

**CORPORATE ACCESS NUMBER: 2020869455**

**Government  
of Alberta ■**

**BUSINESS CORPORATIONS ACT**

**CERTIFICATE**

**OF**

**AMENDMENT**

**STERLING RESOURCES LTD.  
CHANGED ITS NAME TO PETROTAL CORP. ON 2018/06/04.**



This information is collected in accordance with the *Business Corporations Act*. It is required to update an Alberta corporation's articles for the purpose of issuing a certificate of amendment. Collection is authorized under s. 33(a) of the *Freedom of Information and Protection of Privacy Act*. Questions about the collection can be directed to Service Alberta Contact Centre staff at cr@gov.ab.ca or 780-427-7013 (toll-free 310-0000 within Alberta).

1. Name of Corporation <b>STERLING RESOURCES LTD.</b>	2. Corporate Access Number 2020869455
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3. Item number 1 of the Articles of the above named corporation are amended in accordance with Section \_\_\_\_\_ of the *Business Corporations Act* as follows.

The name of the Corporation be changed to:

**PETROTAL CORP.**

**FILED**  
JUNE 4, 2018.  
 McCarthy Tétrault LLP  
 Calgary, Alberta

Per: ANGEL KHEW

4. Authorized Representative/Authorized Signing Authority for the Corporation

<u>CAMERON, GORDON</u> Last Name, First Name, Middle Name (optional)	<u>SOLICITOR</u> Relationship to Corporation
_____ Telephone Number (optional)	_____ Email Address (optional)
<u>2018-06-04</u> Date of submission (yyyy-mm-dd)	(signed) "Gordon Cameron" Signature

# Name Change Alberta Corporation - Registration Statement

**Alberta Amendment Date: 2018/06/04**

**Service Request Number:** 29116501

**Corporate Access Number:** 2020869455

**Legal Entity Name:** STERLING RESOURCES LTD.

**French Equivalent Name:**

**Legal Entity Status:** Active

**Alberta Corporation Type:** Named Alberta Corporation

**New Legal Entity Name:** PETROTAL CORP.

**New French Equivalent Name:**

**Nuans Number:** 120450959

**Nuans Date:** 2018/04/19

**French Nuans Number:**

**French Nuans Date:**

**Professional Endorsement Provided:**

**Future Dating Required:**

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**Annual Return**

**No Records returned**

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**Attachment**

<b>Attachment Type</b>	<b>Microfilm Bar Code</b>	<b>Date Recorded</b>
Other Rules or Provisions	ELECTRONIC	2017/12/18
Articles/Plan of Arrangement/Court Order	10000707125379129	2017/12/18

**Registration Authorized By: GORDON CAMERON  
SOLICITOR**

**CORPORATE ACCESS NUMBER: 2020869455**

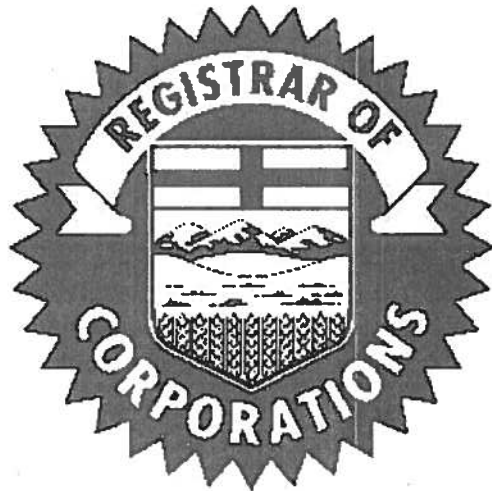
**Government  
of Alberta ■**

**BUSINESS CORPORATIONS ACT**

**CERTIFICATE  
OF  
AMALGAMATION**

**STERLING RESOURCES LTD.  
IS THE RESULT OF AN AMALGAMATION FILED ON 2017/12/18.**

The information in this document is  
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# Amalgamate Alberta Corporation - Registration Statement

**Alberta Registration Date: 2017/12/18**

**Corporate Access Number: 2020869455**

**Service Request Number:** 28189565  
**Alberta Corporation Type:** Named Alberta Corporation  
**Legal Entity Name:** STERLING RESOURCES LTD.  
**French Equivalent Name:**  
**Nuans Number:**  
**Nuans Date:**  
**French Nuans Number:**  
**French Nuans Date:**

## REGISTERED ADDRESS

**Street:** SUITE 4000, 421 - 7TH AVENUE S.W.  
**Legal Description:**  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P 4K9

## RECORDS ADDRESS

**Street:** SUITE 4000, 421 - 7TH AVENUE S.W.  
**Legal Description:**  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P 4K9

## ADDRESS FOR SERVICE BY MAIL

**Post Office Box:**  
**City:**

**Province:**  
**Postal Code:**  
**Internet Mail ID:**

**Share Structure:** THE CORPORATION SHALL BE AUTHORIZED TO ISSUE AN UNLIMITED NUMBER OF COMMON SHARES.  
**Share Transfers Restrictions:** THERE SHALL BE NO RESTRICTIONS ON THE TRANSFER OF SHARES OF THE CORPORATION.

**Number of Directors:**  
**Min Number Of Directors:** 2  
**Max Number Of Directors:** 12

**Business Restricted To:** THERE SHALL BE NO RESTRICTIONS OF THE BUSINESS THE CORPORATION MAY CARRY ON OR ON THE POWER IT MAY EXERCISE.

**Business Restricted From:** THERE SHALL BE NO RESTRICTIONS OF THE BUSINESS THE CORPORATION MAY CARRY ON OR ON THE POWER IT MAY EXERCISE.

**Other Provisions:** REFER TO "OTHER RULES OR PROVISIONS" ATTACHMENT.

**Professional Endorsement Provided:**  
**Future Dating Required:**  
**Registration Date:** 2017/12/18

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**Director**

**Last Name:** TAYLOR  
**First Name:** JAMES  
**Middle Name:**  
**Street/Box Number:** 15 SUNFLOWER DRIVE  
**City:** SANTA FE  
**Province:** NEW MEXICO  
**Postal Code:** 87506  
**Country:**  
**Resident Canadian:**

**Named On Stat Dec:**

**Last Name:** WILSON  
**First Name:** GAVIN  
**Middle Name:**  
**Street/Box Number:** 5 TOBELWEG  
**City:** FELDMEILEN, ZURICH  
**Province:**  
**Postal Code:** 8706  
**Country:** SWITZERLAND  
**Resident Canadian:**  
**Named On Stat Dec:**

**Last Name:** ZUNIGA-PFLUCKER  
**First Name:** MANUEL  
**Middle Name:** PABLO  
**Street/Box Number:** 4226 CASSIDY PARK LANE  
**City:** KATY  
**Province:** TEXAS  
**Postal Code:** 77450  
**Country:**  
**Resident Canadian:**  
**Named On Stat Dec:**

**Last Name:** URCH  
**First Name:** DOUGLAS  
**Middle Name:**  
**Street/Box Number:** BOX 129, 250095 DYNASTY DRIVE W.  
**City:** DEWINTON  
**Province:** ALBERTA  
**Postal Code:** T0L 0X0  
**Country:**  
**Resident Canadian:** Y  
**Named On Stat Dec:**

**Last Name:** GUIDRY  
**First Name:** GARY  
**Middle Name:**  
**Street/Box Number:** 900, 520 - 3RD AVENUE S.W.

**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P 0R3  
**Country:**  
**Resident Canadian:** Y  
**Named On Stat Dec:**

**Last Name:** MCCOMISKEY  
**First Name:** MARK  
**Middle Name:**  
**Street/Box Number:** 88 RICHMOND HILL ROAD  
**City:** GREENWICH  
**Province:** CONNECTICUT  
**Postal Code:** 06831  
**Country:**  
**Resident Canadian:**  
**Named On Stat Dec:**

**Last Name:** ELLSON  
**First Name:** RYAN  
**Middle Name:**  
**Street/Box Number:** 900, 520 - 3RD AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P 0R3  
**Country:**  
**Resident Canadian:** Y  
**Named On Stat Dec:**

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**Amalgamating Corporation**

<b>Corporate Access Number</b>	<b>Legal Entity Name</b>
202245320	STERLING RESOURCES LTD.
2020006264	PETROTAL LTD.

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**Attachment**

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<b>Attachment Type</b>	<b>Microfilm Bar Code</b>	<b>Date Recorded</b>
Other Rules or Provisions	ELECTRONIC	2017/12/18
Articles/Plan of Arrangement/Court Order	10000707125379129	2017/12/18

**Registration Authorized By: RILEY DEARDEN  
SOLICITOR**

# Articles of Amalgamation

Business Corporations Act

1. Name of Amalgamated Corporation

Sterling Resources Ltd.

2. The classes of shares, and any maximum number of shares that the corporation is authorized to issue:

The Corporation shall be authorized to issue an unlimited number of Common Shares.

3. Restrictions on share transfers (if any):

There shall be no restrictions on the transfer of shares of the Corporation.

4. Number, or minimum and maximum number, of directors that the corporation may have:

The Corporation shall have a minimum of 2 and a maximum of 12 directors.

5. If the corporation is restricted FROM carrying on a certain business, or restricted TO carrying on a certain business, specify the restriction(s):

There shall be no restrictions of the business the Corporation may carry on or on the power it may exercise.

6. Other rules or provisions (if any):

Refer to "Other Rules or Provisions" Attachment.

7. Name of Amalgamating Corporations

Corporate Access Number

Sterling Resources Ltd.

202245320

PetroTal Ltd.

2017818655

8. Date Authorized: December 18 2017

Month / Day / Year

  
(Authorized Signatory)

Gregory E. Smith  
Executive Vice President and  
Chief Financial Officer

(Print Name & Title of Authorized Person)

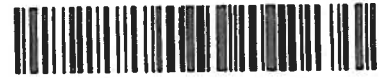
This information is being collected for the purposes of corporate registry records in accordance with the Business Corporations Act. Questions about the collection of this information can be directed to the Freedom of Information and Protection of Privacy Coordinator for Alberta Registries, Research and Program Support, Box 314, Edmonton, Alberta T5J 4L4, (780) 427-7013.

Electronically Registered in  
The Alberta Registries  
CORES System on.

Dec 18, 2017 - Jmk  
(date & initials of accredited user)

**OTHER RULES OR PROVISIONS**  
**Attached to and Forming Part of**  
**the Articles of Amalgamation of**  
**Sterling Resources Ltd.**

Subject to the *Business Corporations Act* (Alberta), the directors may, between annual general meetings of shareholders, appoint one or more additional directors of the Corporation to serve until the next annual general meeting of shareholders, but the number of additional directors shall not at any time exceed 1/3 of the number of directors who held office at the expiration of the last annual meeting of the Corporation.



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20 208 69455

**ARTICLES OF ARRANGEMENT**

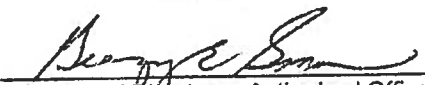
Business Corporations Act  
Form 14.1

1. NAME OF CORPORATION:  <b>Sterling Resources Ltd.</b>	2. CORPORATE ACCESS NUMBER:  <b>2022445320</b>
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3. IN ACCORDANCE WITH THE ORDER APPROVING THE ARRANGEMENT, THE ARTICLES OF THE CORPORATION ARE AMENDED AS FOLLOWS:

In accordance with an order of the Court of Queen's Bench of Alberta dated December 11, 2017, approving an arrangement pursuant to subsections 193(1)(b) and (f) of the *Business Corporations Act* (Alberta), a copy of which is attached hereto as Schedule "A", the Plan of Arrangement involving Sterling Resources Ltd., PetroTal Ltd., Gran Tierra Energy Inc., Gran Tierra Energy International Holdings Ltd., Gran Tierra Energy International Peru Holdings B.V. and the securityholders of PetroTal Ltd., a copy of which is attached hereto as Schedule "B" (which are incorporated into and form a part hereof), shall be effected upon the filing hereof.

The Articles of Sterling Resources Ltd. are not being amended other than pursuant to the Articles of Amalgamation filed herewith providing for the amalgamation of Sterling Resources Ltd. and PetroTal Ltd.

1. DATE	SIGNATURE	TITLE
December <u>18</u> , 2017	 Signature of Director or Authorized Officer  <b>Gregory E. Smith</b> Please Print Name of Signatory	<b>Executive Vice President and Chief Financial Officer</b> Title

SD... 9129



COURT FILE NUMBER

1701-16600

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

MATTER

IN THE MATTER OF SECTION 193 OF THE  
BUSINESS CORPORATIONS ACT, RSA 2000, c B-9,  
AS AMENDED

AND IN THE MATTER OF A PROPOSED  
ARRANGEMENT INVOLVING PETROTAL LTD.,  
STERLING RESOURCES LTD., GRAN TIERRA  
ENERGY INC., GRAN TIERRA ENERGY  
INTERNATIONAL HOLDINGS LTD., GRAN TIERRA  
ENERGY INTERNATIONAL PERU HOLDINGS B.V.,  
AND THE SECURITYHOLDERS OF PETROTAL LTD.

APPLICANT

PETROTAL LTD.

