act* (British Columbia);

recorded address means in the case of a Shareholder his 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 holdings determined under Section 8.9; and in the case of a Director, Officer, auditor or member of a Committee of Directors, his latest address as recorded in the records of the Company; and

Securities Transfer Act means the *Securities Transfer Act* (British Columbia), and any statute that may be substituted therefor, as from time to time amended.

Save as aforesaid, words and expressions defined in the Act have the same meaning when used herein; and words importing the singular number include the plural and vice versa; words importing gender include the masculine,

feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships trusts and unincorporated organizations.

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ARTICLE 2

BUSINESS OF THE COMPANY

Section 2.1 Registered Office

The registered office of the Company shall be at such location in the Province of British Columbia as the Board may from time to time determine by directors resolution.

Section 2.2 Common Seal

Until changed by the Board, the common seal of the Company and any facsimiles thereof adopted by the Board for use in jurisdictions outside British Columbia shall be in the form approved by the Directors.

Section 2.3 Financial Year

The financial year of the Company shall end on the day in each year that is established by the Board.

Section 2.4 Execution of Instruments

Deeds, transfers, assignments, contracts, obligations, certificates and other instruments required by law or otherwise by these Articles or any resolution of the Board or Shareholders of the Company to be executed under common seal may be signed on behalf of the Company by either the President or the Secretary of the Company. However, 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 or sealed. Any signing Officer may affix the common seal to any instrument requiring the same.

Section 2.5 Banking Arrangements

The banking business of the Company 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 by resolution prescribe or authorize.

Section 2.6 Voting Rights in Other Bodies Corporate

The signing Officers of the Company 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 Company. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the Officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition the Board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

Section 2.7 Withholding Information from Shareholders

Subject to the provisions of the Act, no Shareholder shall be entitled to discovery of any information respecting any details or conduct of the Company s business which, in the opinion of the Board, it would be inexpedient in the

interests of the Shareholders or the Company to communicate to the public. The Board may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts, records and documents of the Company or any of them shall be open to the inspection of Shareholders and no Shareholder shall have any right of inspecting any account, record or document of the Company except as conferred by the Act or authorized by the Board or by resolution passed at a general meeting of Shareholders.

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ARTICLE 3

BORROWING AND SECURITIES

Section 3.1 Borrowing Power

Without limiting the powers of the Company as set forth in the Act, the Board is authorized from time to time:

(1) to borrow money upon the credit of the Company in such amounts and on such terms as may be deemed expedient by obtaining loans or advances or by way of overdraft or otherwise;

(2) to issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantees of the Company, whether secured or unsecured for such sums and at such prices as may be deemed expedient;

(3) subject to the Act, to issue guarantees on behalf of the Company to secure the performance of the obligations of any person; and

(4) to charge, 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 and undertaking of the Company, including book debts, rights, powers and franchises for the purpose of securing any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness or liability of the Company.

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

Section 3.2 Delegation of Borrowing Power

The Board may from time to time delegate to such one or more of the Directors or Officers of the Company as may be designated by the Board all or any of the powers conferred on the Board by Section 3.1 to such extent and in such manner as the Board shall determine at the time of each such delegation.

ARTICLE 4

DIRECTORS

Section 4.1 Number of Directors and Quorum

The Board shall consist of not fewer than three and not more than ten Directors. Subject to Section 4.7 and subject also to the Act, the quorum for the transaction of business at any meeting of the Board shall consist of a majority of the Directors.

Section 4.2 Qualification

No person shall be qualified for election as a Director if he is not qualified as required by the Act to become or act as a Director. A Director need not be a Shareholder.

Section 4.3 Election and Term

Each Director named in the Notice of Articles filed at the time of continuation shall hold office from the date of the Certificate of Continuation until the first meeting of Shareholders thereafter. An election of Directors shall take place at such first meeting of Shareholders and at each annual general meeting of Shareholders thereafter and all the Directors then in office shall retire but, if qualified, shall be eligible for re-election. A Director shall retain office only until the election of his successor. The number of Directors to be elected at any such meeting shall be the number of Directors then in office unless the Directors or the Shareholders otherwise determine. The election shall be by ordinary resolution of the Shareholders. If an election of Directors is not held at the proper time, the incumbent Directors shall continue in office until their successors are elected.

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Section 4.4 Removal of Directors

Subject to the provisions of the Act, the Shareholders may by ordinary resolution passed at a special meeting remove any Director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by the Directors.

Section 4.5 Vacation of Office

A Director ceases to hold office when: he dies; he is removed from office by the Shareholders; he ceases to be qualified for election as a Director; or his written resignation is sent or delivered to the Company, or if a time is specified in such resignation, at the time so specified, whichever is later.

