



NOTICE OF SPECIAL MEETING

to be held on April 22, 2022

and

MANAGEMENT INFORMATION CIRCULAR

with respect to a proposed combination of

CORDY OILFIELD SERVICES INC.

and

VERTEX RESOURCE GROUP LTD.

and

VERTEX ENERGY SERVICES LTD.

RECOMMENDATION TO SHAREHOLDERS

The Board of Directors of Cordy Oilfield Services Inc. has, after careful consideration, unanimously determined that the Amalgamation is in the best interests of Cordy Oilfield Services Inc. The board of directors unanimously recommends that the shareholders of Cordy Oilfield Services Inc. vote **IN FAVOUR** of the special resolution approving the Amalgamation, as described in this Information Circular, at the Special Meeting.

March 22, 2022

YOUR VOTE IS IMPORTANT

These materials are important and require your immediate attention. They require holders (“Shareholders”) of common shares of Cordy Oilfield Services Inc. (“Cordy”) to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors.

The deadline for the receipt of proxies for the special meeting is 11:00 a.m. (Calgary time) on April 20, 2022.



LETTER TO SHAREHOLDERS

March 22, 2022

TO: The holders of common shares of Cordy Oilfield Services Inc.

You are invited to attend a special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Cordy Shares**”) of Cordy Oilfield Services Inc. (“**Cordy**”) to be held at the offices of Cordy Oilfield Services Inc., located at 5366 - 55th Street SE, Calgary, AB, at 11:00 a.m. (Calgary time) on April 22, 2022 for the purposes set forth in the accompanying Notice of Special Meeting of Shareholders.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve a special resolution (the “**Amalgamation Resolution**”) in respect of a proposed combination of Cordy with Vertex Resource Group Ltd. (“**Vertex**”) by way of a statutory amalgamation (the “**Amalgamation**”) of Cordy with Vertex Energy Services Ltd. a new wholly owned subsidiary of Vertex, upon completion of which holders of Cordy Shares will receive 0.081818 of a common share (each whole common share, a “**Vertex Share**”) in the capital of Vertex in exchange for each Cordy Share as consideration (the “**Consideration**”).

In order to become effective, the Amalgamation must be approved by (i) at least two-thirds of the votes cast at the Meeting by the Shareholders, present or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast at the Meeting by the Shareholders present or represented by proxy and entitled to vote at the Meeting, excluding the votes cast in respect of Cordy Shares held by any interested party (as defined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”)) and such other holders of Cordy Shares excluded by MI 61-101. Completion of the Amalgamation is also subject to receipt of certain required regulatory approvals, including the approval of the TSX Venture Exchange Inc. (“**TSXV**”) and other customary closing conditions, all of which are described in more detail in the attached Information Circular.

All of the directors and senior officers of Cordy, holding in aggregate 61,092,867 Cordy Shares representing approximately 26% of the votes which may be cast at the Meeting, have entered into agreements with Vertex to vote in favour of the Amalgamation, provided that the amalgamation agreement dated as of February 25, 2022, among Cordy, Vertex, and Vertex Energy Services Ltd. (the “**Amalgamation Agreement**”) has not been terminated by either Vertex or Cordy in accordance with its terms.

After taking into consideration, among other things, the Consideration to be received by the Shareholders pursuant to the Amalgamation, delivered on February 25, 2022, the text of which is attached as Appendix “A” to the Information Circular, the Board has concluded that the Amalgamation is in the best interests of Cordy and the Shareholders, and has unanimously approved the Amalgamation and authorized its submission to the Shareholders. **Accordingly, the Board unanimously recommends that the Shareholders vote FOR the Amalgamation.**

It is important that your Cordy Shares be represented at the Meeting. Whether or not you are able to attend the Meeting, we urge you to complete, sign and mail the enclosed form of proxy to, or deposit it with, Computershare Trust Company of Canada 324 8 Ave SW #800, Calgary, AB T2P 2Z2, in any event not later than 11:00 a.m. (Calgary time) on April 20, 2022 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time the Meeting is reconvened or held, as the case may be.

Non-registered or beneficial Shareholders who do not hold Cordy Shares in their own name but rather through a broker, financial institution, trustee, nominee or other intermediary must complete and return the voting instruction form provided to them or follow the telephone or internet-based voting procedures described therein in advance of

the deadline set forth in the voting instruction form in order to have such Cordy Shares voted at the Meeting on their behalf.

If you hold your Cordy Shares through a broker or other person, please contact that broker or other person for instructions and assistance in receiving the Consideration in respect of your Cordy Shares upon completion of the Amalgamation if it is approved.

If you are a registered holder of Cordy Shares, please complete and return the enclosed Letter of Transmittal together with the certificate(s) or DRS Statement (as defined in the attached Information Circular) representing your Cordy Shares and any other required documents and instruments, to the depositary, TSX Trust Company, in the enclosed return envelope in accordance with the instructions set out in the Letter of Transmittal so that if the Amalgamation is approved the Consideration for your Cordy Shares can be sent to you as soon as possible following the Amalgamation becoming effective. The Letter of Transmittal contains other procedural information related to the Amalgamation and should be reviewed carefully.

Only registered holders of Cordy Shares will receive a DRS Statement representing Vertex Shares.

Full details of the Amalgamation are set out in the Information Circular. The Information Circular contains a detailed description of the Amalgamation, including certain risk factors relating to the completion of the Amalgamation. You should consider carefully all of the information in the Information Circular. If you require assistance, consult your financial, legal, tax or other professional advisor.

On behalf of the Board of Directors, I would like to thank all Shareholders for their ongoing support as we work towards completion of this important transaction.

Yours very truly,

(signed) "*Darrick Evong*"

Darrick Evong
Chief Executive Officer
Cordy Oilfield Services Inc.

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ENCLOSURES

Form of Proxy Relating to the Meeting

Letter of Transmittal

Return Envelope



NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (“**Cordy Shares**”) of Cordy Oilfield Services Inc. (“**Cordy**”) will be held at the offices of Cordy, located at 5366 - 55th Street SE, Calgary, AB, at 11:00 a.m. (Calgary time) on April 22, 2022 for the following purposes:

1. To consider and, if thought advisable, to pass, with or without amendment, a special resolution approving the three-cornered amalgamation under section 181 of the *Business Corporations Act* (Alberta) involving Cordy Oilfield Services Inc., Vertex Resource Group Ltd. and Vertex Energy Services Ltd., a wholly owned subsidiary of Vertex Resource Group Ltd.
2. To transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Full details of the Amalgamation are set out in the Information Circular. The full text of the Amalgamation Resolution is set out in Appendix “B” to the Information Circular.

The Board of Directors has set the close of business on March 18, 2022 (the “**Record Date**”) as the record date for determining Shareholders who are entitled to receive notice of the Meeting.

Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those Cordy Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless, any such Shareholder transfers Cordy Shares after the Record Date and the transferee of those Cordy Shares, having produced properly endorsed certificates evidencing such Cordy Shares or having otherwise established that he or she owns such Cordy Shares, demands, not later than 10 days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Cordy Shares at the Meeting.

In order to become effective, the Amalgamation must be approved by (i) at least two-thirds of the votes cast at the Meeting by the Shareholders present or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast at the Meeting by the Shareholders present or represented by proxy and entitled to vote at the Meeting, excluding the votes cast in respect of Cordy Shares held by any interested party (as defined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”)) and such other holders of Cordy Shares excluded by MI 61-101. Completion of the Amalgamation is also subject to receipt of certain required regulatory approvals, including the approval of the TSXV and other customary closing conditions, all of which are described in more detail in the attached Information Circular.

It is important that your Cordy Shares be represented at the Meeting. Whether or not you are able to attend the Meeting, we urge you to complete, sign and mail the enclosed form of proxy to, or deposit it with, Computershare Trust Company of Canada 324 8 Ave SW #800, Calgary, AB T2P 2Z2, in any event not later than 11:00 a.m. (Calgary time) on April 20, 2022 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time the Meeting is reconvened or held, as the case may be.

Non-registered or beneficial Shareholders who do not hold Cordy Shares in their own name but rather through a broker, financial institution, trustee, nominee or other intermediary must complete and return the voting instruction form provided to them or follow the telephone or internet-based voting procedures described therein in advance of the deadline set forth in the voting instruction form in order to have such Cordy Shares voted at the Meeting on their behalf.