DOCUMENT

ORDER

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF PARTY  
FILING THIS DOCUMENT

McCarthy Tétrault LLP  
Barristers & Solicitors  
4000, 421 - 7th Avenue SW  
Calgary, AB T2P 4K9  
Attention: Lyndsey Delamont  
Telephone: (403) 260-3647  
Fax: (403) 260-3501  
Our File No.: 218324-487807

I hereby certify this to be a true copy  
the original Order  
dated this 11 day of Dec 2017  
[Signature]  
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: December 11, 2017

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Madam Justice K.M. Horner

LOCATION OF HEARING: Calgary, Alberta

UPON the Originating Application (the "Application") of PETROTAL LTD. ("PetroTal" or the "Applicant") for approval of an arrangement (the "Arrangement") pursuant to the *Business Corporations Act*, R.S.A. 2000, c. B-9, section 193 (the "ABCA") concerning PetroTal, Sterling Resources Ltd., Gran Tierra Energy Inc., Gran Tierra Energy International Holdings Ltd., Gran Tierra Energy International Peru Holdings B.V., and the holders of common shares and warrants of PetroTal (the "PetroTal Securityholders");

AND UPON reading the Application and the Affidavit of Gregory E. Smith, sworn December 7, 2017 (the "Smith Affidavit"), and the exhibits referred to therein;

AND UPON being advised by counsel that no Notice of Intention to Appear as contemplated by the Notice of Application was filed or served;

AND UPON the Court being satisfied that the Applicant has sought and obtained the unanimous written approval of the Arrangement by all the PetroTal Securityholders, as contemplated by Section 193(7) of the ABCA;

AND UPON it being impracticable to effect the transactions contemplated by the Arrangement under any other provision of the ABCA;

AND UPON the Court being satisfied that the statutory requirements to approve the Arrangement have been fulfilled and that the Arrangement has been put forward in good faith;

AND UPON the Court being satisfied that the terms and conditions of the Arrangement, and the procedures relating thereto, are fair and reasonable, substantively and procedurally, to the PetroTal Securityholders and other affected persons and that the Arrangement ought to be approved;

AND UPON hearing from counsel for the Applicant;

IT IS HEREBY ORDERED AND DECLARED THAT:

**General**

1. In this Order:
  - a. the capitalized terms used and not otherwise defined in this Order (the "Order") shall have the meanings attributed to them in the Application and the notice of application (the "Notice of Application") attached as Exhibit "H" to the Smith Affidavit; and
  - b. all references to "Arrangement" used herein mean the arrangement as set forth in the plan of arrangement, attached as Exhibit "B" to the Smith Affidavit (the "Plan of Arrangement") and attached herein as Schedule "A", which Arrangement will be implemented in accordance with the terms of the arrangement agreement (the

"Arrangement Agreement"), which Arrangement Agreement is attached as Exhibit "A" to the Smith Affidavit.

2. This Order is granted pursuant to Section 193(9) of the ABCA.
3. Service and notice of the present Application for Order approving the Plan of Arrangement and Arrangement is hereby deemed to be good and sufficient for all purposes on all interested individuals.
4. It is declared that the statutory procedures applicable to the Arrangement have been met and satisfied.
5. It is declared that the Arrangement, the Plan of Arrangement, and the Application for Order approving of the Arrangement have been put forth in good faith.
6. It is declared that the Plan of Arrangement and the Arrangement are fair and reasonable, both from a substantive and procedural point of view, to all persons affected thereby.
7. It is impracticable to effect the result contemplated by the Arrangement under the ABCA other than by Section 193 thereof.
8. It is declared that the Arrangement is an "arrangement" within the meaning of the ABCA.
9. The Arrangement is hereby approved.
10. The written special resolution whereby the PetroTal Securityholders unanimously approved the Arrangement is approved.
11. Articles of arrangement reflecting the foregoing may be filed pursuant to the provisions of Section 193 of the ABCA on such date as PetroTal determines.
12. The Plan of Arrangement shall, upon filing the articles of arrangement pursuant to Section 193 of the ABCA and the issuance of a proof of filing thereof become effective in accordance with its terms and will be binding on all persons affected by the Arrangement at the Effective Time on the Effective Date on which the Arrangement becomes effective.
13. PetroTal may apply prior to the filing of the articles of arrangement to vary this Order or to seek advice and directions as to the implementation of this Order.

14. Service of this Order shall be made on all such persons who appeared on this application for Order, either by counsel or in person. Service on all other individuals is hereby dispensed with.

"The Honourable Madam Justice K. M. Horne"  
Justice of the Court of Queen's Bench of Alberta



**SCHEDULE "A"**  
**PLAN OF ARRANGEMENT**

PLAN OF ARRANGEMENT UNDER SECTION 193  
OF THE BUSINESS CORPORATIONS ACT (ALBERTA)

ARTICLE 1  
INTERPRETATION

1.1 In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

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

"Amaleco" means the corporation resulting from the amalgamation of PetroTal and Sterling pursuant to subsection 3.1(d) hereof;

"Amaleco Shares" means common shares in the capital of Amaleco, as constituted on the date hereof;

"Applicable Laws" means in relation to any Person, transaction or event, all applicable laws, statutes, rules, regulations, directives, published guidelines, standards, codes of practice, treaties, by-laws, ordinances, rules of applicable stock exchanges and applicable securities laws, including the rules, regulations, notices, instruments, blanket orders, judgments, orders, rulings, decrees, directives, writs and policies of, and the terms and conditions of any grant of approval, permission, authority or license of, any governmental or regulatory authority, and by which such Person or its business, properties, assets, undertaking or securities is or are bound or subject;

"Arrangement", "herein", "hereof", "hereto", "hereunder" and similar expressions mean and refer to the arrangement under the provisions of section 193 of the ABCA, on the terms and conditions set forth in this Plan of Arrangement, subject to any amendment or supplement thereto made in accordance therewith or at the direction of the Court in the Final Order with the prior written consent of the parties, each acting reasonably;

"Arrangement Agreement" means the arrangement agreement between Sterling and PetroTal dated November 9, 2017, as the same may be amended, amended and restated, modified or supplemented at any time or from time to time;

"Articles of Arrangement" means the articles of arrangement in respect of the Arrangement required under subsection 193(10) of the ABCA to be sent to the Registrar for filing after the Final Order has been made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the parties, each acting reasonably;

"Business Day" means a day other than a Saturday, Sunday or other than a day when banks in the City of Calgary, Alberta are not generally open for business;

"Certificate of Arrangement" means the certificate of arrangement or other evidence of filing issued by the Registrar under subsection 193(11) of the ABCA giving effect to the Arrangement;

"Court" means the Court of Queen's Bench of Alberta;

"Depositary" means Computershare Trust Company of Canada or such other trust company that may be appointed by Sterling and PetroTal for the purpose of receiving deposits of certificates

representing PetroTal Shares in connection with the Arrangement and as set out in the Letter of Transmittal;

"Effective Date" means the date the Arrangement becomes effective under the ABCA;

"Effective Time" means the time at which the Articles of Arrangement and Plan of Arrangement are filed with the Registrar on the Effective Date;

"Final Order" means the order of the Court in a form acceptable to the parties, each acting reasonably approving the Arrangement pursuant to subsection 193(9)(a) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction (with the consent of the parties, each acting reasonably) at any time prior to the Effective Time;

"GTEIHL" means Gran Tierra Energy International Holdings Ltd., a limited company existing under the laws of the Cayman Islands;

"GTEIPH" means Gran Tierra Energy International Peru Holdings B.V., a corporation existing under the laws of Curacao;

"GTEIPH Shares" means the 411,449,708 common shares in the capital of GTEIPH, as constituted on the date hereof, together with any additional common shares in the capital of GTEIPH that may be issued by GTEIPH to GTEIHL prior to the Effective Time in accordance with the terms of the Share Purchase Agreement;

"Letter of Transmittal" means the letter of transmittal pursuant to which the PetroTal Shareholders are required to deliver certificates representing PetroTal Shares and other required documents in order to receive the Sterling Shares issuable to them pursuant to the Arrangement;

"parties" means, collectively, Sterling, PetroTal, GTEIHL and GTEIPH, and "party" means any one of them;

"Person" means any individual, partnership, limited partnership, joint venture, trust, body corporate, unincorporated organization, committee, government or agency, or instrumentality thereof, or any other entity howsoever designated or constituted, including any governmental authority;

"PetroTal" means PetroTal Ltd., a corporation existing under the laws of the Province of Alberta;

"PetroTal Arrangement Resolutions" means, collectively, the written special resolution to be executed by all of the PetroTal Shareholders and the written extraordinary resolution to be executed by all of the holders of PetroTal Warrants, in respect of the Arrangement;

"PetroTal Shareholders" means holders of issued and outstanding PetroTal Shares;

"PetroTal Shares" means common shares in the capital of PetroTal, as constituted on the date hereof;

"PetroTal Warrants" means PetroTal Share purchase warrants, each such warrant entitling the holder thereof to acquire one PetroTal Share in accordance with the terms of the PetroTal Warrant Certificates;

"PetroTal Warrant Certificates" means the certificates representing the PetroTal Warrants, including the terms and conditions thereto;

"Registrar" means the Registrar of Corporations for the Province of Alberta duly appointed under the ABCA;

"Share Purchase Agreement" means the share purchase agreement dated as of November 9, 2017 among PetroTal, Sterling, Gran Tierra Energy Inc. and GTEIHL;

"Sterling" means Sterling Resources Ltd., a corporation existing under the laws of the Province of Alberta;

"Sterling Shares" means common shares in the capital of Sterling, as constituted on the date hereof; and

"Tax Act" means the *Income Tax Act* (Canada).

1.2 In this Plan of Arrangement, unless otherwise expressly stated:

- (a) the division of this Plan of Arrangement into articles, sections and subsections and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement;
- (b) the words "hereunder", "hereof" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or subsection and references to "articles", "sections" and "subsections" are to articles, sections and subsections of this Plan of Arrangement;
- (c) words importing the singular include the plural and vice versa, and words importing gender include all genders;
- (d) the word "including" shall not be exclusive, but shall mean "includes" or "including, without limiting the generality of the foregoing";
- (e) references to sums of money are expressed in lawful money of Canada; and
- (f) to any statute or sections thereof referenced herein shall include such statute as amended or substituted and any regulations promulgated thereunder.

## ARTICLE 2 ARRANGEMENT AGREEMENT

- 2.1 This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.
- 2.2 This Plan of Arrangement, upon the filing of the Articles of Arrangement and other documents as required by the ABCA with the Registrar and the issue of the Certificate of Arrangement, will become effective on, and will be binding on and after, the Effective Time on: (i) PetroTal; (ii) Sterling; (iii) GTEIHL; (iv) GTEIPH; (v) the PetroTal Shareholders; and (vi) the holders of the PetroTal Warrants.

- 2.3 The Articles of Arrangement and the Certificate of Arrangement shall be filed and issued, respectively, with respect to the Arrangement in its entirety. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein.

**ARTICLE 3  
ARRANGEMENT**

- 3.1 Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following sequential order without any further act or formality except as otherwise provided herein:
- (a) each PetroTal Share held by PetroTal Shareholders shall, as of the Effective Time, be transferred to Sterling and each PetroTal Shareholder shall receive 5.350 Sterling Shares for each PetroTal Share held by such PetroTal Shareholder;
  - (b) each PetroTal Warrant outstanding immediately prior to the Effective Time and not exercised will be adjusted as to:
    - (i) the number of Sterling Shares to be issued upon the exercise thereof based upon 5.350 Sterling Shares in lieu of each PetroTal Share; and
    - (ii) the exercise price of any such PetroTal Warrants,
 to effect the terms of the Arrangement, and each such PetroTal Warrant shall otherwise continue in accordance with the terms of the PetroTal Warrant Certificates;
  - (c) the stated capital account maintained by PetroTal for the issued and outstanding PetroTal Shares will be reduced, without repayment of capital, to \$1.00 in aggregate;
  - (d) PetroTal and Sterling shall be amalgamated and continued as one corporation under the ABCA to form Amalco in accordance with the following:
    - (i) *Name.* The name of Amalco shall be "Sterling Resources Ltd.";
    - (ii) *Registered Office.* The registered office of Amalco shall be the registered office of PetroTal;
    - (iii) *Share Provisions.* Amalco shall be authorized to issue an unlimited number of common shares;
    - (iv) *Restrictions on Transfer.* There shall be no restrictions on the transfer of shares of Amalco;
    - (v) *Other Provisions.* The other provisions forming part of the articles of Amalco shall be those of Sterling, mutatis mutandis;
    - (vi) *Directors and Officers.*
      - (A) Minimum and Maximum. The directors of Amalco shall, until otherwise changed in accordance with the ABCA, consist of a minimum number of two directors and a maximum number of twelve directors;

- (B) Initial Directors. The initial directors of Amalco shall be Manuel Pablo Zúñiga-Pflucker, James Taylor, Douglas Urch, Gary Guidry, Ryan Ellison, Gavin Wilson and a nominee of Sterling; and
- (i) Initial Officers. The initial officers of Amalco shall be:
- Manuel Pablo Zúñiga-Pflucker - President and Chief Executive Officer;  
 Gregory Smith - Executive Vice President and Chief Financial Officer;  
 Charles Fetzner - Vice President, Asset Development; and  
 Sanjib Gill - Corporate Secretary;
- (vii) Business and Powers. There shall be no restrictions on the business Amalco may carry on or on the powers it may exercise;
- (viii) Stated Capital. The aggregate stated capital of Amalco will be an amount equal to the aggregate of the paid-up capital for the purposes of the Tax Act of the PetroTal Shares and the Sterling Shares immediately before the amalgamation;
- (ix) By-laws. The by-laws of Amalco shall be the by-laws of Sterling, mutatis mutandis;
- (x) Effect of Amalgamation. The provisions of subsections 186(b), (c), (d), (e) and (f) of the ABCA shall apply to the amalgamation with the result that:
- (A) all of the property of each of PetroTal and Sterling shall continue to be the property of Amalco;
- (B) Amalco shall continue to be liable for all of the obligations of each of PetroTal and Sterling;
- (C) any existing cause of action, claim or liability to prosecution of PetroTal or Sterling shall be unaffected;
- (D) any civil, criminal or administrative action or proceeding pending by or against PetroTal or Sterling may be continued to be prosecuted by or against Amalco; and
- (E) a conviction against, or ruling, order or judgment in favour of or against, PetroTal or Sterling may be enforced by or against Amalco;
- (xi) Articles. The Articles of Arrangement filed shall be deemed to be the articles of amalgamation of Amalco and the Certificate issued in respect of such Articles of Arrangement by the Registrar under the ABCA which gives effect to the Arrangement shall be deemed to be the certificate of amalgamation of Amalco;
- (xii) Inconsistency with Laws. To the extent any of the provisions of this Plan of Arrangement is deemed to be inconsistent with Applicable Laws, this Plan of Arrangement shall be automatically adjusted to remove such inconsistency;