Section 4.6 Vacancies

Subject to the Act and these Articles, a quorum of the Board may fill a vacancy in the Board, except a vacancy resulting from an increase in the minimum number of Directors or from a failure of the Shareholders to elect the minimum number of Directors. The Board may, between annual general meetings of the Company, appoint one of more additional directors to serve until the next annual general meeting but the number of additional directors shall not at any time exceed one third of the number of directors who held office at the expiration of the last annual general meeting, and in no event shall the total number of directors exceed the maximum number of directors fixed pursuant to Section 4.1 of these Articles. In the absence of a quorum of the Board, or if the vacancy has arisen from a failure of the Shareholders to elect the minimum number of Directors, the Board shall forthwith call a special meeting of Shareholders to fill the vacancy. If the Board fails to call such meeting or if there are no such Directors then in office, any Shareholder may call the meeting.

Section 4.7 Action by the Board

The Board shall manage the business and affairs of the Company. The powers of the Board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing, whether by document, telegram, telecopy or any method of transmitting legibly recorded messages or other means, signed by all the Directors entitled to vote on that resolution at a meeting of the Board and any resolution in writing so signed shall be as valid as if it had been passed at a meeting of Directors or a Committee of Directors and shall be held to relate to any date therein stated to be the effective date thereof, and a copy of every such resolution in writing shall be kept with the minutes of the proceedings of Directors or Committee of Directors. 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. Where the Company has only one Director, that Director may constitute a meeting. An act of a Director is valid notwithstanding any irregularity in his election or appointment or a defect in his qualifications.

Section 4.8 Meetings by Telephone

If all of the Directors consent, a Director may participate in a meeting of the Board or of a Committee of Directors by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, 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 Directors held while a Director holds office.

Section 4.9 Place of Meeting

Meetings of the Board may be held at any place in or outside Canada.

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Section 4.10 Calling of Meetings

Meetings of the Board shall be held from time to time and at such place as the Board may determine. In addition, each of the Chairman of the Board, the Managing Directors, the President or any two Directors may convene or direct the convening of a meeting of the Board.

Section 4.11 Notice of Meeting

Except as otherwise provided in Section 4.12, notice of the time and place of each meeting of the Board shall be given in the manner provided in Section 12.1 to each Director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of Directors need not specify the purpose of or the business to be transacted at the meeting except where such purpose or business includes any proposal to:

(1) submit to the Shareholders any question or matter requiring approval of the Shareholders;

(2) fill a vacancy among the Directors or in the office of auditor;

(3) issue securities;

(4) declare dividends;

(5) purchase, redeem, or otherwise acquire shares of the Company;

(6) pay a commission for the sale of shares;

(7) approve a management proxy circular;

(8) approve any annual financial statements; or

(9) adopt, amend or repeal these Articles.

A Director may in any manner waive notice of or otherwise consent to a meeting of the Board either before or after the convening of the meeting.

Section 4.12 Regular Meetings

The Board may by resolution appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named in the resolution. No notice shall be required for any such regular meeting.

Section 4.13 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 or portion thereof is elected.

Section 4.14 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.

Section 4.15 Chairman

The Chairman 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: Chairman of the Board, Managing Director, President, or Vice-President who is a Director. If no such Officer is present, the Directors present shall choose one of their number to be Chairman.

Section 4.16 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 cases of an equality of votes the Chairman of the meeting shall not be entitled to a second or casting vote.

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Section 4.17 Conflict of Interest

A Director or Officer 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 proposed material contract with the Company shall disclose the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or proposed contract shall be referred to the Board or Shareholders for approval even if such contract is one that in the ordinary course of the Company s business would not require approval by the Board or Shareholders, and a Director interested in a contract so referred to the Board shall not vote on any resolution to approve the same except as provided by the Act.

Section 4.18 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 Company in any other capacity and receiving remuneration therefor.

ARTICLE 5

COMMITTEES

Section 5.1 Committee of Directors

(1) The Board may appoint one or more Committees of Directors, however designated, and delegate to such committee any of the powers of the Board except those which, under the Act, a Committee of Directors has no authority to exercise.

(2) The Board may by resolution appoint an Executive Committee to consist of such member or members of their body as they think fit, which Committee shall have, and may exercise during the intervals between the meetings of the Board, all the powers vested in the Board except the power to fill vacancies in the Board, the power to change the membership of, or fill vacancies in, said Committee or any other committee of the Board and such other powers, if any, as may be specified in the resolution. The said Committee shall keep regular minutes of its transactions and shall cause them to be recorded in books kept for that purpose, and shall report the same to the Board of Directors at such times as the Board of Directors may from time to time require. The Board shall have the power at any time to revoke or override the authority given to or acts done by the Executive Committee except as to acts done before such revocation or overriding and to terminate the appointment or change the membership of such Committee and to fill vacancies in it. The Executive Committee may make rules for the conduct of its business and may appoint such assistants as it may deem necessary. A majority of the members of said Committee shall constitute a quorum thereof.