A proxyholder has discretion under the accompanying form of proxy in respect of amendments or variations to matters identified in this Notice and with respect to other matters which may properly come before the Meeting, or

any adjournment thereof. As of the date hereof, management of Cordy knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice. Shareholders who are planning on returning the form of proxy are encouraged to review the Information Circular carefully before submitting the proxy form.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote in favour of the Amalgamation Resolution.

Registered Shareholders have the right to dissent with respect to the Amalgamation Resolution and, if the Amalgamation becomes effective, to be paid the fair value of their Cordy Shares in accordance with the provisions of Section 191 of the ABCA. A registered Shareholder wishing to exercise the right of dissent with respect to the Amalgamation must send to Cordy a written objection to the Amalgamation Resolution, which written objection must be received by Cordy c/o DLA Piper (Canada) LLP, 1000, 250 - 2nd Street S.W., Calgary, Alberta T2P 0C1, Attention: Daniel E. Kenney by no later than 11:00 a.m. (Calgary time) on April 20, 2022 or, if the Meeting is adjourned or postponed, by 11:00 a.m. (Calgary time) on the day that is two Business Days immediately preceding the date on which the Meeting is reconvened or held, and must otherwise strictly comply with Section 191 of the ABCA. A registered Shareholder's right to dissent is more particularly described in the Information Circular, and the text of Section 191 of the ABCA is set forth in Appendix "C" to the Information Circular.

Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of any right of dissent. Persons who are beneficial owners of Cordy Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of Cordy Shares are entitled to dissent. Accordingly, a beneficial owner of Cordy Shares desiring to exercise this right must make arrangements for the Cordy Shares beneficially owned by such Shareholder to be registered in the Shareholder's name prior to the time the written objection to the Amalgamation Resolution is required to be received by Cordy or, alternatively, make arrangements for the registered holder of such Cordy Shares to dissent on the Shareholder's behalf. It is strongly suggested that any Shareholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the ABCA may prejudice such Shareholder's right to dissent.

**BY ORDER OF THE BOARD OF DIRECTORS OF
CORDY OILFIELD SERVICES INC.**

(signed) "*Darrick Evong*"

Darrick Evong
Chief Executive Officer

Calgary, Alberta
March 22, 2022

QUESTIONS AND ANSWERS ABOUT THE MEETING AND AMALGAMATION

The following is a summary of certain information contained elsewhere in this Information Circular, including the Appendices hereto, and is qualified in its entirety by reference to the more detailed information contained or referred to elsewhere in this Information Circular or in the Appendices hereto. Terms with initial capital letters used in this summary are defined in the "Glossary of Terms". You are urged to read this Information Circular in its entirety including the Appendices hereto, the form of proxy and the Letter of Transmittal (if applicable) before making a decision related to your Cordy Shares. All capitalized terms used herein have the meanings ascribed to them in the "Glossary of Terms" of this Information Circular.

Q: Why is the Meeting being held?

A: The Meeting is being held to consider a special resolution to approve the Amalgamation of Cordy with Vertex Subco, as a result of which Vertex will acquire all of the issued and outstanding Cordy Shares. Pursuant to the Amalgamation, the Shareholders will be entitled to receive 0.081818 of a Vertex Share in exchange for each Cordy Share held. You also are being asked to approve the transaction of any other business that may properly come before the Meeting or any adjournments or postponements of the Meeting.

Q: What will I receive for my Cordy Shares under the Amalgamation?

A: If the Amalgamation is completed, the Shareholders are entitled to receive 0.081818 of a Vertex Share for every one outstanding Cordy Share held.

Q: What vote is required at the Meeting to approve the Amalgamation Resolution?

A: The Amalgamation Resolution must be approved by (i) at least two-thirds of the votes cast at the Meeting by the Shareholders, present or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast at the Meeting by the Shareholders present or represented by proxy and entitled to vote at the Meeting, excluding the votes cast in respect of Cordy Shares held by any interested party (as defined by MI 61-101) and such other holders of Cordy Shares excluded by MI 61-101.

Q: In addition to the approval of the Shareholders, are there any other approvals required for the Amalgamation?

A: Yes, the Amalgamation is subject to the receipt of certain regulatory approvals. See "*The Amalgamation – Regulatory Approvals*" in this Information Circular.

Q: Does the Board support the Amalgamation?

A: Yes. The Board has unanimously determined that the Amalgamation is in the best interests of Cordy and the Board unanimously recommends that the Shareholders vote in favour of the Amalgamation Resolution.

In making its recommendation, the Board considered a number of factors as described in this Information Circular.

Q: Does Vertex require its shareholders approval to complete the Amalgamation?

A: No, Vertex is not required to obtain its shareholders approval to complete the Amalgamation or for the issuance of the Consideration Shares.

Q: Do any directors or executive officers of Cordy have any interests in the Amalgamation that are different from, or in addition to, those of the Shareholders?

A: In considering the unanimous recommendation of the Board to vote in favour of the matters discussed in this Information Circular, the Shareholders should be aware that certain of the directors and executive officers of Cordy have interests in the Amalgamation that are different from, or in addition to, the interests of the Shareholders

generally. See “*The Amalgamation – Interests of Certain Persons in the Amalgamation*” and “*The Amalgamation – Regulatory Law Matters and Securities Law Matters – Canadian Securities Law Matters – Multilateral Instrument 61-101*” and “*The Amalgamation – Regulatory Law Matters and Securities Law Matters – Canadian Securities Law Matters – Severance Payment*” and “*The Amalgamation – Regulatory Law Matters and Securities Law Matters – Canadian Securities Law Matters – Consulting Arrangements*” in this Information Circular.

Q: What will happen to Cordy if the Amalgamation is completed?

A: If the Amalgamation is completed, it is anticipated that the Cordy Shares will be delisted from the TSXV as soon as reasonably practicable following the Effective Date and that an application will be made for Cordy to cease to be a reporting issuer in each Province of Canada in which it is currently a reporting issuer for the purposes of Canadian Securities Laws. When the Amalgamation is completed, former Shareholders will hold Vertex Shares, which are listed on the TSXV.

Q: Should I send my Cordy Share certificate(s) or DRS Statement now?

A: You are not required to send your certificate(s) or DRS Statement representing Cordy Shares to validly cast your vote in respect of the Amalgamation Resolution. We encourage Registered Shareholders to complete, sign, date and return the enclosed Letter of Transmittal, together with their certificate(s) or DRS Statement representing Cordy Shares, at least two Business Days prior to the Effective Date which will assist in arranging for the prompt exchange of their Cordy Shares if the Amalgamation is completed.

Q: When can I expect to receive the Consideration for my Cordy Shares?

A: Assuming completion of the Amalgamation, if you hold your Cordy Shares through an Intermediary, then you are not required to take any action and the Vertex Shares will be delivered to your Intermediary through the procedures in place for such purposes between CDS & Co. or similar entities and such intermediaries. If you hold your Cordy Shares through an Intermediary, you should contact your Intermediary if you have questions regarding this process.

In the case of Registered Shareholders, as soon as practicable after the Effective Date, assuming due delivery of the required documentation, including the applicable certificate(s) or DRS Statement representing Cordy Shares and a duly and properly completed Letter of Transmittal, Vertex will cause the Depository to forward the DRS Statement representing the Vertex Shares to which the Registered Shareholder is entitled by first class mail to the address of the Shareholder as shown on the register maintained by the Transfer Agent, unless the Registered Shareholder indicates in the Letter of Transmittal an alternate address or that it wishes to pick up the DRS Statement representing the Vertex Shares. Instructions will be provided upon receipt of the DRS Statements representing Vertex Shares for former Registered Shareholders that would like to request a Vertex Share certificate. Only Registered Shareholders will receive a DRS Statements representing Vertex Shares.

Q: Are there risks I should consider in deciding whether to vote for the Amalgamation Resolution?

A: Yes. The Shareholders should carefully consider the risk factors relating to the Amalgamation. Some of these risks include, but are not limited to: (i) the Amalgamation Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Cordy; (ii) there can be no certainty that all conditions precedent to the Amalgamation will be satisfied; (iii) the Shareholders will receive a fixed number of Vertex Shares which will not be adjusted to reflect any change in the market value of the Vertex Shares or Cordy Shares prior to the closing of the Amalgamation; (iv) Cordy will incur costs even if the Amalgamation is not completed and may have to pay the Termination Fee to Vertex; (v) the Termination Fee provided under the Amalgamation Agreement may discourage other parties from attempting to acquire Cordy; (vi) if the Amalgamation is not approved by the Shareholders, the market price for Cordy Shares may decline; and (vii) directors and officers of Cordy have interests in the Amalgamation that may be different from those of the Shareholders generally.