- (xiii) *No Issuance of Securities.* On the amalgamation, no securities shall be issued by Amalco and, for greater certainty, the Sterling Shares shall survive and continue to be shares of Amalco without amendment;
  - (xiv) *Cancellation of Securities.* On the amalgamation, all of the PetroTal Shares held by Sterling immediately prior to the amalgamation shall be cancelled without any payment in respect of such PetroTal Shares; and
  - (e) GTEIHL shall transfer the GTEIPH Shares, representing all of the issued and outstanding GTEIPH Shares, to Amalco in consideration of 187,250,000 Amalco Shares pursuant to the Share Purchase Agreement.
- 3.2 The parties shall make the appropriate entries in their respective securities registers to reflect the matters referred to in section 3.1.
- 3.3 With respect to each PetroTal Shareholder at the Effective Time, upon the transfer of each PetroTal Share pursuant to subsection 3.1:
- (a) each such PetroTal Shareholder shall cease to be a holder of the PetroTal Share so transferred and the name of such PetroTal Shareholder shall be removed from the register of holders of PetroTal Shares as it relates to the PetroTal Share so transferred;
  - (b) Sterling shall be added to the register of holders of PetroTal Shares as it relates to the PetroTal Share so transferred to Sterling; and
  - (c) Sterling shall allot and issue to such PetroTal Shareholder the number of Sterling Shares issuable to such PetroTal Shareholder on the basis set forth in subsection 3.1 and the name of such PetroTal Shareholder shall be added to the register of holders of Sterling Shares.
- 3.4 Sterling and the Depositary shall be entitled to deduct and withhold from any consideration or amount payable to any Person such amounts as Sterling or the Depositary, as the case may be, is required or permitted to deduct and withhold with respect to such consideration or payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of federal, provincial, territorial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate governmental authority. To the extent that the amount so required to be deducted or withheld from any payment to a Person exceeds the consideration otherwise payable to the Person, Sterling and the Depositary are hereby authorized to sell or otherwise dispose of any property or amount otherwise payable to such Person to the extent necessary to provide sufficient funds to Sterling or the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement and Sterling or the Depositary shall remit to such Person any unapplied balance of the net proceeds of such sale.
- 3.5 The Arrangement shall be structured such that, assuming the resolutions approving the Arrangement are approved and the Final Order is obtained, the issuance of Sterling Shares issuable to the PetroTal Shareholders under the Arrangement will not require registration under the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, in reliance on Section 3(a)(10) thereof.

**ARTICLE 4  
CLOSING PROCEDURES**

- 4.1 From and after the Effective Time, certificates representing PetroTal Shares shall represent only the right to receive the consideration to which the holder of such PetroTal Share is entitled under the Arrangement.
- 4.2 Sterling shall cause the Depositary to, as soon as practicable following the later of the Effective Date and the date of deposit by a former holder of PetroTal Shares of a duly completed Letter of Transmittal, the certificates representing such PetroTal Shares and such other documents and instruments as the Depositary may reasonably require, either:
- (a) forward or cause to be forwarded by first class mail (postage prepaid) to such former holder at the address specified in the Letter of Transmittal; or
  - (b) if requested by such holder in the Letter of Transmittal, make available or cause to be made available at the Depositary for pickup by such holder,
- the certificates for Sterling Shares which such holder has the right to receive pursuant to the Arrangement, net of any applicable withholding taxes.
- 4.3 Sterling's transfer agent shall register Sterling Shares in the name of each former PetroTal Shareholder entitled thereto or as otherwise instructed in the Letter of Transmittal deposited by such former PetroTal Shareholder and shall deliver such shares in accordance with Section 4.2 and the terms and conditions of the Letter of Transmittal.
- 4.4 If any certificate which immediately prior to the Effective Time represented an interest in outstanding PetroTal Shares has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any dividends or distributions with respect thereto) as determined in accordance with the Arrangement. The person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond to each of the Depositary and Sterling, which bond is in form and substance satisfactory to each of the Depositary and Sterling or shall otherwise indemnify the Depositary and Sterling against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.
- 4.5 Notwithstanding anything herein contained, no fractional Sterling Shares will be issued. In the event that a holder would otherwise be entitled to a fractional Sterling Share hereunder, the number of Sterling Shares issued to such holder shall be rounded up to the next greater whole number of Sterling Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Sterling Shares if the fractional entitlement is less than 0.5. In calculating such fractional interests, all PetroTal Shares registered in the name of or beneficially held by such PetroTal Shareholder or its nominee shall be aggregated.
- 4.6 Any certificate formerly representing PetroTal Shares that is not deposited with all other documents as required by this Plan of Arrangement on or before the day prior to the third anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder of such certificate to receive Sterling Shares shall be deemed to



be surrendered to Sterling together with, in the case of certificates formerly representing PetroTal Shares, all dividends paid or distributions made thereon held for such holder.

- 4.7 All dividends or other distributions made in respect of Sterling Shares to which a former PetroTal Shareholder is entitled in accordance with the terms of the Arrangement, but for which a certificate representing either the Sterling Shares has not been delivered to such PetroTal Shareholder in accordance with this Article 4, shall be paid or delivered to the Depository to be held in trust for such PetroTal Shareholder for delivery to such shareholder, net of all applicable withholding and other taxes, upon delivery of the certificate in accordance with this Article 4, or surrendered to Sterling pursuant to Section 4.6 hereof, as the case may be.

#### ARTICLE 5 AMENDMENTS

- 5.1 Sterling, PetroTal, GTEIHL and GTEIPH may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be: (i) set out in writing; (ii) approved by the parties; (iii) filed with the Court and, if made following the execution of the PetroTal Arrangement Resolutions, approved by the Court; and (iv) communicated to the PetroTal Shareholders, if and as required by the Court.
- 5.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Sterling, PetroTal, GTEIHL and GTEIPH at any time (provided that the other party shall have consented thereto) with or without any other prior notice or communication, and, subject to any approval of PetroTal Shareholders and holders of PetroTal Warrants required by the Court, shall become part of this Plan of Arrangement for all purposes.
- 5.3 Any amendment to this Plan of Arrangement that is approved by the Court following the approval of the PetroTal Arrangement Resolutions shall be effective only: (a) if it is consented to by each of Sterling, PetroTal, GTEIHL and GTEIPH; and (b) if required by the Court or Applicable Law, it is consented to by the PetroTal Shareholders and the holders of PetroTal Warrants.
- 5.4 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time by Sterling, provided that such amendment, modification or supplement concerns a matter which, in the reasonable opinion of Sterling, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any former PetroTal Shareholder or holder of PetroTal Warrants.

#### ARTICLE 6 ADDITIONAL STEPS

- 6.1 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 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 herein.

- 6.2 Subject to the terms of the Arrangement Agreement, Sterling, Petrofal, GTEHL and GTEIPH may agree not to implement the Plan, notwithstanding the approval of the resolutions authorizing the Arrangement and the receipt of the Final Order.

**CORPORATE ACCESS NUMBER: 202245320**



**BUSINESS CORPORATIONS ACT**

**CERTIFICATE  
OF  
AMENDMENT AND REGISTRATION  
OF RESTATED ARTICLES**

**STERLING RESOURCES LTD.  
AMENDED ITS ARTICLES ON 2004/06/29.**

*The information in this document is  
an accurate reproduction of data  
electronically captured within the  
official records of Alberta Registries.*



BUSINESS CORPORATIONS ACT

FORM 4

(SECTION 29 or 177)

ALBERTA CONSUMER AND CORPORATE AFFAIRS

ARTICLES OF AMENDMENT

1. NAME OF CORPORATION:  <b>STERLING RESOURCES LTD.</b>	2. CORPORATE ACCESS NUMBER:  <b>202245320</b>
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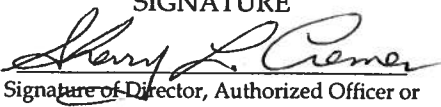
3. THE ARTICLES OF THE ABOVE NAMED CORPORATION ARE AMENDED:

pursuant to Section 173(1)(n) of the *Business Corporations Act* (Alberta), the other rules or provisions as set out in the articles of the Corporation be amended by removing the word "none" and replacing it with the following paragraph:

Subject to the *Business Corporations Act* (Alberta), the directors may, between annual general meetings of shareholders, appoint one or more additional directors of the Corporation to serve until the next annual general meeting of shareholders, but the number of additional directors shall not at any time exceed 1/3 of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

Electronically Registered in  
The Alberta Registries  
CORES System on.

June 29 2004  
(date & initials of accredited user)

DATE	SIGNATURE	TITLE
June 29, 2004	 Signature of Director, Authorized Officer or Solicitor <b>SHERRY L. CREMER</b> Please Print Name of Signatory	<u>TREASURER</u>

# Name/Structure Change Alberta Corporation - Registration Statement

**Service Request Number:** 6219317  
**Corporate Access Number:** 202245320  
**Legal Entity Name:** STERLING RESOURCES LTD.  
**French Equivalent Name:**  
**Legal Entity Status:** Active

**Alberta Corporation Type:** Named Alberta Corporation  
**New Legal Entity Name:** STERLING RESOURCES LTD.  
**New French Equivalent Name:**  
**Nuans Number:** PRE-CONV  
**Nuans Date:** 1979/08/31  
**French Nuans Number:**  
**French Nuans Date:**

**Share Structure:** AN UNLIMITED NUMBER OF COMMON SHARES WITHOUT NOMINAL OR PAR VALUE IS THE AUTHORIZED CAPITAL OF THE COMPANY.

**Share Transfers Restrictions:** NONE.  
**Number of Directors:**  
**Min Number Of Directors:** 2  
**Max Number Of Directors:** 12  
**Business Restricted To:** NONE.  
**Business Restricted From:** NONE.  
**Other Provisions:** REFER TO "OTHER RULES OR PROVISIONS" ATTACHMENT.  
**BCA Section/Subsection:** 173(1)(N)

**Professional Endorsement Provided:**  
**Future Dating Required:**

---

## Annual Return

File Year	Date Filed
2003	2003/08/19

2002	2002/08/27
2001	2001/08/14

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**Attachment**

Attachment Type	Microfilm Bar Code	Date Recorded
Other Rules or Provisions	ELECTRONIC	2004/06/29

**Registration Authorized By: KEITH R. CHATWIN**  
SOLICITOR

**OTHER RULES OR PROVISIONS  
ATTACHED TO AND FORMING PART OF  
THE ARTICLES OF AMENDMENT OF  
STERLING RESOURCES LTD.**

Subject to the *Business Corporations Act* (Alberta), the directors may, between annual general meetings of shareholders, appoint one or more additional directors of the Corporation to serve until the next annual general meeting of shareholders, but the number of additional directors shall not at any time exceed 1/3 of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

CORPORATE ACCESS NUMBER

20224532



BUSINESS CORPORATIONS ACT

**CERTIFICATE  
OF  
AMENDMENT**

PEOPLES OIL LIMITED  
CHANGED ITS NAME TO STERLING RESOURCES LTD.  
ON FEBRUARY 10, 1997.



A handwritten signature in black ink, appearing to read "G. Boddy".

Registrar of Corporations



1. **Name of Corporation**


2. **Corporate Access Number**

PEOPLES OIL LIMITED	20224532
---------------------	----------

3. Item number 1 of the Articles of the above named corporation are amended in accordance with Section 167(1) of the Business Corporations Act.

to change the name of the corporation to  
STERLING RESOURCES LTD.



  
\_\_\_\_\_  
Signature of Director / Authorized Officer

Secretary  
\_\_\_\_\_  
Title (please print)

February 10, 1997  
\_\_\_\_\_  
Date

FOR OFFICE USE ONLY

--

**CORPORATE ACCESS NUMBER**

20224532



**BUSINESS CORPORATIONS ACT**

**CERTIFICATE  
OF  
AMENDMENT**

**PEOPLES OIL LIMITED**

**AMENDED ITS ARTICLES ON JANUARY 19, 1996.**



A handwritten signature in black ink, appearing to read "A. Heeler".