(3) The Board may from time to time by resolution constitute, dissolve or reconstitute standing committees and other committees consisting of such persons as the Board may determine. Every committee constituted by the Board shall have the powers, authorities and discretions delegated to it by the Board (which shall not include the power to fill vacancies in the Board and the power to change the membership of or fill vacancies in any committee constituted by the Board or the power to appoint or remove officers appointed by the Board) and shall conform to

the regulations which may from time to time be imposed upon it by the Board.

(4) The Executive Committee and any other committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the committee present, and in case of an equality of votes the chairman shall not have a second or casting vote. A resolution approved in writing by all the members of the Executive Committee or any other committee shall be as valid and effective as if it had been passed at a meeting of such Committee duly called and constituted. Such resolution may be in two or more counterparts which together shall be deemed to constitute one resolution in writing. Such resolution shall be filed with the minutes of the proceedings of the committee and shall be effective on the date stated thereon or on the latest date stated in any counterpart.

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Section 5.2 Transaction of Business

Subject to the provisions of Section 4.7, the powers of a Committee of Directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the 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 Canada.

Section 5.3 Audit Committee

When required by the Act the Board shall, and at any other time the Board may, elect annually from among its number an audit committee to be composed of not fewer than three directors of whom a majority shall not be Officers or employees of the Company or its affiliates. The audit committee shall have the powers and duties provided in the Act.

Section 5.4 Procedure

Unless otherwise determined by the Board, each Committee of Directors shall have the power to fix its quorum at not less than a majority of its members, to elect its Chairman and to regulate its procedure.

ARTICLE 6

OFFICERS

Section 6.1 Appointment

The Board may from time to time appoint a President, 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 (herein referred to as **Officers**). The Board may specify the duties of and, in accordance with these Articles and subject to the provisions of the Act, delegate to such Officers powers to manage the business and affairs of the Company. Subject to Sections 6.2, 6.3 and 6.4, an Officer may but need not be a Director and one person may hold more than one office.

Section 6.2 Chairman of the Board

The Board may from time to time also appoint a Chairman of the Board who shall be a Director. The Chairman of the Board shall, when present, preside at all meetings of the Board, Committees of Directors and at all meetings of shareholders. In addition, the Board may assign to him any of the powers and duties that may by the provisions of these Articles be assigned to the Managing Director or to the President; and he shall have such other powers and duties as the Board may specify.

Section 6.3 Managing Director

The Board may from time to time appoint a Managing Director who shall be a Director. If appointed, he shall be the Chief Executive Officer and, subject to the authority of the Board, shall have general supervision of the business and affairs of the Company; and he shall, subject to the provisions of the Act, have such other powers and duties as the Board may specify. During the absence or disability of the President, or if no President has been appointed, the Managing Director shall also have the powers and duties of the President s office.

Section 6.4 President

The Board, from time to time, may elect from its number, a President. The President, in the absence or non-appointment of the Chairman of the Board, shall preside at meetings of the Board and at all meetings of the Shareholders. He shall have general and active management of the business and affairs of the Company, and without limitation to the foregoing:

(1) he shall have general supervision and direction of all the other officers of the Company;

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(2) he shall submit the annual report of the Board, if any, and the annual balance sheets and financial statements of the business and affairs and reports on the financial position of the Company as required by the statutes to the annual general meeting and from time to time shall report to the Board on all matters within his knowledge which the interest of the Company requires to be brought to their attention;

(3) he shall be ex-officio a member of all standing committees.

Section 6.5 Vice-President

A Vice-President shall have such powers and duties as the Board may specify.

Section 6.6 Secretary

The Secretary shall attend and be the Secretary of all meetings of the Board, Shareholders and Committees of the Board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; he shall give or cause to be given, as and when instructed, all notices to Shareholders, Directors, Officers, the auditor and members of the Committees of Directors; he shall be the custodian of the stamp or mechanical device generally used for affixing the common seal of the Company and of all books, papers, records, documents and instruments belonging to the Company, except when some other Officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the Board may specify.

Section 6.7 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 Company; he shall render to the Board whenever required an account of all his transactions as Treasurer and of the financial position of the Company; and he shall have such other powers and duties as the Board may specify.