See “*The Amalgamation – Risks Associated with the Amalgamation*” in this Information Circular.

Q: What will happen if the Amalgamation Resolution is not approved or the Amalgamation is not completed for any reason?

A: If the Amalgamation is not completed, Cordy will continue to carry on its business. Under the Amalgamation Agreement, Cordy is required to pay the Termination Fee to Vertex in the event of the termination of the Amalgamation Agreement as a result of a Termination Fee Event.

Q: What are the Canadian federal income tax consequences of the Amalgamation?

A: For a summary of certain material Canadian income tax consequences of the Amalgamation, see "*Certain Canadian Federal Income Tax Considerations*". Such summary is not intended to be legal or tax advice to any particular Shareholder. The Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

Q: Am I entitled to Dissent Rights?

A: Pursuant to the ABCA, Registered Shareholders are provided with Dissent Rights in respect of all but not less than all of the Cordy Shares registered in their names in connection with the Amalgamation that will be available if the Amalgamation Resolution is approved by the Shareholders. Registered Shareholders considering exercising Dissent Rights should seek the advice of their own legal counsel and tax and investment advisors and should carefully review the description of such Dissent Rights, which are set forth in the Information Circular and Section 191 of the ABCA, and comply with the provisions of the Dissent Rights. See "*The Amalgamation - Dissent Rights*" in the Information Circular, the Amalgamation Agreement which is attached as Appendix "A" to the Information Circular, as well as Section 191 of the ABCA attached as Appendix "C" to the Information Circular.

Q: What do I need to do now?

A: You should carefully read and consider the information contained in this Information Circular. Registered Shareholders should then complete, sign and date the enclosed form of proxy and return it in the enclosed return envelope, so that your Cordy Shares may be voted at the Meeting. For your Cordy Shares to be eligible to be voted at the Meeting, the form of proxy must be returned to Computershare Trust Company of Canada 324 8 Ave SW #800, Calgary, AB T2P 2Z2 or toll free in Canada and United States to 1-866-732-8683, 11:00 a.m. (Calgary time) on April 20, 2022. The time limit for the deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion without notice. If you hold Cordy Shares through a broker, custodian, nominee or other Intermediary, you should follow the instructions provided by your Intermediary to ensure your vote is counted at the Meeting.

Registered Shareholders are also encouraged to complete, sign, date and return the enclosed Letter of Transmittal in accordance with the instructions set out therein and in this Information Circular, so that if the Amalgamation is completed the consideration to which you are entitled can be sent to you as soon as possible. If you hold Cordy Shares through a broker, custodian, nominee or other Intermediary, you should arrange for your Intermediary to complete the necessary steps to ensure that you receive the consideration for your Cordy Shares as soon as possible following completion of the Amalgamation.

Q: Who can attend and vote at the Meeting?

A: The Record Date for the Meeting has been fixed at the close of business on March 18, 2022. Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting, unless in the case of a Shareholder transferring their Cordy Shares after the Record Date, the transferee of such Cordy Shares: (i) produces properly endorsed certificates evidencing such Cordy Shares or otherwise establishes that the transferee owns such Cordy Shares; and (ii) demands, at least 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting.

Q: If my Cordy Shares are held by my broker, will my broker vote my Cordy Shares for me?

A: Cordy Shares held by brokers or their nominees can only be voted (for or against resolutions) upon instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting securities for their clients. To have your Cordy Shares voted by your broker, complete and deliver the voting instruction form which is enclosed in accordance with the instructions set forth therein.

Q: Can I change my vote after I have voted by proxy?

A: Yes. A Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by depositing an instrument in writing executed by such Shareholder or by such Shareholder's attorney duly authorized in writing and deposited at the above mentioned office of Computershare Trust Company of Canada at any time up to and including the last Business Day preceding the day of the Meeting at which the proxy is to be used, or an adjournment of such Meeting, or with the Chairman of such Meeting on the day of such Meeting or any adjournment thereof.

GLOSSARY OF TERMS

Unless the context otherwise requires, when used in this Information Circular the following terms shall have the meanings set forth below. Terms and abbreviations used in the Appendices to this Information Circular are defined separately therein.

“**ABCA**” means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended;

“**Acquisition Proposal**” means, other than the transactions contemplated by the Amalgamation Agreement, any offer, proposal or inquiry (written or oral) from any person or group of persons “acting jointly or in concert” (within the meaning of NI 62-104 other than Vertex (or any Affiliate of Vertex) relating to:

- a) any direct or indirect sale or disposition (or any lease, licence, royalty agreement, joint venture, long-term supply agreement or other Amalgamation having the same economic effect), in a single transaction or a series of related transactions, of:
 - i. assets of Cordy and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Cordy and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Cordy and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent annual consolidated financial statements of Cordy filed as part of Cordy Filings); or
 - ii. 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of Cordy or any of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Cordy and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Cordy and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent annual consolidated financial statements of Cordy filed as part of Cordy Filings);
- b) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction, in a single transaction or a series of related transactions, that, if consummated, would result in a person or group of persons beneficially owning 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of Cordy or any of its Subsidiaries;
- c) any plan of Amalgamation, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or winding up, or other similar transaction, in a single or a series of related transactions, involving Cordy or any of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Cordy and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Cordy and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent annual consolidated financial statements of Cordy filed as part of the Cordy Filings); or
- d) any other similar transaction or series of transactions involving Cordy or any of its Subsidiaries.

“**Amalco**” means the continuing corporation resulting from the Amalgamation;

“**Amalgamation Agreement**” means the Amalgamation agreement dated as of February 25, 2022 between Cordy Vertex, and Vertex Subco a copy of which is set forth in Appendix ”A” to this Information Circular, pursuant to which Cordy and Vertex have proposed to implement the Amalgamation;

“**Amalgamation Resolution**” means the special resolution approving the Amalgamation to be considered at the Meeting, the full text of which is set forth in Appendix ”B” to this Information Circular;

“**Amalgamation**” means the proposed Amalgamation of Cordy and Vertex to be completed pursuant to the Amalgamation Agreement under the provisions of Section 181 of the ABCA;

“**Affiliate**” has the meaning specified in National Instrument 46-106 – *Prospectus Exemptions*;

“**Amalco Share**” means the common shares in the capital of Amalco;

“**Articles of Amalgamation**” means the articles of amalgamation in respect of the Amalgamation, substantially in the form set out in Schedule A of the Amalgamation Agreement, attached to this Information Circular at Appendix “A”, required under Subsection 185(1) of the ABCA to be filed with the Registrar to give effect to the Amalgamation;

“**Beneficial Shareholder**” means Shareholders who hold their Cordy Shares through an Intermediary or who otherwise do not hold their Cordy Shares in their own name;

“**Board of Directors**” and “**Board**” means the board of directors of Cordy;

“**Board Recommendation**” has the meaning ascribed thereto in the Amalgamation Agreement;

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

“**Canadian Securities Laws**” means the *Securities Act* (Alberta) and other applicable corporate and securities laws in force in Canada, including the rules, regulations, notices, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date;

“**Change in Recommendation**” has the meaning set forth in Section 7.2(a)(iv)(B) of the Amalgamation Agreement;

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

“**Cordy Filings**” means all documents publicly filed by Cordy under the profile of Cordy on the SEDAR since January 1, 2021;

“**Confidentiality Agreement**” means the confidentiality agreement between Cordy and Vertex dated December 10, 2021;

“**Consideration**” means the consideration to be received by the Shareholders pursuant to the Amalgamation Agreement in respect of each Cordy Share that is issued and outstanding immediately prior to the Effective Time, comprising of a 0.081818 Vertex Share, for each Cordy Share;

“**Consideration Shares**” means the Vertex Shares to be issued in exchange for Cordy Shares pursuant to the Amalgamation;

“**Cordy**” or the “**Corporation**” means Cordy Oilfield Services Inc.;

“**Cordy Shares**” means common shares of Cordy;

“**Court**” means the Court of Queen’s Bench of Alberta;

“**CRA**” means the Canada Revenue Agency;

“**DLA**” means DLA Piper (Canada) LLP;

“**Depository**” means TSX Trust Company;

“Dissent Rights” means the right of a Dissenting Shareholder pursuant to Section 191 of the ABCA to dissent to the Amalgamation Resolution and to be paid the fair value of the holder’s Cordy Shares, in accordance with Section 191 of the ABCA;

“Dissenting Non-Resident Holder” has the meaning ascribed thereto under the heading *“Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders”*;