---

**Registrar of Corporations**



REGISTRIES

PO Box 1007  
Stn Main  
Edmonton Alberta  
T5J 4W6

**IMPORTANT**  
Please read the instructions  
on the back of this form

# Request For Services

FOR CASH REGISTER USE ONLY

19960123-01,029,0001 23-Jan-96 09:07:20  
B.C. Articles of Amendment  
\$75.00 Non-taxable  
G.S.T. # R124072515

Date of Request  
January 16, 1996

1. Your File Number	Name of Company - Existing or Proposed (for which services are required)	Amount	Corporate Access Number (if known)
	PEOPLES OIL LIMITED	75.00	20224532

2. Name: Peoples Oil Limited

Address (Street): 1410, 717 - 7th Avenue SW

(City, Province): Calgary Alberta      Postal Code: T2P 0Z3

Telephone Number(s): (403) 269-7717      Fax No.: (403) 265-1637

3. Service will be:

Mailed Out

Picked Up - Call Box No. \_\_\_\_\_  
*If applicable*

Edmonton

Calgary

4. Type of Payment:

Cash       Cheque No. 1528      Account No. ~~\$75.00~~

Visa       Mastercard

Authorization Number

Expiry Date

Signature of Cardholder

5. Type of Service: (check  one only)

- |  |  |   |  |
|--|--|---|--|
| <input type="checkbox"/> Partnership         | <input type="checkbox"/> Annual Return           | <input type="checkbox"/> Incorporation                    | <input checked="" type="checkbox"/> Discharge Receiver |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Dissolution/Liquidation | <input type="checkbox"/> Name Change                      | <input type="checkbox"/> Appointment of Receiver       |
| <input type="checkbox"/> Trade Name          | <input type="checkbox"/> Discontinuance          | <input type="checkbox"/> English/French Equivalent        | <input type="checkbox"/> Registration                  |
| <input type="checkbox"/> Photocopies         | <input type="checkbox"/> Revival/Restoration     | <input checked="" type="checkbox"/> Articles of Amendment | <input type="checkbox"/> Fax                           |
| <input type="checkbox"/> Diazo Copies        | <input type="checkbox"/> Amalgamation            | <input type="checkbox"/> Restated Articles                | <input type="checkbox"/> Tax (G.S.T.)                  |
| <input type="checkbox"/> Certified Copies    | <input type="checkbox"/> Continuation            | <input type="checkbox"/> Object or Bylaws Amendments      | <input type="checkbox"/> Other (explain below)         |

6. Special Instructions for any of the above services:

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---

*Sherry L. Cremer*  
Signature

SHERRY L. CREMER  
Print Name

PO Box 1007  
Stn Main  
Edmonton Alberta  
T5J 4W6

**IMPORTANT**  
Please read the instructions  
on the back of this form

**FILED A**  
JAN 19 1996  
Registrar of Corporations  
Province of Alberta

## Request For Services

FOR CASH REGISTER USE ONLY

19960125-01,029,0001 25-Jan-96 08:07:50

198 Articles of Amendment  
\$75.00 Non-taxable  
G.S.T. # R124072513

Date of Request  
**January 16, 1996**

1. Your File Number	Name of Company (for which services are required)	Amount	Corporate Access Number (if known)
	PEOPLES OIL LIMITED	75.00	20224532

2. Name: Peoples Oil Limited

Address (Street): 1410, 717 - 7th Avenue SW

(City, Province): Calgary Alberta      Postal Code: T2P 0Z3

Telephone Number(s): (Res.) (403) 269-7717      (Bus.)      Fax No. (403) 265-1637

3. Service will be:

Mailed Out

Picked Up - Call Box No. \_\_\_\_\_ (if applicable)

Edmonton

Calgary

4. Type of Payment:

Cash       Cheque No. 1528      Account No. ~~575.00~~

Visa       Mastercard

Authorization Number

Expiry Date

Signature of Cardholder

5. Type of Service: (check  one only)

- |  |  |   |  |
|--|--|---|--|
| <input type="checkbox"/> Partnership         | <input type="checkbox"/> Annual Return           | <input type="checkbox"/> Incorporation                    | <input checked="" type="checkbox"/> Discharge Receiver |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Dissolution/Liquidation | <input type="checkbox"/> Name Change                      | <input type="checkbox"/> Appointment of Receiver       |
| <input type="checkbox"/> Trade Name          | <input type="checkbox"/> Discontinuance          | <input type="checkbox"/> English/French Equivalent        | <input type="checkbox"/> Registration                  |
| <input type="checkbox"/> Photocopies         | <input type="checkbox"/> Revival/Restoration     | <input checked="" type="checkbox"/> Articles of Amendment | <input type="checkbox"/> Fax                           |
| <input type="checkbox"/> Diazo Copies        | <input type="checkbox"/> Amalgamation            | <input type="checkbox"/> Restated Articles                | <input type="checkbox"/> Tax (G.S.T.)                  |
| <input type="checkbox"/> Certified Copies    | <input type="checkbox"/> Continuation            | <input type="checkbox"/> Object or Bylaws Amendments      | <input type="checkbox"/> Other (explain below)         |

6. Special Instructions for any of the above services:

*Sherry L. Cremer*  
Signature

SHERRY L. CREMER  
Print Name



# Articles of Amendment

1. NAME OF CORPORATION:

PEOPLES OIL LIMITED  
1410, 717 - 7th AVENUE SW  
CALGARY AB T2P 0Z3

2. CORPORATE ACCESS NUMBER:

19960123-01.029.0001 23 Jan 96 08:08:02  
Total 20224532  
\$75.00 Non-taxable  
G.S.T. # R124072513

3. ITEM NO. Three OF THE ARTICLES OF THE ABOVE NAMED CORPORATION ARE AMENDED IN ACCORDANCE WITH  
SECTION 167 (1) (C) OF THE BUSINESS CORPORATIONS ACT.

THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE

Item No. three of the Articles of Continuance is amended by deleting "10,000,000" and inserting "an unlimited number of".

The above amendment, as approved by the shareholders, allows an increase in the authorized capital of the Company from 10,000,000 to an unlimited number.



DATE	SIGNATURE	TITLE
January 16, 1996	<i>Sherry L. Cremer</i>	Vice-President Administration

FOR DEPARTMENTAL USE ONLY

FILED



20224532

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 5

**CERTIFICATE OF AMENDMENT**

PEOPLES OIL LIMITED

Name of Corporation

I HEREBY CERTIFY THAT THE ARTICLES OF THE ABOVE-MENTIONED CORPORATION WERE AMENDED.

- UNDER SECTION 13 OF THE BUSINESS CORPORATIONS ACT IN ACCORDANCE WITH THE ATTACHED NOTICE;
- UNDER SECTION 27 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT DESIGNATING A SERIES OF SHARES;
- UNDER SECTION 171 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF AMENDMENT;
- UNDER SECTION 185 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF REORGANIZATION;
- UNDER SECTION 186 OF THE BUSINESS CORPORATIONS ACT AS SET OUT IN THE ATTACHED ARTICLES OF ARRANGEMENT.



Registrar of Corporations

MAY 8, 1987

Date of Amendment

/dt



CONSUMER AND  
CORPORATE AFFAIRS

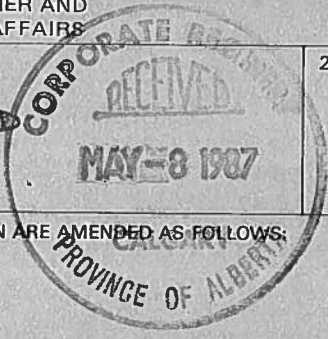
ARTICLES OF AMENDMENT

1. NAME OF CORPORATION.

PEOPLES OIL LIMITED

2. CORPORATE ACCESS NO.

20226332



3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

Section 4  
DIRECTORS

4.01 "Number of Directors - until changed in accordance with the Act, the board shall consist of not fewer than two (2) and not more than twelve (12) Directors."

The above amendment allows an increase in the maximum number of Directors on the Board of Directors from nine (9) to twelve (12) members, as per Section 167 (1)(k) of The Business Corporations Act.

FILED

MAY 8 1987

THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

DATE	SIGNATURE	TITLE
May 4, 1987		Secretary

FOR DEPARTMENTAL USE ONLY

FILED

REQUEST FOR CORPORATE SERVICES

(Rev. 9/85)

CONSUMER AND CORPORATE AFFAIRS  
Corporate Registry

8th Floor  
10365 - 97 Street  
Edmonton, Alberta  
T5J 3W7

9th Floor, J.J. Bowlen Bldg.  
620 - 7 Avenue S.W.  
Calgary, Alberta  
T2P 0Y8

FOR CASH REGISTER USE ONLY

0103C094 05/08/87ARTL-AMD 50.00  
10:18



YOUR FILE NUMBER	NAME OF CORPORATION - EXISTING OR PROPOSED (FOR WHICH SERVICES ARE REQUIRED)	AMOUNT	CORPORATE ACCESS NUMBER (if known)
51627	PEOPLES OIL LIMITED	50 00	20224532

2. NAME Peoples Oil Limited TELEPHONE NO. 269-7717  
 ADDRESS 1410, 717 - 7th Avenue S.W. TELEXTWIX \_\_\_\_\_  
Calgary, Alberta POSTAL CODE T2P 0Z3 DATE May 6, 1987

3. PAID BY:  
 MASTER CARD 


  
 VISA

SIGNATURE OF CARD HOLDER \_\_\_\_\_

CASH  
 CHEQUE NO. 401

4. SERVICE WILL BE:  PICKED UP  MAILED OUT  
 EDM.  RED DEER  PEACE RIVER  GR. PRAIRIE  
 CALG.  LETH.  FT. McMURRAY  MED. HAT

PLEASE COMPLETE A SEPARATE REQUEST FOR EACH TRANSACTION REQUESTED



- DISSOLUTION/LIQUID
- INCORPORATION
- DISCHARGE/RECEIVER
- DIAZO COPIES
- DISCONTINUANCE
- NAME CHANGE
- MORTGAGE
- REVIVAL/RESTORATION
- TRADE STYLE/FR. EQUIV.
- ARTICLES OF REORG.
- AMALGAMATION
- ARTICLES OF AMEND.
- REGISTRATION
- CONTINUATION
- RESTATED ARTICLES
- OTHER

ALBERTA  
CORPORATE REGISTRY  
OFFICIAL RECEIPT  
05/08/87 DATE  
ARTL-AMD 50.00  
CHEQUE 50.00  
0103C094 10:18  
C.&C. AFFAIRS

7. REQUESTED BY:

Sherry L. Croner  
(PLEASE SIGN CLEARLY)

CORPORATE REGISTRY





20224532

Corporate Access No.

BUSINESS CORPORATIONS ACT

Form 12

**CERTIFICATE OF CONTINUANCE**

- PEOPLES OIL LIMITED -

Name of Corporation

I HEREBY CERTIFY THAT THE ABOVE-MENTIONED CORPORATION WAS CONTINUED, AS  
SET OUT IN THE ATTACHED ARTICLES OF CONTINUANCE, UNDER SECTION 261  
OF THE BUSINESS CORPORATIONS ACT.

Registrar of Corporations

July 8, 1982

Date of Continuance



4

RECEIVED

FILED

JUL 8 1982

BUSINESS CORPORATIONS ACT  
SECTIONS 48 (261) AND 222

JUL 0 8 1982

FORM 11

Corporate Registry  
Province of Alberta

CONSUMER AND  
CORPORATE AFFAIRS

RECEIVED  
JUL 23 1982

THE REGISTRAR OF CORPORATIONS  
PROVINCE OF ALBERTA

ARTICLES OF CONTINUANCE



1. NAME OF CORPORATION .

Peoples Oil Limited

2. CORPORATE ACCESS NO.

20224532

3. THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE.

10,000,000 common shares without nominal or par value is the authorized capital of the company.

4. RESTRICTIONS IF ANY ON SHARE TRANSFERS.

None.

5. NUMBER (OR MINIMUM OR MAXIMUM NUMBER) OF DIRECTORS.

~~7~~ Directors ( minimum of 2 Directors and maximum of 9 Directors).

6. RESTRICTIONS IF ANY ON BUSINESSES THE CORPORATION MAY CARRY ON.

None.

7. IF CHANGE OF NAME EFFECTED, PREVIOUS NAME.

N/A

8. DETAILS OF INCORPORATION.

Certificate of Incorporation, Province of Alberta, August 31, 1979.

9. OTHER PROVISIONS IF ANY.

None.

10. DATE

July 5, 1982

SIGNATURE

TITLE

President

FOR DEPARTMENTAL USE ONLY

FILED

No. 20224532

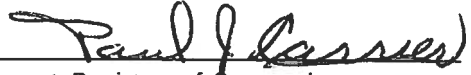
# CERTIFICATE Of INCORPORATION

I HEREBY CERTIFY THAT

- PEOPLES OIL LIMITED -

IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT OF THE PROVINCE OF ALBERTA  
AS A LIMITED COMPANY.

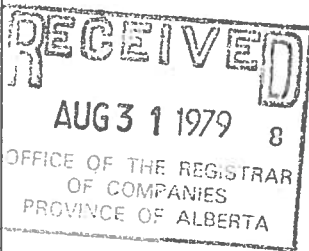
GIVEN UNDER MY HAND AND SEAL OF OFFICE AT EDMONTON THIS  
thirty-first DAY OF August A.D. 19 79.

  
A/ Registrar of Companies  
(Paul J. Carrier)



**Alberta**  
CONSUMER AND  
CORPORATE AFFAIRS

MEMORANDUM OF ASSOCIATION  
OF  
PEOPLES OIL LIMITED



MEMORANDUM OF ASSOCIATION  
OF  
PEOPLES OIL LIMITED



1. The name of the Company is PEOPLES OIL LIMITED.
2. The objects for which the Company is established are:
  - (a) To prospect for, explore for, drill for, mine, produce, accumulate and dispose of petroleum or natural gas and other minerals;
  - (b) To refine, manufacture or market petroleum, petroleum products, natural gas and other minerals;
  - (c) To acquire, construct, equip, maintain and operate a pipe line or pipe lines for the transmission of oil or natural gas and other fluids or solids;
  - (d) To carry on the business in Canada or elsewhere of importers, exporters, producers, traders, refiners, storers, transporters, marketers, suppliers and distributors of petroleum and petroleum products and by-products of every kind and description, natural gas and other minerals, either wholesale or retail;
  - (e) To conduct and make studies and surveys by electro-magnetic, geophysical, geological, geochemical, engineering and other methods for and in connection with the discovery, exploration and exploitation of

natural resources of all kinds and for and in connection with industrial, engineering, construction, forestry, land development and other projects and works of all kinds;

(f) To invent, develop, improve, manufacture, acquire, use, operate, dispose of and otherwise deal in or turn to account machinery, equipment, apparatus, instruments and implements of all kinds;

(g) To lend money to any person or company, wheresoever incorporated, having dealings with the Company or with whom the Company proposes to have dealings, and to guarantee the contracts of any such person or company;

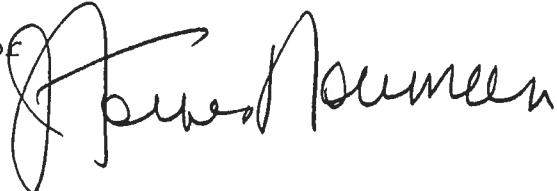
(h) To raise and assist in raising money for, and to aid by way of bonus, loan, promise, endorsement, guarantee, charge upon all or any of the Company's property or otherwise, any person or company who or which holds shares or other securities or obligations of the Company or with whom or which the Company may have business relations or any of whose shares, securities or other obligations are held by the Company and to guarantee the performance or fulfilment of any contracts or obligations of any such person or company, and in particular to guarantee the payment of the principal of and interest on securities, mortgages and liabilities of any such person or company.

3. The liability of the members is limited.
4. The Company is authorized to issue 10,000,000 shares without nominal or par value.

We, the several persons whose names and addresses and occupations are subscribed hereto, are desirous of being formed into a company in pursuance of this Memorandum of Association and have respectively agreed to take the number of shares in the Company set opposite our names.