Section 6.8 Powers and Duties of Other Officers

The powers and duties of all other Officers shall be such as the terms of their engagement call for or as the Board or the Chief Executive Officer may specify. 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 otherwise directs.

Section 6.9 Variation of Powers and Duties

The Board 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.

Section 6.10 Term of Office

The Board, in its discretion, may remove any Officer of the Company, without prejudice to such Officer s rights under any employment contract, otherwise each Officer appointed by the Board shall hold office until the earlier of the date his resignation becomes effective, the date his successor is appointed or he shall cease to be qualified for that office.

Section 6.11 Terms of Employment and Remuneration

The terms of employment and the remuneration of Officers appointed by the Board shall be settled by it from time to time.

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Section 6.12 Conflict of Interest

An Officer shall disclose his interest in any material contract or proposed material contract with the Company in accordance with Section 4.17.

Section 6.13 Agents and Attorneys

The Board shall have power from time to time to appoint agents or attorneys for the Company in or outside of Canada with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

Section 6.14 Fidelity Bonds

The Board may require such Officers, employees and agents of the Company as the Board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the Board may from time to time determine.

ARTICLE 7

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

Section 7.1 Limitation of Liability

No Director shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company 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 Company shall be deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own wilful neglect or default; 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.

Section 7.2 Indemnity

Subject to the limitations contained in the Act, and to the extent he is otherwise fairly and reasonably entitled thereto, the Company shall indemnify a Director or Officer, a former Director or Officer, or a person who acts or acted at the Company s request as a Director or Officer of a body corporate of which the Company is or was a Shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Company or any such body corporate) and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a Director or Officer of the Company or such body corporate, if:

(1) he acted honestly and in good faith with a view to the best interests of the Company; and

(2) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

Section 7.3 Insurance

Subject to the limitations contained in the Act, the Company may purchase and maintain such insurance for the benefit of its Directors and Officer as such, as the Board may from time to time determine.

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ARTICLE 8

SHARES

Section 8.1 Allotment and Issue

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 Company 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 prescribed by the Act. No holder of any class of share of the capital of the Company shall be entitled as of right to subscribe for, purchase or receive any part of any new or additional issue of shares of any class, whether now or hereafter authorized or any bonds, debentures or other securities convertible into shares of any class.

Section 8.2 Commissions

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

Section 8.3 Registration of Transfer

(1) Subject to the provisions of the Act and the Securities Transfer Act, the transfer of a share may only be registered in the Company s securities register upon:

(a) presentation of the certificate representing such share with an endorsement, which complies with the Securities Transfer Act, made on the certificate or delivered with the certificate, duly executed by an appropriate person as provided by the Securities Transfer Act, together with reasonable assurance that the endorsement is genuine and effective, upon payment of all applicable taxes and in any reasonable fees prescribed by the Board; or

(b) in the case of shares electronically issued without a certificate, upon receipt of proper transfer instructions from the registered holder of the shares, a duly authorized attorney of the registered owner of the shares or an individual presenting proper evidence of succession, assignment or authority to the transfer of the shares.

(2) The signature of the registered owner of any shares, or of his duly authorized attorney, upon an authorized instrument of transfer shall constitute a complete and sufficient authority to the Company, its Directors, Officers and agents to register, in the name of the transferee as named in the instrument of transfer, the number of shares specified therein or, if no number is specified, all the shares of the registered owner represented by share certificates deposited with the instrument of transfer. If no transferee is named in the instrument of transfer, the instrument of transfer shall constitute a complete and sufficient authority to the Company, its Directors, Officers and agents to register, in the name of the person on whose behalf any certificate for the shares to be transferred is deposited with the Company for the purpose of having the transfer registered, the number of shares specified in the instrument of transfer or, if no number is specified, all the shares represented by all share certificates

deposited with the instrument of transfer.

(3) Neither the Company nor any Director, Officer or agent thereof shall be bound to inquire into the title of the person named in the form of transfer as transferee, or, if no person is named therein as transferee, of the person on whose behalf the certificate is deposited with the Company for the purpose of having the transfer registered or be liable to any claim by such registered owner or by any intermediate owner or holder of the certificate or of any of the shares represented thereby or any interest therein for registering the transfer, and the transfer, when registered, shall confer upon the person in whose name the shares have been registered a valid title to such shares.

(4) Every instrument of transfer shall be executed by the transferor and left at the registered office of the Company or at the office of its transfer agent or branch transfer agent or registrar for registration together

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with the share certificate for the shares to be transferred and such other evidence, if any, as the Directors or the transfer agent or branch transfer agent or registrar or branch registrar may require to prove the title of the transferor or his right to transfer the shares and the right of the transferee to have the transfer registered. All instruments of transfer where the transfer is registered shall be retained by the Company or its transfer agent or branch transfer agent or registrar or branch registrar and any instrument of transfer, where the transfer is not registered, shall be returned to the person depositing the same together with the share certificate which accompanied the same when tendered for registration.