“Dissenting Resident Holder” has the meaning ascribed thereto under the heading *“Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders”*;

“Dissenting Shareholders” means a Registered Shareholder who has duly and validly exercised its Dissent Rights in respect of its Cordy Shares and has not withdrawn or been deemed to have withdrawn such exercise of its Dissent Rights;

“DRS Statement” means direct registration statement advice;

“Effective Date” means the date in which the certificate of amalgamation is issued by the Registrar of Corporations for the Province of Alberta duly appointed under the ABCA, pursuant to Subsection 185(4) of the ABCA, in respect of the Amalgamation;

“Effective Time” means 12:01 a.m. (MST) on the Effective Date;

“Eligible Institution” means a Canadian Schedule I chartered bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP), or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP);

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision or authority of any of the above; (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; (d) any government-controlled corporation or similar entity; or (e) any stock exchange;

“Holder” has the meaning ascribed thereto under the heading *“Certain Canadian Federal Income Tax Considerations”*;

“IFRS” means Canadian generally accepted accounting principles for publicly accountable enterprises, being International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board;

“Information Circular” means this information circular and proxy statement dated March 22, 2022, together with all appendices hereto and including the summary hereof, distributed by Cordy in connection with the Meeting;

“Intermediary” means, collectively, a broker, investment dealer, bank, trust company, nominee or other intermediary;

“Law(s)” means all laws (including common law), by-laws, statutes, rules, regulations, principles of law, orders, ordinances, judgments, decrees, guidelines, policies or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity and the term **“applicable”** with respect to such Laws and in a context that refers to a Person, means such Laws as are applicable to such person or its business, undertaking, property or securities and emanate from a Governmental Entity having jurisdiction over the person or its business, undertaking, property or securities;

“Letter of Transmittal” means the letter of transmittal enclosed with this Information Circular pursuant to which a Shareholder is required to deposit with the Depositary certificates and or DRS Statements representing Cordy Shares;

“**Matching Period**” has the meaning ascribed thereto under the heading “*The Amalgamation – The Amalgamation Agreement – Non-Solicitation Covenant – Right to Match*”;

“**Material Adverse Change**” or “**Material Adverse Effect**” has the meaning ascribed thereto in Section 1.1 of the Amalgamation Agreement;

“**Meeting**” means the special meeting of Shareholders, which is to be called to permit the Shareholders to consider the Amalgamation Resolution and related matters, and any adjournment(s) thereof;

“**MI 61-101**” means Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions*;

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“**NI 62-104**” means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;

“**Non-Registered Shareholders**” means beneficial Shareholders who do not hold Cordy Shares in their own name but rather through a broker, financial institution, trustee, nominee or other intermediary;

“**Non-Resident Holder**” has the meaning ascribed thereto under the heading “*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*”;

“**Note**” has the meaning ascribed thereto under the heading “*Summary – Conditions to the Amalgamation*”;

“**Notice of Meeting**” means the notice of the Meeting which accompanies this Information Circular;

“**Ordinary Course**” means, with respect to an action taken by Vertex or Cordy, as the case may be, that such action is consistent with the past practices of Vertex or Cordy, as the case may be, and is taken in the ordinary course of the normal day-to-day operations of the business of Vertex or Cordy, as the case may be;

“**Outside Date**” means May 31, 2022;

“**Parties**” means Cordy and Vertex; and “**Party**” means either of them;

“**person**” means any individual, partnership, limited partnership, joint venture, trust, body corporate, unincorporated organization, committee, trade creditors’ committee, government or agency, or instrumentality thereof, or any other entity howsoever designated or constituted;

“**Proposed Amendments**” has the meaning ascribed thereto under the heading “*Certain Canadian Federal Income Tax Considerations*”;

“**Record Date**” means the close of business on March 18, 2022;

“**Registered Shareholder**” means Shareholders holding Cordy Shares in their own name;

“**Representatives**” means officers, directors, employees, and legal representatives and agents of Cordy, Vertex or Vertex Subco, as the context requires;

“**Resident Holder**” has the meaning ascribed thereto under the heading “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*”;

“**Rule 144**” has the meaning ascribed thereto under the heading “*Summary – Regulatory Law Matters and Securities Law Matters – United States Securities Law Matters*”;

“**Securities Laws**” means, collectively, the Canadian Securities Laws, the U.S. Securities Laws and the rules of the TSXV;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval;

“**Severance Payments**” has the meaning ascribed thereto under the heading “*Regulatory Law Matters and Securities Law Matters – Canadian Securities Law Matters – Severance Payment*”;

“**Shareholders**” means the registered holders of Cordy Shares;

“**Subsidiary**” has the meaning ascribed thereto in the ABCA (and shall include any partnerships directly or indirectly owned by Vertex or Cordy, as the case may be, unless the context otherwise requires);

“**Superior Proposal**” means any unsolicited bona fide written Acquisition Proposal made after the date of the Amalgamation Agreement from a person (other than Vertex) or group of persons to acquire not less than all of the outstanding Cordy Shares or all or substantially all of the assets of Cordy on a consolidated basis that:

- a) did not result from a breach of Article 4 of the Amalgamation Agreement;
- b) is reasonably capable of being completed, without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the person or group of persons making such Acquisition Proposal and their respective Affiliates;
- c) is not subject to a financing condition and, in respect of which it has been demonstrated to the satisfaction of the Board, in its good-faith judgment, after receiving the advice of its outside legal counsel, that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal;
- d) is not subject to a due diligence condition or access condition; and
- e) the Board determines, in its good-faith judgment, after receiving the advice of its outside legal counsel and after taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person or group of persons making such Acquisition Proposal and their Affiliates, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction that is more favourable, from a financial point of view, to the Shareholders than the Amalgamation (including any amendments to the terms and conditions of the Amalgamation proposed by Vertex pursuant to section 4.4(b) of the Amalgamation Agreement);

“**Superior Proposal Notice**” has the meaning ascribed thereto under the heading “*The Amalgamation – The Amalgamation Agreement – Non-Solicitation Covenant – Right to Match*”;

“**Support Agreements**” means agreements entered into between each of the Supporting Shareholders and Vertex, pursuant to which the Supporting Shareholders have agreed, among other things, to vote the Cordy Shares owned, beneficially or legally, or controlled or subsequently acquired by them in favour of the Amalgamation Resolution at the Meeting and to otherwise support the Amalgamation, subject to the terms and conditions thereof;

“**Supporting Shareholders**” means each of the directors and certain executive officers of Cordy;

“**Tax Act**” means the *Income Tax Act*, R.S.C. 1985, c.1. (5th Supp), as amended, including the regulations promulgated thereunder;

“**Termination Fee Event**” has the meaning ascribed thereto under the heading “*The Amalgamation – The Amalgamation Agreement – Termination Fee*”;

“**Termination Fee**” has the meaning ascribed thereto under the heading “*The Amalgamation – The Amalgamation Agreement – Termination Fee*”;

“**TSXV**” means the TSX Venture Exchange;

“**U.S. Exchange Act**” means the United States *Securities Exchange Act of 1934*, as amended;

“**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended;

“**U.S. Securities Laws**” means the federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder;

“**U.S.**” or “**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

“**Vertex**” means Vertex Resource Group Ltd.;

“**Vertex Financing**” means the convertible debenture financing for aggregate gross proceeds of \$15,000,000, to be completed as a condition precedent to the Amalgamation by Vertex, bearing interest at 8% per annum from the date of issuance, payable monthly in arrears in cash, which convertible debentures shall be convertible at any time into Vertex Shares at a conversion price of \$0.65 per share;

“**Vertex Shares**” means the common shares in the capital of Vertex;

“**Vertex Subco**” means Vertex Energy Services Ltd., a wholly owned subsidiary of Vertex; and

“**Vertex Subco Shares**” means the shares in the capital of Vertex Subco.

INFORMATION CIRCULAR AND PROXY STATEMENT

General

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of Cordy for use at the Meeting, and the associated costs thereof will be borne by Cordy. Other than as set forth herein, no person has been authorized to give any information or make any representation in connection with the Amalgamation or any other matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

All summaries of, and references to, the Amalgamation in this Information Circular are qualified in their entirety by reference to the complete text of the Amalgamation Agreement which is attached as Appendix “A” to this Information Circular.

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth under “*Glossary of Terms*”. The terms and abbreviations used in the Appendices are defined separately therein. Information contained in this Information Circular is given as of March 22, 2022 unless otherwise specifically stated.