Full name, address and occupation of subscribers	No. of shares taken by each subscriber
--	--

Wallace B. MacInnes Barrister and Solicitor 3600 Scotia Centre 700 - 2nd Street S.W., Calgary, Alberta. T2P 2W2	 One (1)
--	--

J. Forbes Newman, Barrister and Solicitor 3600 Scotia Centre 700 - 2nd Street S.W., Calgary, Alberta. T2P 2W2	 One (1)
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Elaine Whittaker Secretary 3600 Scotia Centre, 700 - 2nd Street S.W., Calgary, Alberta. T2P 2W2	 One (1)
--	---

DATED at the City of Calgary, in the Province of Alberta this 30<sup>th</sup> day of August, 1979.

WITNESS TO ABOVE SIGNATURES:

Antie M. Dettke  
Name

3600 Scotia Centre, Calgary  
Address

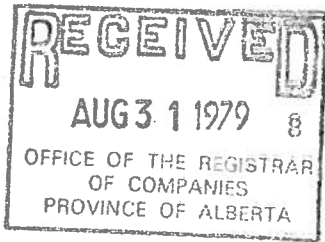
Royal Secretary  
Occupation

ARTICLES OF ASSOCIATION  
OF  
PEOPLES OIL LIMITED



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ARTICLES OF ASSOCIATION

OF

PEOPLES OIL LIMITED



TABLE 'A'

1. The Regulations contained in the Table marked 'A' in the First Schedule of "The Companies Act" and any amending Acts thereto or in substitution therefor, shall not apply to the Company.

INTERPRETATION

2. In these Articles, including this clause, unless the context or subject matter require a different meaning:
  - (a) "Articles" shall mean these Articles of Association and any amendments thereto.
  - (b) "Annual General Meeting" shall mean the regular General Meeting required by the Statutes to be held annually.
  - (c) "Board" shall mean the Board of Directors of the Company.
  - (d) "Chairman" shall mean the Chairman of the Board, whether such office is held by the President or apart therefrom.
  - (e) "Company" shall mean the above-named company.

- (f) "Debenture" shall include "Bond" and vice versa.
- (g) "Dividend" shall include bonus.
- (h) "Extraordinary General Meeting" shall mean any General Meeting other than an Annual General Meeting.
- (i) "General Meeting" shall mean a meeting of the Shareholders.
- (j) "Month" shall mean calendar month.
- (k) "Office" and "Head Office" and "Registered Office" shall each mean the registered office for the time being of the Company as prescribed by, and fixed in accordance with the requirements of the Statutes.
- (l) "Person" includes persons and corporations.
- (m) "Register" shall mean the register of its Shareholders to be kept by the Company as required by the Statutes.
- (n) "Registrar" shall mean the Secretary or other officer or party for the time being in charge, or having custody and control, of the Register.
- (o) "Seal" shall mean the corporate seal of the Company or any official facsimile of the same.
- (p) "Secretary" and "Treasurer" shall include any person appointed temporarily or permanently to perform the respective duties of Secretary and Treasurer, or holding such offices jointly.

(q) "Shareholder" shall include "Member" and vice versa.

(r) "Statutes shall mean "The Companies Act" and every other Act incorporated therewith or amending the same or any Act or Acts substituted therefor and, in the case of any such substitution, the reference in these Articles to non-existing Acts shall be read as referring to the substitutions therefor in the new Act or Acts.

(s) Words which have a special meaning assigned to them in the Statutes shall have the same meaning in these Articles.

Words importing the singular number only shall include the plural, and the converse shall also apply.

Words importing males shall include females.

Words importing individuals shall include corporations.

3. The headings used throughout these Articles are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of any Article nor to be deemed in any way to qualify, modify or explain the effect of any such provisions or terms.

#### REGISTERED OFFICE

4. The Registered Office shall be situate at such place in the Province of Alberta, as may be fixed in the first instance by the applicants for incorporation and thereafter by ordinary resolution of the Board.

## SHARES GENERALLY

5. The issuance of shares of the Company shall be under the control of the Board who may allot or otherwise dispose of the same, at such times, on such terms and conditions, in such manner and to such person or class of persons, as the Board may from time to time by resolution determine.

## COMMISSION ON SALE OF SHARES

6. The Company may at any time pay a commission to any person in consideration of his subscribing or underwriting or agreeing to underwrite, subscribe or procure subscriptions for, whether absolutely or conditionally, any shares or debentures of the Company, provided that if the commission be paid or payable out of capital, the conditions and requirements of the Statutes shall be observed and complied with, and the commission shall not exceed forty per cent (40%) of the nominal or par value of such shares, or any amount equal to forty per cent (40%) of the nominal or par value of such shares in each case subscribed for. In the case of shares without nominal or par value the commission shall not exceed forty per cent (40%) of the maximum consideration received on the issue and allotment of such shares. In the case of debentures the commission shall not exceed forty per cent (40%) of the consideration received by the Company, on the issue of such debentures. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

## CALL ON SHARES

7. The Board may from time to time, make such calls as it thinks fit upon the Shareholders in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Shareholder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

8. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed.

9. Seven (7) days' notice, at least, of any call shall be given specifying the time and place of payment, and to whom such call shall be paid. Before the time for payment the Board may, by notice in writing to the Shareholders, either revoke the call, or extend the time for its payment.

10. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made, or the instalment shall be due, shall be liable to pay interest on such call from the day appointed for the payment thereof to the time of the actual payment, at the rate of six (6) per centum per annum or at such lesser rate as the Board may determine or the Board may remit or waive the payment of all such interest.

11. If by conditions of the allotment of any shares, the whole or part of the amount and issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being, and from time to time shall be the registered holder of the shares or his legal personal representative.

12. The Board may do any one or more of the following things, namely:

- (a) Make arrangements on the issue of shares for a difference between the Shareholders in the amounts and times of payment of calls on their shares;
- (b) Accept from any Member who assents thereto the whole or part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up;
- (c) Pay dividends in proportion to the amount paid up on each share where a larger amount is paid on some shares than on others.

13. If by the terms of the issue of any shares or otherwise any amount is made payable at any fixed time or by instalments at any fixed times, such amount or instalment shall be payable as if it were a call duly made by the Board, of which due notice has been given; and all provisions hereof with respect to the payment of calls and interest thereon, or to the forfeiture of shares for non-payment of calls, shall

apply to such amounts or installments and the shares in respect of which they are payable.

14. The Board may, if it thinks fit, receive from any shareholder willing to advance the same, all or any part of the moneys due upon the shares held by him, beyond the same actually called for, and upon the moneys so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advances have been made, the Company may pay interest at such rate not exceeding six per centum (6%) per annum as the Shareholder paying such sum in advance and the Company agree upon. No amount paid on a share in advance of calls shall be treated as paid on any share.

15. No Shareholder shall be entitled to receive any dividend, or to participate in any distribution, whether of capital or otherwise, while any calls together with interest and expenses, if any for the time being due and payable on every share held by him, whether alone or jointly with any other person, remain unpaid.

#### FORFEITURE OF SHARES

16. If any Shareholder fails to pay any call or instalment on the day appointed for payment thereof, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, serve a notice on him demanding that he pay such call or instalment, together with interest accrued and any expenses incurred by reason of such non-payment.



17. The notice shall name a further date on or before which such call or instalment, and all interest accrued and expenses incurred by reason of such non-payment, are to be paid, and it shall also name the place where payment is to be made. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is due will be liable to forfeiture.

18. If the requirements of any such notice as aforesaid be not complied with, any shares in respect of which such notice shall have been given, may at any time thereafter (before payment of all calls or instalments, interest and expenses due in respect thereof has been made) be declared forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

19. Any shares so forfeited shall thereupon become the property of the Company, and the Board may sell, re-allot or otherwise dispose of, the same in such manner as it thinks fit. At any time before a sale or disposition of the shares the forfeiture may be cancelled on such terms as the Board may see fit.

20. Any shareholder whose shares have been forfeited shall, notwithstanding such forfeiture, continue to be liable to pay to the Company and to its creditors all calls and instalments, interest and expenses owing upon such shares at the time of forfeiture, together with

interest thereon from the time of forfeiture at a rate not exceeding six per centum (6%) per annum less any sums which may have been subsequently received by the Company in respect thereof.

21. The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved or as are by the Statutes given or imposed in the case of past Shareholders.

22. A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited in pursuance of these Articles and stating the time when it was forfeited shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, together with a certificate of proprietorship to the share under the Seal delivered to the purchaser or allottee thereof, shall constitute a good title to the share and the new holder thereof shall hold the share discharged from all calls made prior to such purchase or allotment and shall not be bound to see to the application of the purchase money, nor shall the title to the share be affected by any fact, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

## TRUSTS

23. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

## SHARE CERTIFICATE

24. Every Shareholder shall be entitled, without payment, to one certificate, specifying:

- (a) the number of shares of the Company held by him, and
- (b) either that they have fully paid,
- (c) or the amount paid up thereon.

If any Shareholder shall require additional certificates, he shall pay for each such additional certificate such sum, not exceeding fifty cents (50¢), as the Board may determine.

25. If any certificate be worn out, lost, stolen, defaced or destroyed it may be renewed on payment of fifty cents (50¢) or such lesser sum as the Board may prescribe, upon the person requiring a new certificate surrendering the worn out certificate, or giving such evidence of the loss, theft, defacement or destruction and such indemnity to the Company as the Board may require.

26. Certificates for shares and the blank endorsement thereon shall be in such form as the Board may by resolution approve and such certificates shall be issued under the Seal of the Company and shall be signed by the President or a Vice-President or a Director of the Company and also by the Secretary or an Assistant Secretary (if any) or another Director holding office at the time of signing; notwithstanding any change in the persons holding any of the said offices between the time of actual signing and the issuance of the certificate and notwithstanding that the officer signing may not have held office at the date of the issuance of the certificate, certificates so signed shall be valid and binding upon the Company.

27. Certificates for shares may also be issued bearing the notation that the same shall not be valid unless countersigned by a Registrar or Transfer Agent duly appointed by the Board.

28. The signature of the President or a Vice-President may be engraved, lithographed or otherwise mechanically reproduced upon certificates for shares in the capital stock of the Company and certificates so signed shall be deemed to have been manually signed by the President or Vice-President whose signature is so engraved, lithographed or otherwise mechanically reproduced thereon and shall be as valid to all intents and purposes as if they had been manually signed. Where the Company has appointed a Registrar or a Transfer Agent the signature of the Secretary or Assistant Secretary may also be engraved,

lithographed or otherwise machanicallly reproduced and when counter-signed by the Registrar or Transfer Agent certificates so signed shall be deemed to have been manually signed by such Secretary or Assistant Secretary and shall be as valid to all intents and purposes as if they had been so manually signed.

29. A certificate for shares shall be prima facie evidence of the title of the Shareholder to the shares therein designated.

30. When the capital stock of the Company consists of more than one class of shares the rights and conditions limitations or restrictions shall be fully set out on the certificate for shares issued for each class of shares by endorsing the same on such certificate.

#### LIEN ON SHARES

31. The Company shall have a first and paramount lien upon all the shares registered in the name of each Shareholder (whether solely or jointly with any others) for his debts, liabilities and engagements solely or jointly with any other person to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not; and no equitable interest in any share shall be created except upon the footing and condition that Article (23) hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien (if any) upon such share.

32. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until such time as the debt, liability or engagement ought to be paid, discharged or fulfilled, and until a demand and notice in writing stating the amount due, and demanding payment, and giving notice of intention to sell in default shall have been served on such member or the person, if any, entitled in consequence of the death or bankruptcy of the member to the share, and default shall have been made by him or them in payment or discharge of such debt, liability or engagement for seven (7) days after such notice.

33. Upon any sale made by the Board of any shares to satisfy the lien of the Company thereon, the proceeds shall be applied: (firstly) in payment of all costs of such sale and (secondly) in satisfaction of the debts or obligations of the Shareholder and the residue (if any) shall be paid to the Shareholder or as he shall direct.

34. Upon any such sale the Board may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by, any irregularity or invalidity in the proceedings, or be bound to see to the application of the purchase money, and after his name has been entered in the Register, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the same shall be in damages only and against the Company exclusively.

## JOINT HOLDERS OF SHARES

35. Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same jointly and the joint holders of any shares shall be liable severally as well as jointly in respect of all payments required to be made in respect of such shares.
36. Any one of such joint holders may give effectual receipts for any dividend, or return of capital payable to such joint holders.
37. In respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of the certificate to one of several joint holders shall be sufficient delivery to all.
38. Only the person whose name stands first in the Register as one of the joint holders of any share or shares shall be entitled to receive notices from the Company, or to attend or vote at meetings of the Company and any such notice given to such person shall be deemed notice to all the joint holders, but any one of such joint holders may be appointed as the proxy of the person entitled to vote on behalf of the said joint holders, and as such proxy entitled to attend and vote at General Meetings of the Company.

## TRANSFER AND TRANSMISSION OF SHARES

39. Shares of the Company may be transferred in the form of transfer or endorsement endorsed on the certificates issued for the shares of the Company or in any form of transfer which may be approved by the Board, but no transfer of shares whereof the whole amount has not been paid up thereon shall be recorded in the Register or any branch Register without the consent of the Board and in every case, and subject to and saving and excepting as in the Statutes provided, the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. No resolution of the Board shall be required to authorize the transfer of any share or shares in the Company.

40. Every certificate for shares of which transfer is desired, together with such other evidence as the Board may require to prove the title of the transferor or his right to transfer the shares, shall for the purposes of registration be left at the office of the Registrar.

41. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall on demand be returned to the person depositing the same.

42. Saving and excepting as in the Statutes provided, the Board may decline to register or permit to be registered any transfer of shares where the holder thereof is indebted to the Company and upon which the Company has a lien.



43. A fee not exceeding One Dollar (\$1.00) may be charged for each transfer and shall be paid before the registration thereof.

44. No share shall be transferred to any infant, person of unsound mind, bankrupt or alien enemy, but the transfer agent of the Company shall not be held responsible if any such transfer be recorded, unless it can be shown that it had actual knowledge of such disabling status.