There shall be paid to the Company in respect of the registration of any transfer such sum, if any, as the Directors may from time to time determine.

Section 8.4 Transfer Agents and Registrars

The Board may from time to time appoint a registrar or transfer agent to maintain the securities register and may also appoint one or more branch registrars or branch transfer agents to maintain branch securities registers. The Board may at any time terminate any such appointment.

Section 8.5 [Intentionally Deleted]

Section 8.6 Non-Recognition of Trusts

Subject to the provisions of the Act, the Company shall treat as absolute owner of the share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Company s records or on the share certificate.

Section 8.7 Share Certificates

The shares of the Company shall be represented by certificates or, where allowed for or required by applicable law, shall be electronically issued without a certificate. Every holder of one or more shares of the Company is entitled, at the option of the holder, to a share certificate, or a non-transferable written certificate of acknowledgement of the right to obtain a share certificate, stating the number and the class of shares held as shown on the securities register. Any certificate shall be signed in accordance with the Act and these Articles and need not be under common seal. Certificates may be manually countersigned by at least one director or officer of the Company or by or on behalf of a registrar or transfer agent of the Company. Subject to the provisions of the Act, the signature of any signing director, officer, transfer agent or registrar may be printed or mechanically reproduced on the certificate. Every printed or mechanically reproduced signature is deemed to be the signature of the person whose signature it reproduces and is binding on the Company. A certificate executed as set out in this section is valid even if a director or officer whose printed or mechanically reproduced signature appears on the certificate no longer holds office as of the date of the issue of the certificate.

Section 8.8 Replacement of Share Certificates

The Board or any Officer or agent designated by the Board may in its or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate claimed to have been lost, destroyed or wrongfully taken or which does not comply as to form with the requirements from time to time of the Act in this regard, on payment of such fee as the Board may direct 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.

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Section 8.9 Joint Shareholders

If two or more persons are registered as joint holders of any share, the Company 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. Joint Shareholders may collectively designate in writing an address as their recorded address for service of notice and payment of dividends, but in default of such designation the address of the first named joint Shareholder shall be deemed to be the recorded address aforesaid.

Section 8.10 Deceased Shareholders

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

ARTICLE 9

DIVIDENDS AND RIGHTS

Section 9.1 Dividends

Subject to the provisions of the Act, the Board may from time to time declare dividends payable to the Shareholders according to their respective rights and interest in the Company. Dividends may be paid in money or property or by issuing fully paid shares of the Company.

Section 9.2 Dividend Cheques

A dividend payable in cash shall be paid by cheque drawn on the Company s bankers or one of them 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 his 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 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 Company is required to and does withhold.

Section 9.3 Non-Receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Company 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.

Section 9.4 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 right to subscribe for securities of the Company, 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. Where no record date is fixed in advance as aforesaid, 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 Company 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.

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Section 9.5 Unclaimed Dividends

Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Company.

ARTICLE 10

MEETINGS OF SHAREHOLDERS

Section 10.1 Annual General Meetings

The annual general meeting of Shareholders shall be held at such time in each year and, subject to Section 10.4, at such place as the Board, the Chairman of the Board, the Managing Director 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 general meeting, electing Directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

Section 10.2 Special Meetings

The Board, the Chairman of the Board, the Managing Director or the President shall have power to call a special meeting of Shareholders at any time.

Section 10.3 Special Business

All business transacted at a special meeting of Shareholders and all business transacted at an annual general meeting of Shareholders, except consideration of the financial statements, auditors reports, election of directors and reappointment of the incumbent auditors, is deemed to be special business.

Section 10.4 Place of Meeting

Meetings of Shareholders may be held in the Yukon Territory, the Province of British Columbia, the State of Colorado or such other place or places outside British Columbia as the directors in their absolute discretion may determine from time to time.

Section 10.5 Notice of Meeting

Notice of the time and place of each meeting of Shareholders shall be given in the manner provided in Section 12.1 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, if any, 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 re-appointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the Shareholder to form a reasoned judgement thereon and shall state the text of any special resolution to be submitted to the meeting. A Shareholder and any other person entitled to attend a meeting of Shareholders may in any manner waive notice of or otherwise consent to a meeting of Shareholders.