The information concerning Vertex contained in this Information Circular has been provided by Vertex for inclusion in this Information Circular. Although Cordy has no knowledge that any statements contained herein taken from or based on such information provided by Vertex are untrue or incomplete, Cordy assumes no responsibility for the accuracy of such information.

In this Information Circular, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to “dollars” or “\$” are to Canadian dollars.

This Information Circular does not constitute an offer to sell, or a solicitation of an offer to purchase securities in connection with the Amalgamation, or the solicitation of a proxy, in any jurisdiction, to or from any person to whom it is unlawful to make such offer, solicitation of an offer or proxy solicitation in such jurisdiction. The delivery of this Information Circular does not under any circumstances, imply or represent that there has been no change in the information set forth herein since the date of this Information Circular.

Shareholders should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Information Circular.

If you hold Cordy Shares through an Intermediary, you should contact your Intermediary for instructions and assistance in voting and surrendering the Cordy Shares that you beneficially own.

THIS INFORMATION CIRCULAR AND THE TRANSACTIONS CONTEMPLATED BY THE AMALGAMATION AGREEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY CANADIAN SECURITIES REGULATORY AUTHORITY, THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS ANY SECURITIES AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF SUCH TRANSACTIONS OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR AND ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Information for Shareholders in the United States

Cordy is a corporation existing under the laws of the Province of Alberta. Cordy and this solicitation of proxies and the transactions contemplated in this Information Circular are not subject to the requirements of Section 14(a) of the U.S. Exchange Act, and therefore this solicitation is not being effected in accordance with U.S. Securities Laws.

Accordingly, the solicitation and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and Canadian Securities Laws, and this Information Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders in the United States should be aware that disclosure requirements under Canadian laws are different from those of the United States applicable to registration statements under the U.S. Securities Act and proxy statements under the U.S. Exchange Act. Shareholders in the United States should also be aware that other requirements under Canadian laws may differ from those required under United States corporate and Canadian Securities Laws.

The enforcement by investors of civil liabilities under U.S. Securities Laws may be affected adversely by the fact that Cordy is organized under the laws of the Province of Alberta, that its officers and directors are residents of countries other than the United States and that all or substantial portions of the assets of Cordy and such other persons are, or will be, located outside the United States. You may not be able to sue a Cordy or its officers or directors in a Canadian court for violations of U.S. Securities Laws. In addition, the courts of Canada may not enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal or state Securities Laws of the United States.

Shareholders should be aware that the transactions contemplated herein may have tax consequences both in Canada and in the United States. Shareholders who are subject to United States federal taxation should be aware that the United States tax consequences to them of participating in the Amalgamation are not described in this Information Circular. Certain information concerning the Canadian tax consequences of the Amalgamation for Shareholders who are United States residents is set forth under the heading "*Certain Canadian Federal Income Tax Considerations – Shareholders Not Resident in Canada*" in this Information Circular, but such consequences may not be described fully herein.

Shareholders in the United States that are United States taxpayers are advised to consult their independent tax advisors regarding the United States federal, state, local and foreign tax consequences to them of participating in the Amalgamation.

Cautionary Statement Regarding Forward-Looking Information

This Information Circular contains certain forward-looking information or statements within the meaning of the Securities Laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "forecast", "may", "will", "project", "potential", "predict", "could", "might", "should" or similar words suggesting future outcomes or statements regarding an outlook.

In particular, this Information Circular contains forward-looking statements relating to:

- the anticipated benefits and effect of the Amalgamation;
- the consideration to be received by the Shareholders pursuant to the Amalgamation;
- the timing of the Meeting
- the satisfaction or waiver of the conditions to the Amalgamation, including the receipt of all required regulatory and third party approvals for the Amalgamation;
- the completion of the Amalgamation and the anticipated Effective Date;
- the delisting of the Cordy Shares from the TSXV and the timing thereof;
- various steps to be taken pursuant to the Amalgamation;

- the treatment of Shareholders under securities and tax laws; and
- the effect of the Amalgamation on Cordy.

Forward-looking statements respecting:

- the structure and effect of the Amalgamation are based upon the terms of the Amalgamation Agreement and the transactions contemplated thereby;
- the consideration to be received by Shareholders pursuant to the Amalgamation is based upon the terms of the Amalgamation Agreement; and
- certain steps in, and timing of, the Amalgamation are based upon the terms of the Amalgamation Agreement and, in respect of the ability and necessary time to receive the required Shareholder and regulatory approvals.

See “*The Amalgamation*” and “*The Amalgamation Agreement*” in this Information Circular.

Various assumptions are used in making the forecasts or projections set out in forward-looking information or statements. In some instances, material assumptions are presented elsewhere in this Information Circular in connection with the statements containing the forward-looking information. Shareholders are cautioned that the following list of material assumptions is not exhaustive. The material assumptions include, but are not limited to:

- Cordy and Vertex complying with the terms and conditions of the Amalgamation Agreement;
- no occurrence of any event, change or other circumstance that could give rise to the termination of the Amalgamation Agreement;
- the approval of the Amalgamation Resolution by the Shareholders;
- the treatment of Shareholders under tax laws and treatment under government regulatory regimes are based on assumptions that there will be no changes to such tax and regulatory regimes;
- no unforeseen changes in the legislative and operating framework for the business of Cordy; and
- no significant event occurring outside the Ordinary Course such as a natural disaster or other calamity.

Although Cordy considers that these assumptions are reasonable, there is no assurance that such assumptions will prove to be correct. By their very nature, forward-looking statements involve inherent risks and uncertainties and risks that forward-looking statements will not be achieved. As such, undue reliance should not be placed on forward-looking statements. A number of important factors could cause the actual results to differ materially from expectations, estimates and intentions expressed in the forward-looking statements, including those set out below and those detailed elsewhere in this Information Circular. Those factors include:

- the inability to satisfy the conditions to completion of the Amalgamation;
- the occurrence of an event, change or other circumstance that could give rise to the termination of the Amalgamation Agreement;
- risks related to factors beyond the control of Cordy and Vertex;
- general business, economic, competitive, political, regulatory and social uncertainties; and
- the other factors discussed under “*Risk Factors*” in this Information Circular.

Readers are cautioned that the above list of factors that may affect future results is not exhaustive. In addition, even if actual results or developments anticipated by Cordy are realized, or even if substantially realized, there can be no assurance that they will have the expected consequences to or effects on Cordy or its business or operations. Readers should also carefully consider the matters discussed under the heading “*Risk Factors*” in this Information Circular. The forward-looking information and statements contained in this Information Circular are made as of the date hereof and Cordy does not undertake any obligation to update publicly or revise any of such information and statements, except as required by Canadian Securities Laws. The forward-looking information and statements contained herein are expressly qualified by the foregoing statements.

SUMMARY

The following is a summary of certain information contained in this Information Circular. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Information Circular and the attached Appendices, all of which are important and should be reviewed carefully. Capitalized terms used in this summary without definition have the meanings ascribed to them in the Glossary of Terms or elsewhere in this Information Circular.

The Meeting and Record Date

The Meeting will be held at the offices of Cordy Oilfield Services Inc., located at 5366 - 55th Street SE, Calgary, AB, at 11:00 a.m. (Calgary time) on April 22, 2022 . (Calgary time), for the purposes set forth in the accompanying Notice of Meeting. At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass, with or without variation, the Amalgamation Resolution.

The Record Date for determining Shareholders entitled to receive notice of, and to vote at, the Meeting is March 18, 2022. Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting, unless, in the case of a Shareholder transferring their Cordy Shares after the Record Date, the transferee of such Cordy Shares: (i) produces properly endorsed certificates evidencing such Cordy Shares or otherwise establishes that the transferee owns such Cordy Shares; and (ii) demands, at least 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting.

The purpose of the Meeting is for Shareholders to consider and vote upon the Amalgamation Resolution. To be effective, the Amalgamation Resolution must be approved by: (i) at least 66 2/3% of the votes cast at the Meeting by Shareholders either in person or represented by proxy at the Meeting and entitled to vote thereat; and (ii) a simple majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat, excluding the votes cast by such Shareholders that are required to be excluded pursuant to MI 61-101. Each Shareholder is entitled to one vote for each Cordy Share held. See "*Interest Of Informed Persons In Material Transactions*".

The Amalgamation

Under the Amalgamation, Cordy and Vertex Subco will amalgamate as one corporation, being Amalco, and, among other things:

- a) each issued and outstanding Cordy Share, other than those held by Dissenting Shareholders, will be exchanged for 0.081818 of a fully paid and non-assessable Consideration Share;
- b) each outstanding Vertex Subco Share will be exchanged for an Amalco Share; and
- c) as consideration for the issuance of the Consideration Shares to effect the Amalgamation, Amalco shall issue to Vertex one Amalco Share for each Consideration Share so issued.