45. The Executors or Administrators of a deceased Shareholder, or in the case of a Shareholder dying intestate domiciled in a jurisdiction where letters of administration are not required, the heirs of such deceased Shareholder shall be the only persons recognized by the Company as having any title to the shares registered in the name of such Shareholder.

46. Any person becoming entitled to shares in consequence of the death, bankruptcy or insolvency of any member (herein referred to as the person entitled to transmission) shall within three (3) months of becoming so entitled, produce to the Company such evidence as may be reasonably required by the Directors to prove his title (including, in the case of death, Probate or Letters of Administration or Scotch Confirmation, or a certified copy thereof, and evidence satisfactory to the Board, of payment and discharge of all liabilities or obligation as to Succession Duties, INheritance or other similar tax) and declare

in writing his election, either to be himself registered as a Shareholder, or to have some other person, named by him, registered as a Shareholder.

47. If any person entitled to any shares by transmission shall give the required proof of his title and shall declare his election to be himself registered as a Shareholder, the Board may forthwith place his name on the Register in respect of the said shares; and if such person as aforesaid, shall give the required proof, and nominate another person to be registered, the person so nominated shall execute a transfer and the name of the transferee may forthwith be placed on the Register in respect of the said shares.

48. The guardians of an infant Shareholder and the committee of a lunatic Shareholder may, upon producing to the Board such evidence of their position, as may be reasonably required, be placed upon the Register in respect of the shares held by such infant or lunatic Shareholder as the case may be.

49. Until any person becoming entitled to shares by transmission shall have complied with the terms of the preceding Articles, the Company may retain any dividend or bonus declared upon such shares, and shall not be bound to recognize the title of the person claiming under such transmission, and if such person becomes entitled to any partly paid shares and does not comply with the terms of the said Articles for a period of three (3) months from the time of so becoming entitled, the Board may cause to be served on him a notice requiring him to comply

with the said terms within a period of not less than one (1) month from the date of such notice, and stating that if he does not comply with the requirements of the said notice, the shares in respect of which notice is given will be liable to forfeiture; and if the person on whom such notice has been served shall not comply with the requirements thereof within the time therein named, the shares in respect of which the said notice has been given shall be liable to be forfeited by a resolution of the Board passed at any time before the requirements of the said notice shall have been complied with.

50. The Board shall have the same right to refuse to register the person entitled to any shares by reason of the death, bankruptcy, insolvency, lunacy or infancy of any Member or his nominees as if he were the transferee named in an ordinary transfer presented for registration.

51. All transmissions of shares shall be carried into effect and be dealt with in accordance with the Statutes.

#### REGISTER OF TRANSFERS, KEEPING AND CLOSING THEREOF

52. The Board shall cause the Secretary or such other officer or officers as may be specially charged with that duty, or such other agent or agents as may from time to time be appointed for that purpose by the Board, to keep, at the Registered Office, a register of members in which shall be recorded particulars of every transfer of shares in the capital of the Company and such other particulars as may be required by the Statutes.

53. The Board may from time to time by resolution appoint or remove one or more transfer agents, branch transfer agents, registrars and/or branch registrars (which may or may not be the same individual or body corporate) for one or more classes of the shares of the Company, and (subject to the Statutes) may provide for the transfer and the registration of transfers of the shares of the Company in one or more places and such transfer agents, branch transfer agents, registrars and/or branch registrars shall keep all necessary books and registers of the Company for the registering and transferring of the shares of the Company. All share certificates issued by the Company shall in the event of any such appointment be countersigned by or on behalf of one of the said transfer agents, registrars and/or branch registrars, as the case may be.

54. Entry of the transfer of any share in the Register, including any branch register, shall, for all purposes, constitute a complete and valid transfer and no transfer of any share shall be valid unless entered in the Register or such branch register.

55. The Board may, on giving notice by advertisement in some newspaper circulating in the district in which the Registered Office is situate, close the Register for any time or times not exceeding in the whole thirty (30) days in each year. Likewise the Board may, on giving notice in some newspaper circulating in the district in which any branch register is situate, close such branch register for any time or times not exceeding in the whole thirty (30) days in each year.

56. In lieu of providing for the closing of the books for the transfer of shares as provided in the next preceding clause, the Board

may, from time to time, fix a date (not exceeding thirty (30) days preceding the date of any general meeting of the Shareholders, or any dividend payment date, or any date for the allotment of rights to subscribe for shares), as the record date for the determination of the Shareholders entitled to notice of and/or to vote at such meeting or entitled to receive such dividends or rights, as the case may be, and in such case, only Shareholders of record on such date shall be entitled to notice of and/or to vote at such meeting or to receive such dividends or rights as the case may be.

#### SHARE WARRANTS

57. The Company, with respect to any fully paid up shares, may issue share warrants under its Seal stating that the bearers thereof are entitled to the shares therein respectively specified and may provide, by coupons or otherwise, for the payment of future dividends on the shares included in such warrants.

58. The Board may determine, and from time to time vary, the conditions upon which share warrants shall be issued and, in particular, upon which a new share warrant or coupon will be issued in the place of one worn out, defaced, lost or destroyed upon which the bearer of a share warrant shall be entitled to attend and vote at general meetings; and upon which a share warrant may be surrendered and the name of the holder entered in the Register in respect of the shares therein specified. Subject to such conditions and to these Articles, the bearer of a share warrant shall be a Shareholder of the Company. The holder of a share warrant shall be subject to the conditions for the time being in force with respect to share warrants, whether made before or after the issue of such warrant.

## CHANGES OF CAPITAL

59. The Company may, by special resolution, alter the conditions of its Memorandum of Association, as follows, that is, it may

- (a) increase its share capital by the creation of new shares of such amount, or of such number of new shares without nominal or par value, as it thinks expedient.
- (b) consolidate and divide all or any of its share capital having a par value into shares of larger amount than its existing shares;
- (c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination, or without nominal or par value;
- (d) subdivide its shares having a par value, or any of them, into shares of smaller amount than its existing shares so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

60. The Company may by special resolution, by ordinary resolution or by resolution of the Directors, as the Directors may decide:

- (a) increase the maximum price or consideration for which shares without nominal or par value may be issued, where such maximum price or consideration has been stated in the memorandum or articles;

- (b) cancel shares that, at the date of the passing of a resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of the Company's share capital by the amount of the shares so cancelled or, in the case of the cancellation of shares without nominal or par value, by the number of shares so cancelled;
- (c) cancel paid-up shares that are surrendered to the Company by way of gift, and, if the resolution so provides, diminish the amount of its share capital by the amount of the shares or, in the case of shares without nominal or par value, by the number of shares so cancelled;
- (d) cancel paid-up shares that are acquired by a company on a distribution of the assets of another company under liquidation proceedings, and, if the resolution so provides, diminish the amount of its share capital by the amount of the shares cancelled, or in the case of shares without nominal or par value, by the number of shares cancelled.

61. The Company in General Meeting may, by special resolution direct that all new shares be offered to the Members in proportion to the existing shares respectively held by them, in which case, such offer shall be made by notice specifying the number of shares to which the Member is entitled, and limiting a time within which the offer, if not accepted, will be deemed to be declined, but subject to such direction or, if no such direction shall be given, the Board may dispose of the

same in such manner as it shall think fit and shall deem most beneficial to the Company. Any capital raised by the creation of new shares shall, be subject to the same provisions with reference to the payment of calls or instalments, and the forfeiture of shares, or non-payment of calls or instalments, transfers and transmissions of shares, liens or otherwise, as if it had been part of the original capital.

62. The Company may, from time to time, by special resolution, reduce its capital in any manner allowed by law.

#### GENERAL MEETINGS

63. General Meetings shall be held at such time and place as the Board or the President shall determine.

64. The first Annual General Meeting shall be held within such period as the Board shall determine is in accord with the most convenient date for closing the Company's financial year, but in any event shall be held within the period of sixteen (16) months from the date on which the Company is entitled to commence business, and subject to the provisions of the Statutes and these Articles, subsequent Annual General Meeting of the Company shall be held once in each calendar year and not more than sixteen (16) months after the holding of the last Annual General Meeting.

65. The Board or the President may, whenever it or he thinks fit, and the Board shall upon the requisition of the holders of not less than one-tenth of the issued voting share capital of the Company forthwith proceed to convene an Extraordinary General Meeting of the Company and



any Extraordinary General Meeting called in pursuance of a requisition shall be convened and held in accordance with the provisions of the Statutes.

66. In the case of an Extraordinary General Meeting called in pursuance of a requisition, unless such meeting shall have been called by the Board, no business other than that stated in the requisition as the objects of the meeting shall be transacted thereat.

67. Seven (7) days' notice, at the least, specifying the place, the day and hour of a General Meeting and, in the case of special or extraordinary business the general nature of such business, shall be given to the Shareholders entitled to vote at such meeting, in manner hereinafter mentioned, or in such other manner (if any) as may be prescribed by the Company in General Meeting.

68. The accidental omission to give notice to any such Shareholder, or the non-receipt by any such Shareholder, of such notice shall not invalidate the proceedings at any General Meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

69. At any General Meeting if all the Shareholders entitled to vote thereat are present, either in person or by proxy, they may waive the necessity of the giving of any previous notice of such meeting and an entry in the minutes of such meeting of such waiver shall be sufficient evidence of the due convening of the meeting.

70. The business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, Balance Sheet and Accounts, the reports of the Board and of the Auditors, the election of the Board and an Auditor or Auditors, and to transact any other business which under these Articles and the Statutes ought to be transacted at an Annual General Meeting. All other business transacted at an Annual General Meeting, and all business transacted at an Extraordinary General Meeting, shall be deemed special.

71. Two (2) persons personally present being Shareholders and entitled to vote thereat, or representatives of corporate Shareholders entitled to vote thereat, shall be a quorum for a General Meeting for a choice of a Chairman, the declaration of a dividend and the adjournment of the meeting. For all other purposes the quorum for a General Meeting shall be persons personally present being Shareholders and entitled to vote thereat, or representatives of corporate Shareholders entitled to vote thereat, not being less than two (2) in number and holding or representing by proxy one-twentieth part of the issued capital of the Company entitled to vote. No business shall be transacted unless the quorum shall be present at the commencement of the business.

72. If fifteen (15) minutes after the time appointed for the holding of a General Meeting, a quorum be not present, the meeting, if convened upon a requisition of Shareholders, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week at the same time and place; and if at such adjourned meeting a quorum

be not present, that Shareholder or representative of a corporate Shareholder who is present shall be deemed to be a quorum, and may transact all business which a full quorum might have done.

73. The President of the Company shall preside as Chairman at every General Meeting of the Company, and in his absence the Vice-President, and if neither of these be present, or if at any meeting, they be not present within fifteen (15) minutes after the time appointed for holding the meeting, the Shareholders present shall choose one of the Board present to be chairman, or if no member of the Board shall be present and willing to take the chair, the Shareholders present shall choose one of their number to be chairman.

74. The Chairman may adjourn the General Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

75. Votes at General Meetings may be given personally or by proxy.

76. The instrument appointing a proxy shall be in writing under the hand of the appointer, or if such appointer be a corporation, under its Seal. Save as provided in the Statutes, no person shall be appointed a proxy who is not a Shareholder of the Company and qualified to vote; provided always that a corporation being a Shareholder of the Company may appoint any one of its officers or any other person to be its proxy

and the person so appointed may attend and vote at any General Meeting at which the appointer is entitled to vote.

77. The instrument appointing a proxy and the power of attorney (if any) under which it is signed, shall be deposited at the Registered Office not less than twenty-four (24) hours before the time fixed for the General Meeting at which the person so named in such instrument is authorized to vote.

78. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office one (1) hour at least before the time fixed for holding the meeting.

79. Every instrument appointing a proxy, whether for a specified meeting or otherwise, shall as nearly as circumstances will permit be in the form or to the effect following:

"I \_\_\_\_\_ of  
 being a Shareholder in \_\_\_\_\_  
 hereby appoint \_\_\_\_\_ of  
 or failing him \_\_\_\_\_ of  
 as my proxy to vote for me and on my behalf at the Annual  
 (or Extraordinary, as the case may be) General Meeting of  
 the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_,  
 and at every adjournment thereof and at every poll, which

may take place in consequence thereof.

As witness my hand this            day of            19    ."

The decision of the chairman of any General Meeting as to the validity of any instrument of proxy shall be final and conclusive.

80.            At every General Meeting every question shall be decided in the first instance by a show of hands, unless before or upon the declaration of the result of the show of hands, a poll be demanded by a Shareholder personally present or by proxy and entitled to vote, or as may in special instances be required by Statutes. Upon a show of hands every person present and entitled to vote at the meeting shall have one vote, and every person present and entitled to vote as a duly authorized proxy or other representative of a Shareholder who is entitled to vote shall have one vote for each Shareholder for whom he acts as proxy or representative as well as any vote which he may be entitled to cast as a Shareholder.

Upon a poll every Shareholder entitled to vote who is present in person or by proxy shall have one (1) vote for every share by him.

Except as otherwise required by the Statutes all questions proposed for determination of the Shareholders at any General Meeting shall be determined by a majority of the votes duly cast. A declaration by the chairman that a resolution has been carried or carried by a particular majority, or lost, shall be conclusive and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

In the case of an equality of votes at any General Meeting, whether upon a show of hands or at a poll, the chairman shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote, the chairman shall determine the same, and such determination made in good faith shall be final and conclusive.

81. If a poll be demanded in the manner above-mentioned, it shall be taken at such time and place and in such manner as the chairman may direct, and the result of such poll shall be deemed to be the resolution of the General Meeting at which the poll was demanded. A demand for a poll may be withdrawn.

82. A poll may be demanded upon the election of a chairman, or upon a question of adjournment, but such poll shall be taken forthwith without adjournment. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

83. If any Shareholder be a lunatic, idiot or non compos mentis he may vote by his committee, curator bonis, or other legal curator or guardian and such last mentioned persons may give their votes either personally or by proxy.