Section 10.6 List of Shareholders Entitled to Notice

For every meeting of Shareholders, at any time that the Company has more than 15 Shareholders entitled to vote at a meeting of Shareholders, the Company shall prepare a list of Shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares entitled to vote at the meeting held by each Shareholder. If a record date for the meeting is fixed pursuant to Section 10.7, the Shareholders listed shall be those registered at the close of business on the record date, such list to be prepared on a day not later than

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10 days after such record date. If no record date is fixed, the list of Shareholders shall be prepared no later than 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, the day on which the meeting is held. The list shall be available for examination by any Shareholder during usual business hours at the records office of the Company or at the place where the central securities register is kept and at the place where the meeting is held.

Section 10.7 Record Date for Notice

The Board may fix in advance a record date, preceding the date of any meeting of Shareholders by not more than 50 days and not less than 21 days for the determination of the Shareholders entitled to notice of the meeting. If no record date is so fixed, the record date for the determination of the Shareholders entitled to notice of the meeting shall be the close of business on the day immediately preceding the day on which the notice is given, or if no notice is given, the day on which the meeting is held.

Section 10.8 Meetings Without Notice

A meeting of Shareholders may be held without notice at any time and place permitted by the Act:

(1) if all the Shareholders entitled to vote thereat are present in person or represented by proxy or waived notice of or otherwise consented to such meeting being held, and

(2) if the auditor and the Directors are present or waived notice of or otherwise consent to such meeting being held.

At such meeting any business may be transacted which the Company at a meeting of Shareholders may transact.

Section 10.9 Meetings by Telephone

If all the Shareholders consent, a Shareholder may participate in a meeting of Shareholders by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a Shareholder participating in such a meeting by such consent shall be effective whether given before or after the meeting to which it relates.

Section 10.10 Chairman, Secretary and Scrutineers

The Chairman of any meeting of Shareholders shall be the first mentioned of such of the following Officers as having been appointed and who is present at the meeting: Chairman of the Board, President, Managing Director, or a Vice-President. 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 Chairman. If the Secretary of the Company is absent, the Chairman 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 Chairman with the consent of the meeting.

Section 10.11 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 Company and others who, although not entitled to vote, are entitled or required under any

provision of the Act or these Articles to be present at the meeting. Any other person may be admitted only on the invitation of the Chairman of the meeting or with the consent of the meeting.

Section 10.12 Quorum

Subject to Sections 10.23, 10.24 and the Act, 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

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appointed proxy for an absent Shareholder so entitled and together holding or representing by proxy not less than 5% of the outstanding shares of the Company entitled to vote at the meeting save and except if there is only one Shareholder the quorum shall consist of that one Shareholder. If a quorum is present at the opening of any meeting of Shareholders, the Shareholders present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present within one-half hour of the time appointed for convening of any meeting of Shareholders, the Shareholders present or represented by proxy may adjourn the meeting to a fixed time and place subject to Section 10.21 but may not transact any other business provided, however, that if no provision for adjournment is made at any such meeting or adjourned meeting at which a quorum is not present, the meeting shall be dissolved.

Section 10.13 Right to Vote Record Date for Voting

At any meeting of Shareholders in respect of which the Company has prepared the list referred to in Section 10.6, every person who is named in such list shall be entitled to vote the shares shown thereon opposite his name except, where the Company has fixed a record date in respect of such meeting pursuant to Section 10.7, to the extent that such person has transferred any of his shares after such record date and the transferee, upon producing properly endorsed Certificates evidencing such shares or otherwise establishing that he owns such shares, demands not later than 10 days before the meeting that his name be included in such list, in which event the transferee alone shall be entitled to vote the transferred shares at the meeting. Where no record date for notice has been fixed and no notice of meeting given, or in the absence of a list prepared as aforesaid in respect of a meeting of Shareholders, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

Section 10.14 Proxies

(1) Every Shareholder entitled to vote at a meeting of Shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be Shareholders, 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 shall be in writing executed by the Shareholder or his attorney and shall conform with any requirements of the Act. An instrument of proxy shall be valid only at the meeting in respect of which it is given or any adjournment thereof.

(2) Any corporation, other than a subsidiary of the Company, which is a Shareholder of the Company, may by resolution of its Directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting. The person so authorized shall be entitled to exercise in respect of and at such meeting the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company personally present, including, without limitation, the right, unless restricted by such resolution, to appoint a proxyholder to represent such corporation, and shall, if present at the meeting, be counted for the purpose of forming a quorum and be deemed to be a member present at the meeting. Evidence of the appointment of any such representative may be sent to the Company by written instrument, telegram, telex, facsimile or any method of transmitting legibly recorded messages.