As a result of the Amalgamation:

- Vertex will acquire all of the Cordy Shares;
- Amalco will become a wholly owned subsidiary of Vertex;
- the Cordy Shares will be delisted from trading on the TSXV; and
- former Shareholders will become shareholders of Vertex, holding approximately 17.2% of the outstanding Vertex Shares.

No fractional securities will be issued. If a Shareholder would otherwise be entitled to a fractional Vertex Share hereunder, the number of Vertex Shares issued to such Shareholder shall be rounded up to the next greater whole number of Vertex Shares. In calculating such fractional interests, all Cordy Shares registered in the name of CDS & Co. or beneficially held by a Shareholder or his/her/its nominee shall be aggregated.

The Amalgamation Agreement

The Amalgamation will be completed pursuant to the terms of the Amalgamation Agreement. The following is a summary of certain terms of the Amalgamation Agreement and is qualified in its entirety by reference to the full text of the Amalgamation Agreement, which is available under Cordy's issuer profile on SEDAR at www.sedar.com. Shareholders are urged to read the Amalgamation Agreement carefully and in its entirety, as the rights and obligations of Cordy and Vertex are governed by the express terms of the Amalgamation Agreement and not by this summary or any other information contained in this Information Circular.

- The Amalgamation Agreement contains customary covenants, representations and warranties for a transaction of this type.
- The implementation of the Amalgamation is subject to certain mutual conditions precedent being satisfied or waived by one or both of Cordy and Vertex at or before the Effective Date, including, but not limited to, the approval by the Shareholders of the Amalgamation Resolution at the Meeting. The obligations of each of Cordy and Vertex to consummate the Amalgamation are also subject to the satisfaction or waiver by each party of certain additional conditions precedent in its respective favour, including customary conditions.
- The Amalgamation Agreement includes standard non-solicitation and superior proposal provisions, and Cordy has provided Vertex with certain other customary rights, including a right to match competing offers. In addition, Cordy has agreed to pay \$500,000 to Vertex in the event that the Amalgamation is terminated under certain circumstances.
- The Amalgamation Agreement may be terminated by either Cordy, Vertex or both upon the occurrence of certain specified events.

The Information Circular includes a summary of certain terms of the Amalgamation Agreement and is qualified in its entirety by the full text of the Amalgamation Agreement, which is attached as Appendix "A" to this Information Circular, and to the more detailed summary contained elsewhere in this Information Circular. See "*The Amalgamation – The Amalgamation Agreement*" and Appendix "A" to this Information Circular for the entire text of the Amalgamation Agreement.

Reasons for the Amalgamation

The Board reviewed and considered a significant amount of information and considered a number of factors relating to the Amalgamation with the benefit of advice from Cordy's senior management and Cordy's legal advisors. The following is a summary of the principal reasons for the unanimous recommendation of the Board that the Shareholders vote FOR the Amalgamation Resolution:

- highly complementary environmental service lines which can provide enhanced scale, utilization, and growth through cross-selling services to Vertex and Cordy's customers;
- estimated annual integration cost savings of approximately \$1 million are expected to be realized within 12 – 18 months after closing of the Amalgamation;
- expected to be immediately accretive to cash flow from operations and free cash flow per share for all shareholders of Vertex with the anticipated synergies of the Amalgamation;
- improved cost structure to serve a growing and consolidating customer base;

- strong pro forma financial position with attractive free cash flow from operations that is expected to reduce senior debt and help achieve Vertex's targeted senior debt to EBITDA ratio of less than 2.0x, which is expected to be achieved within two years of closing;
- enhances Vertex's and Cordy's position to advance and deliver on environmental, social and governance initiatives for Vertex, Cordy and its customers; and
- opportunity for the Shareholders to hold shares of a larger more diversified organization with a history of growth and stronger access to markets and capital to promote the development of Cordy's operations.

See "*Cautionary Notice Regarding Forward-Looking Statements and Risks*" and "*The Amalgamation – Reasons for the Amalgamation*."

Background to the Amalgamation

The provisions of the Amalgamation Agreement are the result of arm's length negotiations between Cordy, Vertex and their respective advisors.

A summary of the material events, meetings, negotiations and discussions between Cordy and Vertex that preceded the execution and public announcement of the Amalgamation Agreement on February 25, 2022 is included in this Information Circular under the heading "*The Amalgamation – Background to the Amalgamation*".

Recommendation of the Board of Directors

The Board has unanimously determined that the Amalgamation is in the best interests of Cordy. The Board unanimously recommends that the Shareholders vote in favour of the Amalgamation Resolution.

See "*The Amalgamation – Reasons for the Amalgamation*" and "*The Amalgamation – Recommendation of the Board of Directors*".

Reasons for the Recommendations

The following includes forward-looking information and readers are cautioned that actual results may vary. See "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*".

Information and Factors Considered by the Board

In determining that the Amalgamation is in the best interests of Cordy and fair to Shareholders, approving the Amalgamation and the entering into by Cordy of the Amalgamation Agreement, and recommending that Shareholders vote for the Amalgamation Resolution, the Board carefully considered the terms of the Amalgamation and the Amalgamation Agreement and considered a number of factors, including the factors listed above. In view of the variety of factors, the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its determination, approval and recommendation. The Board also received the advice of DLA. The Board's determination, approval and recommendation are based upon the totality of the information presented and considered by it. The determination, approval and recommendation of the Board were made after consideration of the factors noted above, other factors and in light of the Board's knowledge of the business, financial condition and prospects of each of Cordy and Vertex and taking into account the advice of Cordy's legal and advisors. Individual members of the Board may have assigned different weights to different factors.

See "*The Amalgamation – Reasons for the Amalgamation*".

Vertex and Cordy

Vertex is an Alberta based provider of environmental and industrial services, serving clients in the energy, renewables, utilities, agriculture, forestry, drilling, midstream, mining, aggregate and municipal sectors. Vertex is a reporting issuer in Alberta, British Columbia and Saskatchewan, and has a head office in Sherwood Park, Alberta. The Vertex Shares are listed for trading on the TSXV under the trading symbol “VTX”. See Appendix “D” *“Information Concerning Vertex”*.

Cordy is an Alberta based oilfield services company offering services including hydro-excavation, drilling rigs, water hauling and more. Cordy operates throughout Western Canada in the oil, gas and commercial, and environmental industries. Cordy is a reporting issuer in Alberta, British Columbia and Saskatchewan, and has a head office in Calgary, Alberta. The Cordy Shares are listed for trading on the TSXV under the trading symbol “CKK”.

Procedure for Exchange of Cordy Shares

TSX Trust Company is acting as the depositary in connection with the Amalgamation. The Depositary will receive deposits of original certificates and DRS Statements representing Cordy Shares and an accompanying Letter of Transmittal, at the office specified in the Letter of Transmittal and will be responsible for delivering DRS Statements representing Vertex Shares to which former Shareholders are entitled under the Amalgamation.

At the time of sending this Information Circular to each Shareholder, Cordy is also sending the Letter of Transmittal to each Registered Shareholder. The Letter of Transmittal is only for use by Registered Shareholders and is not to be used by Non-Registered Shareholders. In order to receive the appropriate number of Vertex Shares that such new Registered Shareholder is entitled to receive pursuant to the Amalgamation, he or she must deposit the original certificate(s) or DRS Statement, as applicable, representing his or her Cordy Shares with the Depositary along with a properly completed and duly executed Letter of Transmittal.

The exchange of Cordy Shares for the Consideration in respect of Non-Registered Shareholders is expected to be made with the Non-Registered Shareholders’ nominee (bank, trust company, securities broker or other nominee) account through the procedures in place for such purposes between CDS & Co. and such nominee. Non-Registered Shareholders should contact their nominee if they have any questions regarding this process and to arrange for their nominee to complete the necessary steps to ensure that they receive the Vertex Shares in respect of their Cordy Shares.

The Letter of Transmittal contains instructions with respect to the deposit of certificates and DRS Statements representing Cordy Shares with the Depositary at its office in Toronto, Ontario in order for Registered Shareholders to receive DRS Statements representing Vertex Shares to which they are entitled under the Amalgamation. Following the Effective Date upon return of a properly completed Letter of Transmittal, together with the original certificate(s) or DRS Statement representing Cordy Shares and such other documents as the Depositary may require, DRS Statements for the appropriate number of Vertex Shares to which the former Shareholder is entitled under the Amalgamation will be sent to the former Shareholder in accordance with the instructions in the Letter of Transmittal.