84. Any person entitled under the transmission clauses of these Articles to a transfer of any share or shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such share or shares, provided that forty-eight (48) hours at least before the time for holding the meeting at which he proposes to vote, he shall satisfy the Board of his rights to a transfer of such share or shares or unless the Board shall have previously admitted such right to vote at such meeting in respect thereof.

85. No Shareholder shall be entitled to be present, or to vote on any question, either personally or by proxy, or as proxy for another

member, at any General Meeting, or upon a poll, or to be reckoned as a quorum, whilst any call or instalment or other sums shall be due and payable to the Company in respect of any shares of such Shareholder, and no Shareholder shall be entitled to vote at any General Meeting in respect of any share that he has acquired by instrument of transfer unless the transfer of the share shall have been duly registered at least forty-eight (48) hours previous to the time of holding the meeting at which he proposes to vote.

86. Notwithstanding anything to the contrary in these Articles a resolution assented to and adopted in writing under the hands of all the Shareholders entitled to vote thereon, though not passed at a General Meeting shall be of the same force and effect as if it had been duly passed at a General Meeting duly convened, and no previous notice or convening of any General Meeting for the purpose of passing such resolution shall in such case be deemed to have been necessary whether the business transacted thereat is special or not, and a Shareholder may signify his assent to such resolution in writing under his hand or by telegram or cable.

#### BORROWING POWERS

87. The Board may from time to time at their discretion raise or borrow money for the purpose of the Company's business and may secure the repayment of the same by mortgage or charge upon the undertaking and the whole or any part of the assets and property of the Company (present

and future) including its uncalled or unissued capital, and may issue bonds, debentures or debenture stock payable to bearer or otherwise, give and grant securities under the Bank Act and generally to raise and borrow money for the purposes of the Company, secured or charged upon the whole or any part of the assets and properties of the Company, or otherwise as may be advisable or necessary in the interests thereof.

88. Any bonds, debentures, debenture stock or other securities, issued or to be issued by the Company, shall be under the control of the Board, who may issue them assignable free from any equities between the Company and the person to whom the same may be issued, and upon such other terms and conditions and in such manner and for such considerations as they shall consider to be for the benefit of the Company.

89. Any bonds, debentures, debenture stock or other securities may be issued at a discount, premium, or otherwise and with any special privileges as to redemption, surrender, drawing, conversion or otherwise.

90. If the Board, or any member or members thereof, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Board or any such member or members thereof or person so becoming liable as aforesaid, from any loss in respect of such liability.



91. The Company shall comply with the requirements of the Statutes in respect of filing or registering such mortgages and charges as are herein mentioned, and, where necessary, the Company shall keep a register of mortgages as required by the Statutes.

DIRECTORS

92. The affairs of the Company shall be managed by a Board of not less than two (2) Directors nor more than nine (9) and in the event of the number of Directors being less than the minimum aforesaid they shall do no act other than to appoint a Director or Directors, or call a General Meeting of the Company, until the number of Directors has been made up to the said minimum, and in the further event that the number of Directors is increased or decreased beyond or below the said maximum such increase or decrease shall be effected in compliance with the provisions of the Statutes. The first permanent Directors shall be appointed by a majority of the Subscribers to the Memorandum of Association of the Company and until their appointment, the Subscribers to the Memorandum of Association shall be the Directors of the Company.

93. A Director need not be a Shareholder of the Company.

94. The Board shall have power to appoint any other person or persons to be a Director or Directors as an addition or additions to the Board, either to fill a casual vacancy occurring in, or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum hereinbefore prescribed; any Director so appointed

shall only hold office until the next following Annual General Meeting of the Company, and then shall be eligible for re-election.

95. The Company may from time to time in General Meeting increase or reduce the number of Directors provided that the number of Directors shall not be reduced to less than two (2).

96. The Company in General Meeting may by special resolution remove any Director, before the expiration of his period of office, and may by ordinary resolution appoint another person in his stead. The person so appointed shall hold office during such time only, as the Director in whose place he is appointed would have held the same if he had not been removed.

#### ELECTION OF DIRECTORS

97. At the Annual General Meeting in every year, all of the Directors of the Company for the time being shall retire from office.

98. A retiring Director shall be eligible for re-election.

99. If at any General Meeting at which any election of Directors ought to take place such election does not take place, the retiring Directors shall continue in office until Directors have been elected at a subsequent General Meeting or until the Annual General Meeting in the next year, and so on from time to time until such election takes place or the successors of the retiring Directors are elected or appointed.

## REMUNERATION OF DIRECTORS

100. The Directors shall be paid out of the funds of the Company such remuneration, if any, as the Board may from time to time determine. Any remuneration so payable to a Director who is also an officer or employee of the Company or who is counsel or solicitor to the Company or otherwise serves it in a professional capacity shall be in addition to his salary as such officer or to his professional fees as the case may be. The Directors shall also be paid such sums in respect of their out-of-pocket expenses incurred in attending board, committee or shareholders' meetings or otherwise in respect of the performance by them of their duties as the Board may from time to time determine.

101. In addition the Board may by resolution from time to time award special remuneration out of the funds of the Company to any Director who performs any special work or service for or undertakes any special mission on behalf of the Company outside the work or services ordinarily required of a Director of the Company.

## POWERS OF DIRECTORS

102. In addition to the powers and authorities conferred on them by the Statutes, the business of the Company shall be managed by the Board, who may pay all such expenses of and preliminary and incidental

to the promotion, formation, establishment and registration of the Company as they think fit, or of any company formed by or at the instance of the Company, and the issue of the capital, debentures and bonds, or other securities of the Company, or any other such company as aforesaid, including brokerage and commission for obtaining or guaranteeing applications for, or placing, shares, debentures or securities, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company and as are not by the Statutes or these Articles required to be exercised or done by the Company in General Meeting: subject nevertheless to any regulations contained in these Articles, or any amendment thereof, or additional thereto, or to the provisions of the Statutes and to such regulations being not inconsistent with these Articles, and no such regulations shall invalidate any prior act of the Board which would have been valid if such regulations had not been made.

#### DISQUALIFICATION OF DIRECTORS

103. The office of a Director shall be ipso facto vacated:
- (a) If he becomes insolvent or suspends payment or compounds with his creditors;
  - (b) if he becomes of unsound mind or be found a lunatic;
  - (c) if by notice in writing he resigns his office;
  - (d) if he is removed from office by the Company in General Meeting;
  - (e) if he disappears for three (3) months or more and he be not heard of by persons who would normally hear from him;

- (f) if he be absent from meetings of the Directors for six (6) months without leave and all his co-directors or co-director resolve at two (2) meetings of the Board held at least seven (7) days apart that his office be vacated;

but any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless prior to the doing of such act written notice has been served upon the Board, or an entry has been made in the Directors' Minute Book, stating that such Director has ceased to be a Director of the Company.

104. No Director shall be disqualified by reason of his office from contracting with the Company either as a vendor, purchaser or otherwise, nor shall any such contract, nor any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided; nor shall any Director so contracting or being interested, be liable to account to the Company for any profit realized from any such contract or arrangement by reason of such Director holding that office or the fiduciary relation thereby established; but the nature of the Director's interest must be disclosed by him at the meeting of the Board at which the contract or arrangement is determined on, if his interest then exists or, in any other case, at the first meeting of the Board after the acquisition of his interest.

105. A general notice that a Director is a member of any specified partnership, company or corporation and is to be regarded as interested in any subsequent transaction with such partnership, company or corporation,

shall be sufficient disclosure under the next preceding Article and, after such notice, it shall not be necessary to give any special notice relating to any particular transaction with such partnership, company or corporation.

106. A Director of the Company may be or become a shareholder or a Director of any company in which the Company may be interested as vendor, purchaser, shareholder or otherwise, and no such Director shall be accountable to the Company for any benefits received as shareholder or director of such other company.

107. Any Director may hold any other office, whether of profit or otherwise under the Company in conjunction with his office as Director, and on such terms as to remuneration or otherwise as the Board may arrange, and any Director may act for himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he was not a Director. A Director of the Company may accept office as a Director of any company promoted by or in which the Company is interested, and may subscribe for, guarantee the subscription of, or otherwise acquire, shares in any such company and shall be in no wise accountable for any profits, dividends or benefits so obtained.

#### PROCEEDINGS OF DIRECTORS

108. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as it shall think fit.

For the transaction of business, a majority of the Directors shall constitute a quorum. Questions arising at any meeting shall be decided by a majority of votes; in the case of an equality of votes, the chairman of the meeting shall have a second or casting vote in addition to his ordinary vote.

109. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board.

110. (a) Meetings of the Board may be summoned by the Secretary or an Assistant Secretary at the request of the President or the Chairman, and failing them, at the request of a Vice-President or a Director. A meeting of the Board may be held at any time the Board may deem necessary and expedient and may be summoned on twenty-four (24) hours' notice, verbally or in writing, and whether by means of telephone or telegraph, or any other means of communication.

(b) Meetings of the Board may be held at any time without formal notice if all the Directors are present or those absent waive notice or signify their consent by writing or by cable or telegram addressed to the Secretary, to the meeting being held in their absence.

(c) Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any Director either before or after the meeting.

(d) For the first meeting of the Board to be held immediately following the election of Directors at any General Meeting or for a meeting of the Board at which a Director is appointed to fill a vacancy on the Board, no notice of such meeting shall be necessary to the newly elected or appointed Director or Directors in order legally to constitute the meeting provided a quorum of Directors is present.

(e) The Board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of regular meetings of the Board shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting.

111. A Director may participate in a meeting of the Board or of any committee of the Directors by conference telephones or other communication facilities by means of which all Directors participating in the meeting can hear each other and provided that all such Directors agree to such participation. A Director participating in a meeting in accordance with this Article shall be deemed to be present at the meeting and to have so agreed and shall be counted in the quorum therefor and be entitled to speak and vote thereat.

112. All acts done by any meeting of the Board or of a Committee of the Board, or by any persons acting as Directors, shall notwithstanding that it be afterwards discovered that there was some defect in the



appointment of any such Directors, or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been fully appointed and was disqualified to be a Director.

115. A resolution signed by all the members of the Board as such, shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted and shall be entered in the Minute Book of the Company accordingly, and shall be held to relate back to any date therein stated to be the date thereof.

#### EXECUTIVE COMMITTEE

114. Whenever the number of Directors constituting the Board shall consist of more than six (6), the Board may appoint not less than three (3) of their number to constitute an Executive Committee, of whom a majority shall constitute a quorum, and who may meet at stated times or on notice to all or any of their own number; the members of such Committee shall advise with and aid the officers and the Board in all matters concerning the Company's interest and in the management of its business and affairs and generally perform such duties and exercise such powers as may be directed or delegated to such committee by the Board from time to time. The Board may delegate to such committee authority to exercise such of its powers while the Board is not in session as the Board may designate.

115. The Executive Committee may act by the written consent of a quorum thereof, although not formally convened.

116. The Executive Committee shall keep minutes of its proceedings and report the same to the Board at the next meeting thereof.

THE PRESIDENT

117. The Board, from time to time, may elect from amongst themselves, a President.

118. The President shall preside at all General Meetings and, in the absence or non-appointment of the Chairman of the Board, shall also preside at meetings of the Board. He shall have general and active management of the business and affairs of the Company, and without limitation to the foregoing:

- (a) he shall have general superintendence and direction of all the other officers of the Company;
- (b) he shall submit the Annual Report of the Board, if any, and the Annual Balance Sheets and financial statement 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 he shall report to the Board all matters within his knowledge which the interest of the Company require to be brought to their attention;
- (c) he shall be ex-officio a member of all standing committees.

## CHAIRMAN OF THE BOARD

119. The Board may elect one (1) of their number to be Chairman of the Board, who may preside at any or all meetings of the Board and who may also hold the office of President or Vice-President.

## THE VICE-PRESIDENT OR VICE-PRESIDENTS

120. The Board, from time to time, may also elect from amongst themselves a Vice-President or Vice-Presidents in whom shall be vested all the powers and who shall perform all the duties of the President in the absence of the latter from his office and who may also preside at meetings of the Board in the absence of the President and the Chairman of the Board. Nothing, however, contained in this Article shall prevent, if considered advisable or being necessary, and the Directors present being willing, any Director from presiding at meetings of the Board.

## THE SECRETARY OR ASSISTANT SECRETARIES

121. The Board may appoint a Secretary and may also appoint one or more Assistant Secretaries. The Secretary or an Assistant Secretary shall attend any meetings of the Board and any General Meeting, and record the proceedings thereof and all matters transacted and dealt with thereat, and shall prepare and keep minutes of all such meetings and record all votes and the minutes of all proceedings in a book or books to be kept for that purpose, and shall perform like duties for any standing or executive committee when required.

122. The Secretary or, in his absence, an Assistant Secretary, shall give or cause to be given notice of all General Meetings and of all meetings of the Board and shall perform such other duties as may be prescribed by the Board.

#### THE TREASURER OR ASSISTANT TREASURERS

123. The Board may appoint a Treasurer and may also appoint one or more Assistant Treasurers, who shall keep or cause to be kept in books belonging to the Company, full and accurate accounts of receipts and disbursements and shall deposit or cause to be deposited all moneys of the Company with the Company's Bankers, or otherwise deal with the same as the Board may determine.

124. The Treasurer or an Assistant Treasurer or Assistant Treasurers shall disburse or cause to be disbursed the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and to the Board at the regular meetings of the Board, or whenever they may require it, an account of all transactions as treasurer and of the financial position of the Company.

125. The office of Secretary and Treasurer may be held by one person.

## MANAGING DIRECTOR OR MANAGING DIRECTORS

126. The Board may from time to time, appoint one (1) or more from their body to be a Managing Director or Managing Directors of the Company, and may fix his or their remuneration, either by way of salary or commission or by conferring a right to participation in the profits of the Company, or by a combination of two or more of these modes.