Section 10.15 Time for Deposit of Proxies

The Board may specify in a notice calling a meeting of Shareholders a time, preceding the time of such meeting by not more than 48 hours exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited by written

instrument, telegram, telex, facsimile or any method of transmitting legibly recorded messages with the Company or an agent thereof specified in such notice or, if no such time is specified in such notice, unless it has been received by the Secretary of the Company or by the Chairman of the meeting or any adjournment thereof prior to the time of voting.

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Section 10.16 Joint Shareholders

If two or more persons hold shares jointly, any one of them present in person or represented by proxy 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 by proxy and vote, they shall vote as one on the shares jointly held by them and in the absence of agreement between those so voting the person named first in the Register shall vote the shares.

Section 10.17 Votes to Govern

At any meeting of Shareholders every question shall, unless otherwise required by these Articles or by law, be determined by a simple 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 Chairman of the meeting shall not be entitled to a second or casting vote.

Section 10.18 Motion

The Chairman may propose or second a motion.

Section 10.19 Show of Hands

Subject to the provisions of 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. 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 Chairman 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 conclusive 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.

Section 10.20 Ballots

(1) On any question proposed for consideration at a meeting of Shareholders, and whether or not a show of hands has been taken thereof, any Shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the Chairman 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 he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or these Articles, and the result of the ballot so taken shall be the decision of the Shareholders upon the said question.

(2) No ballot may be demanded on the election of a Chairman. A ballot demanded on a question of adjournment shall be taken forthwith. A ballot demanded on any other question shall be taken as soon as, in the opinion of the Chairman, is reasonably convenient, but in no event later than seven days after the meeting and at such time and place and in such manner as the Chairman of the meeting directs. The result of the ballot shall be deemed to be the resolution of and passed at the meeting at which the ballot was demanded. Any business other than that upon which the ballot has been demanded may be proceeded with pending the taking of the ballot. In any dispute as to the admission or rejection of a vote the decision of the Chairman made in good faith shall be final and conclusive.

Section 10.21 Adjournment

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 it is adjourned. If a meeting of

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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. At any such adjourned meeting no business shall be transacted other than business left unfinished at the meeting from which the adjournment took place.

Section 10.22 Resolution in Writing

A consent resolution (as defined in the Act) of the Shareholders entitled to vote on that resolution at a meeting of Shareholders is as valid as if it had been passed at a meeting of Shareholders, and shall be held to relate to any date therein stated to be the effective date thereof.

Section 10.23 Only One Shareholder

Where the Company has only one Shareholder or only one holder of any class or series of shares, the Shareholder present in person or by proxy constitutes a meeting.

Section 10.24 Only Two Shareholders

Where the Company has only two Shareholders a quorum for transaction of business at any meeting of Shareholders shall be one person present in person, being a shareholder entitled to vote thereat, or a duly appointed proxy of said Shareholder, holding not less than 10% of the outstanding shares of the Company entitled to vote at the meeting.

ARTICLE 11

DIVISIONS AND DEPARTMENTS

Section 11.1 Creation and Consolidation of Divisions

The Board may cause the business and operations of the Company or any part thereof to be divided or to be segregated into one or more divisions upon such basis, including without limitation, character or type of operation, geographical territory, product manufactured or service rendered, as the Board may consider appropriate in each case. The Board may also cause the business and operations of any such division to be further divided into sub-units and the business and operations of any such divisions or sub-units to be consolidated upon such basis as the Board may consider appropriate in each case.

Section 11.2 Name of Division

Subject to the Act, any division or its sub-units may be designated by such name as the Board may from time to time determine and may transact business, enter into contracts, sign cheques and other documents of any kind and do all acts and things under such name, provided that the Company shall set out its name in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of the Company. Any such contract, cheque or document shall be binding upon the Company as if it had been entered into or signed in the name of the Company.

Section 11.3 Officers of Division

From time to time the Board or, if authorized by the Board, the Chief Executive Officer, may appoint one or more Officers for any division, prescribe their powers and duties and settle their terms of employment and remuneration. The Board or, if authorized by the Board, the Chief Executive Officer, may remove at its or his pleasure any Officers

so appointed, without prejudice to such Officer s right under any employment contract. Officers of divisions or their sub-units shall not, as such, be Officers of the Company.

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ARTICLE 12

NOTICES

Section 12.1 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, these Articles or otherwise to a Shareholder, Director, Officer, auditor or member of a Committee of Directors shall be sufficiently given if delivered personally to the person to whom it is to be given or, if delivered, to his recorded address by any means of prepaid transmitted or recorded communication. 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 received by him at the time it would be delivered in the ordinary course of mails; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication corporation or agency or its representative for dispatch. Subject to the Act, a notice of meeting of Shareholders shall be deemed to have been sent to the Shareholder on the day on which it is deposited in the mail. The Secretary may change or cause to be changed the recorded address of any Shareholder, Director, Officer, auditor or member of a Committee of Directors in accordance with any information believed by him to be reliable.