A Registered Shareholder must deliver to the Depositary at the office listed in the Letter of Transmittal:

- a) the original certificate(s) or DRS Statement representing his or her Cordy Shares;
- b) a Letter of Transmittal in the form provided with this Information Circular, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and
- c) any other documentation required by the instructions set out in the Letter of Transmittal.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the certificate(s) or DRS Statement deposited therewith, the certificate(s) or DRS

Statement must be endorsed or be accompanied by an appropriate securities transfer power of attorney, duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney guaranteed by an Eligible Institution.

Instructions will be provided upon receipt of the DRS Statement representing the Vertex Shares for Registered Shareholders that would like to request a physical Vertex Share certificate. Only Registered Shareholders will receive a DRS Statement representing the Vertex Shares. DRS is a system that will allow Registered Shareholders to hold their Vertex Shares in “book-entry” form without having a physical share certificate issued as evidence of ownership. Instead, Vertex Shares will be held in the name of Registered Shareholders and registered electronically in Vertex’s records, which will be maintained by its transfer agent and registrar, TSX Trust Company. The first time Vertex Shares are recorded under DRS (upon completion of the Amalgamation), Registered Shareholders will receive an initial DRS Statement acknowledging the number of Vertex Shares held in their DRS account. Anytime that there is movement of Vertex Shares into or out of a Registered Shareholder’s DRS account, an updated DRS Statement will be mailed. Registered Shareholders may request a statement at any time by contacting the Depository, as transfer agent for Vertex. There is no fee to participate in DRS and dividends, if any, will not be affected by DRS.

See “*The Amalgamation – Procedure for Exchange of Cordy Shares*”.

No Fractional Shares to be Issued

No fractional securities will be issued. If a Shareholder would otherwise be entitled to a fractional Vertex Share hereunder, the number of Vertex Shares issued to such Shareholder shall be rounded up to the next greater whole number of Vertex Shares. In calculating such fractional interests, all Cordy Shares registered in the name of CDS & Co. or beneficially held by a Shareholder or his/her/its nominee shall be aggregated.

Withholding Rights

Cordy, Vertex and the Depository will be entitled to deduct and withhold from any consideration otherwise payable to any Shareholder under the Amalgamation Agreement (including any payment to Dissenting Shareholders) such amounts as the Cordy, Vertex or the Depository is required to deduct and withhold with respect to such payment under the Tax Act, the Code, and the rules and regulations promulgated thereunder, or any provision of any provincial, state, local or foreign tax law as counsel may advise is required to be so deducted and withheld by Cordy, Vertex or the Depository, as the case may be. All such withheld amounts will be treated as having been paid to the person in respect of which such deduction and withholding was made on account of the obligation to make payment to such person under the Amalgamation Agreement, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity by or on behalf of Cordy, Vertex or the Depository, as the case may be. To the extent necessary, such deductions and withholdings may be effected by selling any Vertex Shares to which any such person may otherwise be entitled under the Amalgamation Agreement, and any amount remaining following the sale, deduction and remittance will be paid to the person entitled thereto as soon as reasonably practicable.

Conditions to the Amalgamation

Completion of the Amalgamation is subject to a number of specified conditions being satisfied or mutually waived by the Parties on or before the Effective Date, including, but not limited to:

- the Amalgamation Resolution will have been approved by the Shareholders at the Meeting in accordance with applicable Laws;
- the Articles of Amalgamation will be in form and substance satisfactory to both Vertex and Cordy, acting reasonably;

- the necessary conditional approvals or equivalent approvals, as the case may be, of the TSXV will have been obtained, including approval that the Vertex Shares issuable to the Shareholders shall have been approved for listing on the TSXV, subject to customary conditions;
- no Law will have been enacted, issued, promulgated or enforced and no proceeding will otherwise have been taken under any Laws or by any Governmental Entity (whether temporary, preliminary or permanent) that makes the Amalgamation illegal or otherwise directly or indirectly restrains or otherwise prohibits completion of the Amalgamation or results in a judgment or assessment of material damages directly or indirectly relating to the Amalgamation;
- all other required domestic and foreign regulatory, governmental and third party approvals and consents in respect of the completion of the Amalgamation shall have been obtained on terms and conditions satisfactory to Vertex and Cordy, each acting reasonably, and all applicable domestic and foreign statutory and regulatory waiting periods shall have expired or have been terminated and no unresolved material objection or opposition shall have been filed, initiated or made during any applicable statutory regulatory period;
- Vertex and Cordy shall have entered into an amendment to the promissory note (the “**Note**”) issued to 1279107 Alberta Ltd providing for a maturity date of December 31, 2022, with nine equal monthly payments of principal commencing April 30, 2022. The Note was issued on March 18, 2020 as partial consideration for the acquisition of the of the assets and business of Platinum North Resources Ltd. for \$750,000 and bears interest at 5.0%, payable monthly;
- the completion of the Vertex Financing; and
- the Amalgamation Agreement shall not have been terminated in accordance with its terms.

The Amalgamation Agreement also provides that the respective obligations of Cordy and Vertex to complete the Amalgamation are subject to the satisfaction or waiver of certain additional conditions precedent, including, there having not occurred any Material Adverse Effect in respect of either Cordy or Vertex.

See “*The Amalgamation – The Amalgamation Agreement – Conditions to the Amalgamation Becoming Effective*”.

Non-Solicitation of Acquisition Proposals

Pursuant to the Amalgamation Agreement, Cordy has agreed not to, directly or indirectly, solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal, nor may they enter into, engage in, or otherwise participate in discussions or negotiations with any person regarding any proposal or offer that constitutes or may be expected to constitute an Acquisition Proposal. See “*The Amalgamation – The Amalgamation Agreement – Non-Solicitation Covenant*”.

Termination of Amalgamation Agreement

The Amalgamation Agreement may be terminated prior to the Effective Date in certain circumstances, many of which lead to payment by Cordy to Vertex of the Termination Fee.

The Termination Fee is payable by Cordy if:

- a) prior to the approval of the Amalgamation Resolution by the Shareholders, the Board authorizes Cordy to enter into a definitive written agreement (other than a confidentiality agreement permitted under the Amalgamation Agreement) with respect to a Superior Proposal in accordance with the Amalgamation Agreement;

- b) prior to the approval of the Amalgamation Resolution by the Shareholders, there is a Change in Recommendation as set out in the Amalgamation Agreement, or if Cordy breaches the non-solicitation provisions set out in the Amalgamation Agreement;
- c) if Cordy or Vertex terminate the Amalgamation Agreement for the following reasons:
 - i. the Amalgamation Resolution is not approved by the Shareholders;
 - ii. the Effective Date does not occur by the Outside Date; or
 - iii. there is a breach of any representation or warranty or a failure to perform any covenants or agreements on the part of Cordy under the Amalgamation Agreement,

if, prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed, and within 12 months following the date of such termination, an Acquisition Proposal is consummated or effected, or if Cordy enters into an agreement in respect of an Acquisition Proposal.

See “*The Amalgamation – The Amalgamation Agreement – Termination*”.

Dissent Rights

Registered Shareholders have the right to dissent with respect to the Amalgamation Resolution. Each Dissenting Shareholder is ultimately entitled to be paid fair value for his or her Cordy Shares by Cordy, provided that the holder duly dissents to the Amalgamation Resolution and the Amalgamation becomes effective.

To exercise Dissent Rights, a Shareholder must dissent with respect to all Cordy Shares of which it is the registered and beneficial owner. A Registered Shareholder who wishes to dissent must deliver a written Notice of Dissent to Cordy, c/o DLA Piper (Canada) LLP, Suite 100, 250 2 St SW, Calgary, Alberta, T2P 0C1 Attention: Daniel Kenney or to daniel.kenney@dlapiper.com, at or prior to the commencement of the Meeting. Such Notice of Dissent must strictly comply with the requirements of Section 191 of the ABCA. Any failure by a Shareholder to fully comply with the provisions of the ABCA may result in the loss of that holder’s Dissent Rights.

Non-Registered Shareholders who wish to exercise Dissent Rights must cause each Registered Shareholder holding their Cordy Shares to deliver the Notice of Dissent, or, alternatively, make arrangements to become a Registered Shareholder.

The text of Section 191 of the ABCA, which will be relevant in any dissent proceeding, is set forth in Appendix “C” to the Information Circular.