127. Every Managing Director shall be liable to be dismissed or removed by the Board and another person may be appointed in his place. The Board may, however, enter into any agreement with any person who is or is about to become a Managing Director with regard to the length and terms of his employment, but so that the remedy of any such person for any breach of such agreement shall be in damages only and shall have no right or claim to continue in such office contrary to the will of the Board as aforesaid and if he ceases to hold the office of Director from any cause, he shall ipso facto and immediately cease to be a Managing Director.

128. The Board may from time to time entrust to and delegate to and confer upon, the Managing Director or Managing Directors such powers (including power to sub-delegate) as it thinks fit, but the exercise of all the powers by the Managing Director or Managing Directors shall be subject to all such regulations and restrictions as the Board may from time to time make and impose and the said powers may at any time be withdrawn, revoked and varied.

## POWERS OF ATTORNEY

129. The Board may at any time and from time to time by power of attorney under the Seal, appoint any person or persons or any Solicitor to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the members of any committee established as aforesaid, or in favour of any company or of the members, directors, nominees or managers of any company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board. Any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit.

130. Any attorneys may be authorized by the Board to delegate all or any of the powers, authorities and discretions for the time being vested in them, subject to the Board's confirmation.

## TRUSTEES

131. The Board may appoint a Trust Company or any two (2) or more responsible persons to be a trustee or trustees for the Company for any purpose for which it is deemed advisable to have the intervention

of a trustee or trustees and, in particular, the whole or any part of the property of the Company may be vested in such trustee or trustees either for the benefit of the Shareholders or to secure to the creditors or obligees of the Company the payment of any money or for securing any bonds, debentures or debenture stock of the Company, or for the payment or performance of any obligations which the Company ought to pay or perform, and the Board may, at any time, fill any vacancy in the office of the trustee.

132. The remuneration of a trustee or trustees shall be such as the Board shall determine and shall be paid by the Company.

133. The Board may delegate to any creditors or other persons the power of appointing or removing a trustee or trustees and may, by contract in writing, limit or surrender its power of appointing or removing a trustee or trustees.

#### COMPANY SEAL

134. The Company shall have a corporate seal of such design as may be approved by the Board.

135. The Seal shall be affixed to all documents, requiring execution under the corporate seal of the Company, by such party or parties as may be authorized, from time to time, by the Board.

136. The Seal shall be kept in charge of the Secretary or other

person appointed by the Board and shall be used as in the Articles provided.

137. Whenever determined by the Board that such is necessary, the Company may have and use an official facsimile of its Seal for use in any Province of the Dominion of Canada not being the Province in which the Registered Office is situate or for use in any territory, district or place outside of the Dominion of Canada, and in the preparation of and in adopting and authorizing the use of such Seal the Board shall at all times comply with the Statutes and the Articles.

#### BOOKS OF THE COMPANY

138. The Board shall cause minutes to be made in books provided for that purpose:

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each meeting of the Board;
- (c) of all resolutions and proceedings of all General Meetings and at all meetings of the Board or of the Executive Committee;

and any such minutes as aforesaid if purporting to be signed by the chairman of the meeting at which such appointments were made, or such Directors were present, or such resolutions were passed or proceedings had (as the case may be) or by the chairman of the next succeeding General Meeting or meeting of the Board or Executive Committees (as the case may be) shall be sufficient evidence without any further proof of the facts therein stated.



139. The Secretary, or the Assistant Secretary, or Assistant Secretaries, shall keep or cause to be kept a book or books wherein shall be recorded:

- (a) a copy of the Memorandum of Association of the Company and of these Articles and of any amendments thereto;
- (b) the names, alphabetically arranged, of all persons who are, or have been, Shareholders;
- (c) the address and calling of every such person, while such Shareholder, as far as can be ascertained;
- (d) the number of shares of each class held by each Shareholder;
- (e) the amount paid in and remaining unpaid, respectively, on the shares of each Shareholder;
- (f) the names, addresses and callings of all persons who are or have been Directors of the Company, with the several dates at which each became or ceased to be such Director.

#### INSPECTION OF BOOKS AND ACCOUNTS

140. The books, accounts and records of the Company shall be open to inspection by any member of the Board at all times. Except as otherwise provided by the Statutes, Shareholders may not inspect the books of the Company except as such times and places as the Board may by resolution determine.

## ACCOUNTS

141. The Board shall cause true accounts to be kept;
- (a) of the sums of money received and expended by the Company and the matters in respect of which such receipts and expenditures take place;
  - (b) of all sales and purchases of goods and services by the Company;
  - (c) of the assets and liabilities of the Company.
142. The books of account shall be kept at the Registered Office or at any such other place as the Board may determine.
143. At the Annual General Meeting in every year, the Board shall lay before the Company a balance sheet and a profit and loss account and the Auditors' Report made up and submitted in accordance with the Statutes.
144. Every such Balance Sheet and Accounts shall be accompanied by a report of the Board as to the state and condition of the Company, and as to the amount (if any) which they propose to carry to the reserve fund, and the amount (if any) which they recommend to be distributed by way of dividend or bonus to the Shareholders and the Balance Sheet, Accounts and Report shall be signed by two Directors.
145. The preliminary expenditures incurred in setting up and registering the Company (including all payments authorized by the

Memorandum of Association), and the cost to the Company of and incidental to the acquisition by purchase of any property of a wasting nature or the establishment of any new branch business or any extraordinary expenditure of a like nature may, with the consent of the Board, be treated as capital expenditure subject to such allowance for depreciation as the Board considers reasonable or may be spread over a series of years as the Board may determine, and the amount of any such cost or expenditure or any part thereof for the time being outstanding or not written off may for the purpose of calculating the profits of the Company be reckoned as an asset.

#### AUDIT

146. Once at least in every year the accounts of the Company shall be examined and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditors. The Company at such Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting and his or their appointment, remuneration, rights and duties shall be regulated by the Statutes.

147. The accounts of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three (3) months next after the approval thereof. Whenever such error is discovered within that period, the accounts shall forthwith be corrected and thenceforth shall be conclusive.

## DIVIDENDS

148. Subject to the rights of the holders of any shares entitled to any priority, preference or special privileges, the profits of the Company may be divided by way of dividend amongst the Shareholders and such division shall be in proportion to the capital paid up upon the shares held by them respectively. Such dividends may be declared by the Board.

149. The resolution of the Board declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of the Company, or of any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that such payments shall be made to any Shareholders upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trust for the persons entitled to the dividends as may seem expedient to the Board.

150. Interest may be paid out of capital where by virtue of the Statutes it is lawful to do so, but no dividend shall be payable except out of the profits arising from the business of the Company.

151. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall

not whilst carrying interest confer a right to participate in profits.

152. The Board may from time to time pay to the Shareholders such interim dividends as appear to the Board to be justified by the profits of the Company.

153. The Board shall deduct from the dividends payable to any Shareholder all sums of money as may be due from him to the Company, on account of calls or otherwise.

154. The Company may transmit any dividend, or bonus, payable in respect of any share by cheque or warrant through the ordinary post to the registered address of the holder of such share (unless he shall have given written instructions to the contrary), and shall not be responsible for any loss arising therefrom. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

155. No dividend shall bear interest as against the Company.

156. All dividends unclaimed for one (1) year after having been declared may be vested in or otherwise made use of by the Board for the Benefit of the Company. All dividends unclaimed for three (3) years after having been declared may be forfeited by the Board and applied for the sole use and benefit of the Company.

#### RESERVES

157. The Board may set aside out of the profits of the Company such sums as they think proper as a reserve or reserves, which shall,

at the discretion of the Board, be applicable for meeting contingencies or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company, or be invested (other than shares of the Company), as the Board may from time to time think fit.

#### NOTICES

158. Any notice or other document to be given by the Company to any Shareholder, Director or Officer of the Company shall be served either personally or by sending it through the post in a prepaid envelope or wrapper or by telegram or cablegram addressed to such Shareholder, Director or Officer at his address as the same appears in the books of the Company, or if no address be given therein then to the last address of such Shareholder, Director or Officer known to the Secretary. With respect to every notice or other document sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed and put into a Post Office letter box.

159. All notices or other documents with respect to any shares registered in more than one name shall be given to whichever of such persons is named first in the Register and any notice or other document so given shall be sufficient notice or delivery of such document to all the holders of such shares.

160. Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any share or shares shall be bound by every notice or other document in respect of such share or shares which previously to his name and address being entered in the Register shall be duly given to the person from whom he derives his title to such share or shares.

161. Any notice or other document delivered to or sent by post or left at the address of any Shareholder as the same appears in the Register shall, notwithstanding that such Shareholder be then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of the shares held by such Shareholder (whether held solely or with other persons) until some other person be entered in his stead in the Register as the holder or one of the holders thereof, and such service shall for all purposes be deemed a sufficient service of such notice or other document on his heirs, executors or administrators and on all persons, if any, interested with him in such shares.

162. The signature to any notice or other document given by the Company may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

163. Where a given number of days' notice or notice extending over any period is required to be given the day of service or posting of the notice shall be excluded and the day for which notice is given shall be included in such number of days or other period.

164. A certificate of the Secretary or the Treasurer or of any other duly authorized officer of the Company in office at the time of the making of the certificate or of a transfer officer or any transfer agent or branch transfer agent of shares of any class in the capital stock of the Company as to facts in relation to the mailing or delivery or service of any notice or other document to any Shareholder, Director or Officer or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every Shareholder, Director or Officer of the Company, as the case may be.

165. Any notice sent by post shall be deemed to be served on the second day following that upon which the letter, envelope or wrapper containing the same is posted, and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into the Post Office.

166. The accidental omission to give any notice to any Shareholder, Director, Officer or Auditor or the non-receipt of any notice by any Shareholder, Director, Officer or Auditor 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.

#### WINDING UP

167. Subject to any rights which may exist in favour of any particular class of shares, whether created by the Memorandum of Association of the Company, these Articles or by special resolution, if the company shall be wound up and the assets available for distribution among the Shareholders as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed, so that as nearly as may be the deficiency shall be borne by the Shareholders in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding-up on the shares held by them respectively, and if on winding-up the assets available for distribution among the Shareholders shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed among all the Shareholders in proportion to the number of shares held by them.



168. Subject to any rights which may exist in favour of any particular class of shares, whether created by the Memorandum of Association of the Company, these Articles or by special resolution, with the sanction of a special resolution of the voting Shareholders of the Company, but subject to the provisions of any law from time to

#### INDEMNITY TO DIRECTORS AND OTHERS

169. Every Director, Manager, Secretary and other officer or servant of the Company shall be indemnified by the Company against (and it shall be the duty of the Board out of funds of the Company to pay) all costs, losses and expenses which such Director, Manager, Secretary, officer or servant may incur, or become liable for, by reason of any contract entered into or act or thing done by him, as such Director, Manager, Secretary, officer or servant, or in any way in the discharge or execution of his duties, including travelling expenses, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority between the members over all claims.

170. No Director or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer, or for joining in any receipt or other act for conformity or for any loss or expenses happening in the Company through 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 act of any person with whom any money, securities or effects shall be deposited, or for any other loss occasioned

by error of judgment, 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 shall happen through his own wilful neglect or dishonesty.

171. Any person made a party to any action, suit or proceedings by reason of the fact that he is or was a director, manager, secretary or other office, agent or servant of the Company, or of any corporation which is served as such at the request of the Company, shall be indemnified by the Company against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defence of such action, suit or proceeding, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such director, manager, secretary, or other officer, agent or servant is liable for negligence or misconduct in the performance of his duties. Such right of indemnification shall not be deemed exclusive of any other rights to which such director, officer or employee may be entitled. None of the provisions hereof shall be construed as a limitation upon the right of the Company to exercise its general power to enter into a contract or undertaking of indemnity with or for the benefit of any director, manager, secretary or other officer, agent or servant in any proper case not provided for herein.

#### VOTING SHARES AND SECURITIES IN OTHER COMPANIES

172. All shares, bonds, debentures, debenture stocks, notes and other obligations belonging to the Company may be issued or held in the

name of a nominee or nominees of the Company (and if issued or held in the name of more than one nominee shall be held in the names of the nominees jointly with right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected. All of such securities carrying voting rights may be voted at any and all meetings of shareholders, bondholders, debenture holders, debenture stockholders, note holders or holders of other obligations (as the case may be) in such manner and by such person or persons as the Board of directors of the Company shall from time to time determine. The proper signing officers of the Company may also from time to time execute and deliver for and on behalf of the Company proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the Board.


#### WITHHOLDING INFORMATION FROM SHAREHOLDERS

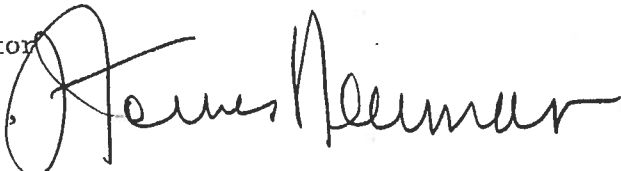
173. No Shareholder shall be entitled to discovery of any information respecting any details or conduct of the Company's business which in the opinion of the Directors it would be inexpedient in the interests of the Shareholders of the Company to communicate to the public.

174. The Directors 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 and books of the Company or any of them shall be open to the inspection of Shareholders, and no Shareholder shall have any right to inspect any account or book or document of the Company

except as conferred by statute or authorized by the Board of Directors or by a resolution of the Shareholders in General Meeting.

Full name, address and occupation of Subscribers	No. of Shares taken by each Subscriber
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Wallace B. MacInnes Barrister and Solicitor 3600 Scotia Centre 700 - 2nd Street S.W., Calgary, Alberta. T2P 2W2		One (1)
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J. Forbes Newman, Barrister and Solicitor 3600 Scotia Centre 700 - 2nd Street S.W., Calgary, Alberta. T2P 2W2		One (1)
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Elaine Whittaker Secretary 3600 Scotia Centre 700 - 2nd Street S.W., Calgary, Alberta. T2P 2W2		One (1)
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DATED at the City of Calgary, in the Province of Alberta, this 30<sup>th</sup> day of August, 1979.

WITNESS TO ABOVE SIGNATURES:

Anita M. Duthie  
Name

3600 Scotia Centre, Calgary  
Address

Legal Secretary  
Occupation