Section 12.2 Notice to Joint Shareholder

If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice given to any one or more of such persons at the recorded address for such joint shareholders shall be sufficient notice to all of them.

Section 12.3 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 date of giving the notice shall be excluded and the date of the meeting or other event in respect of which the notice is being given shall be included.

Section 12.4 Undelivered Notices

If any notice given to a Shareholder pursuant to Section 12.1 is returned on three consecutive occasions because he cannot be found or served or is unknown at his recorded address, the Company shall not be required to give any further notices to such Shareholder until he informs the Company in writing of his new recorded address.

Section 12.5 Proof of Service

A certificate of the Secretary or other duly authorized Officer of the Company in office at the time of the making of the certificate, or of any agent of the Company as to the facts in relation to the mailing or delivery or sending of any notice to any Shareholder, Director, the auditors, is conclusive evidence thereof and shall be binding on every Shareholder, Director, the auditors or any Officer of the Company, as the case may be.

Section 12.6 Omissions and Errors

The accidental omission to give any notice to any Shareholder, Director, Officer, auditor or member of a Committee of Directors 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.

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Section 12.7 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 he derives his title prior to such person s name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Company the proof of authority or evidence of his entitlement prescribed by the Act.

Section 12.8 Waiver of Notice

Any Shareholder (or his duly appointed proxyholder), Director, Officer, auditor or member of a Committee of Directors may at any time waive the sending of any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, these Articles or otherwise and such waiver or abridgement shall cure any default in the giving or the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of Shareholders or of the Board which may be given in any manner.

ARTICLE 13

ALTERATIONS

Section 13.1 Alteration of Articles

Unless the Act otherwise requires or such alteration would, on becoming effective, render incorrect or incomplete any information in the notice of articles, these Articles may be amended by ordinary resolution (as defined in the Act).

Full name and signature of one of the directors pursuant to s. 302(1)(c) of the Act

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ANNEX M

KODIAK DIRECTORS APPROVAL

The contents and the sending of this joint proxy statement/circular have been approved by the Kodiak board of directors.

DATED at Denver, Colorado, this 29th day of October, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Lynn A. Peterson
Lynn A. Peterson

President, Chief Executive Officer and Director

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Electronic Voting Instructions

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 11:59 PM Eastern Time on December 2, 2014.

Vote by Internet

Go to **www.envisionreports.com/WLL**

Or scan the QR code with your smartphone

Follow the steps outlined on the secure website

Vote by telephone

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone

Follow the instructions provided by the recorded message

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas. x

q IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.
q

A Proposals The Board of Directors recommends a vote FOR Proposals 1 and 2.

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	For	Against	Abstain
1. To approve the issuance of Whiting common stock, par value $0.001 per share, pursuant to the Arrangement Agreement, dated as of July 13, 2014, by and among Whiting, 1007695 B.C. Ltd. and Kodiak Oil & Gas Corp., as the same may be amended from time to time (the share issuance proposal).	¨	¨	¨
2. To approve any motion to adjourn the Whiting special meeting, if necessary or appropriate, to solicit additional proxies (the Whiting adjournment proposal).	¨	¨	¨

B Non-Voting Items

Change of Address Please print new address below.

C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below

Please sign exactly as the name appears hereon. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by an authorized person.

Date (mm/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within the box.

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q **IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.** q

Proxy Whiting Petroleum Corporation

2014 SPECIAL MEETING OF STOCKHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints James J. Volker and Bruce R. DeBoer, and each of them, as proxies, with full power of substitution (to act jointly or if only one acts then by that one), for the undersigned at the Special Meeting of Stockholders of Whiting Petroleum Corporation to be held on Wednesday, December 3, 2014, at 8:30 A.M., Mountain Time, in the Grand Hyatt Denver Capitol B Ballroom, located on the 38th floor at 555 17th Street, Denver, Colorado 80202, or any adjournments or postponements thereof, to vote thereat as designated on the reverse side of this card all of the shares of Common Stock of Whiting Petroleum Corporation held of record by the undersigned on October 14, 2014 as fully and with the same effect as the undersigned might or could do if personally present at said Special Meeting or any adjournments or postponements thereof, hereby revoking any other proxy heretofore executed by the undersigned for such Special Meeting.

This proxy when properly executed will be voted in the manner directed herein by the undersigned stockholder. If no direction is made, this proxy will be voted FOR the share issuance proposal and FOR the Whiting adjournment proposal.

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY PROMPTLY.