It is a condition of the Amalgamation that holders of no more than 10% of Cordy Shares shall have exercised Dissent Rights or have instituted proceedings to exercise Dissent Rights, in connection with the Amalgamation. See “*The Amalgamation – Dissent Rights*”.

Income Tax Considerations

Summary of Certain Canadian Income Tax Considerations

Generally, a Resident Holder (other than a Dissenting Resident Holder) will not realize a capital gain or a capital loss in respect of the disposition of Cordy Shares pursuant to the Amalgamation.

A Dissenting Resident Holder generally will realize a capital gain (or capital loss) and may also realize interest income (if awarded by the court) on a disposition of Cordy Shares pursuant to the exercise of its statutory dissent rights.

A Non-Resident Holder (other than a Non-Resident Holder) will not realize a capital gain (or capital loss) on a disposition of Cordy Shares pursuant to the Amalgamation.

A Dissenting Non-Resident Holder generally will not be taxable on any capital gain (or capital loss) realized on a disposition of Cordy Shares pursuant to the exercise of its statutory dissent rights unless such shares constitute “taxable Canadian property” other than “treaty protected property”. Such a Dissenting Non-Resident Holder may realize interest income (if awarded by the court) on such disposition; however, such interest generally will not be subject to Canadian withholding tax.

The foregoing summary is qualified in its entirety by the more detailed summary set forth in this Information Circular under the heading “*Certain Canadian Federal Income Tax Considerations*”. The Shareholders should consult their own tax advisors regarding the Canadian federal tax consequences of the Amalgamation. See “*Certain Canadian Federal Income Tax Considerations*”.

Regulatory Law Matters and Securities Law Matters

The Vertex Shares are listed on the TSXV and it is a condition of the Amalgamation that the Vertex Shares to be issued in connection with the Amalgamation are conditionally approved for listing on the TSXV. In a letter dated March 22, 2022, the TSXV conditionally approved the Amalgamation, subject to the delivery of certain documents following the closing of the Amalgamation.

Canadian Securities Law Matters

Cordy is a reporting issuer in British Columbia, Alberta and Saskatchewan. The Cordy Shares currently trade on the TSXV. Pursuant to the Amalgamation, Cordy will merge with Vertex Subco and the merged entity, Amalco, will be a wholly owned subsidiary of Vertex. Following the Effective Date, the Cordy Shares will be delisted from the TSXV (anticipated to be effective two or three Business Days following the Effective Date) and Vertex expects to apply to the applicable Canadian securities regulators to have Cordy cease to be a reporting issuer.

Vertex is a reporting issuer in British Columbia, Alberta and Saskatchewan. The Vertex Shares are listed on the TSXV.

The distribution of the Vertex Shares pursuant to the Amalgamation will constitute a distribution of securities that is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Vertex Shares received pursuant to the Amalgamation will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a “control distribution” as defined in NI 45-102, (ii) no unusual effort is made to prepare the market or to create a demand for Vertex Shares, (iii) no extraordinary commission or consideration is paid to a person in respect of such sale, and (iv) if the selling security holder is an insider or officer of Vertex, as the case may be, the selling security holder has no reasonable grounds to believe that Vertex, as the case may be, is in default of applicable Canadian Securities Laws.

Each Shareholder is urged to consult his or her professional advisors to determine the Canadian conditions and restrictions applicable to trades in Vertex Shares. See “*The Amalgamation – Regulatory Law Matters and Securities Law Matters*”.

United States Securities Law Matters

The Vertex Shares to be issued pursuant to the Amalgamation will be unregistered “restricted securities” within the meaning of Rule 144 under the U.S. Securities Act (“**Rule 144**”) to the same extent and proportion that the securities exchanged by Cordy U.S. Shareholders in the United States pursuant to the Amalgamation were restricted securities. See “*The Amalgamation – Regulatory Law Matters and Securities Law Matters*”.

Cordy is a “foreign private issuer”, within the meaning of Rule 3b-4 under the U.S. Exchange Act and the solicitation of proxies made pursuant to this Information Circular is not subject to the requirements of Section 14(a)

of the U.S. Exchange Act. Accordingly, the solicitation of proxies and transactions contemplated herein are being made in accordance with Canadian corporate and Securities Laws. The Shareholders should be aware that requirements under such Canadian laws may differ from requirements of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the U.S. Exchange Act. The Vertex Shares to be issued in connection with the Amalgamation will not be listed for trading on any United States stock exchange.

The financial statements and other financial information included, referred to, or incorporated by reference in this Information Circular have been prepared in accordance with IFRS and thus may not be comparable to financial statements and financial information of United States companies.

THE VERTEX SHARES TO WHICH THE SHAREHOLDERS WILL BE ENTITLED PURSUANT TO THE AMALGAMATION HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Risk Factors

The Shareholders should carefully consider the risk factors relating to the Amalgamation. Some of these risks include, but are not limited to: (i) the Amalgamation Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Cordy; (ii) there can be no certainty that all conditions precedent to the Amalgamation will be satisfied; (iii) the Shareholders will receive a fixed number of Vertex Shares which will not be adjusted to reflect any change in the market value of the Vertex Shares or Cordy Shares prior to the closing of the Amalgamation; (iv) Cordy will incur costs even if the Amalgamation is not completed and may have to pay the Termination Fee to Vertex; (v) the Termination Fee provided under the Amalgamation Agreement may discourage other parties from attempting to acquire Cordy; (vi) if the Amalgamation is not approved by the Shareholders, the market price for Cordy Shares may decline; and (vii) directors and officers of Cordy have interests in the Amalgamation that may be different from those of the Shareholders generally.

For more information see “*The Amalgamation – Risks Associated with the Amalgamation*”. Additional risks and uncertainties, including those currently unknown or considered immaterial by Cordy, may also adversely affect the Cordy Shares, the Vertex Shares, and/or the businesses of Cordy and Vertex, following the Amalgamation. In addition to the risk factors relating to the Amalgamation set out in this Information Circular, Cordy Shareholders should also carefully consider the risk factors associated with the businesses of Cordy and Vertex, included in this Information Circular, including the documents incorporated by reference therein.

Interest of Informed Persons in Material Transactions

Other than as disclosed in the Information Circular, to the knowledge of Cordy, after reasonable enquiry, no informed person (as defined in National Instrument 51-102 Continuous Disclosure Obligations) and no associate or Affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of Cordy’s most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect Cordy.

THE AMALGAMATION

At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to pass, the Amalgamation Resolution to approve the Amalgamation under the ABCA pursuant to the terms of the Amalgamation Agreement. The terms of the Amalgamation Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Amalgamation Agreement, which has been filed by Cordy under its profile on SEDAR at www.sedar.com and is attached hereto at Appendix “A”.

In order to become effective, the Amalgamation must be approved by (i) at least two-thirds of the votes cast at the Meeting by the Shareholders, present or represented by proxy and entitled to vote at the Meeting, and (ii) by a simple majority of the votes cast at the Meeting by the Shareholders present or represented by proxy and entitled to vote at the Meeting, excluding the votes cast in respect of Cordy Shares held by any interested party (as defined by MI 61-101) and such other holders of Cordy Shares excluded by MI 61-101. A copy of the Amalgamation Resolution is set out in Appendix “B” of this Information Circular.

Unless otherwise directed, it is management’s intention to vote FOR the Amalgamation Resolution. If you do not specify how you want your Cordy Shares voted, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting FOR the Amalgamation Resolution.

If the Amalgamation is approved at the Meeting and the applicable conditions to the completion of the Amalgamation are satisfied or waived, the Amalgamation will take effect commencing at the Effective Time (which will be at 12:01 a.m. (MST)) on the Effective Date (which is expected to be on or about April 25, 2022).

Purpose of the Amalgamation

The purpose of the Amalgamation is for Vertex to acquire Cordy. Following completion of the Amalgamation, Shareholders will continue to have interests in the business of Cordy, but will also hold an interest in Vertex’s business and assets through the Consideration Shares.

The Amalgamation

The Amalgamation is being conducted pursuant to the provisions of the ABCA and in accordance with the terms of the Amalgamation Agreement, a copy of which is available on SEDAR at www.sedar.com. Shareholders are encouraged to read the Amalgamation Agreement in full.

Immediately prior to the Amalgamation, Cordy Shares held by Dissenting Shareholders will be deemed to be transferred back to Cordy, and the Dissenting Shareholders will cease to have any rights as the Shareholders other than the right to be paid fair value for their Cordy Shares in accordance with the terms of the Dissent Rights.

Under the Amalgamation, Cordy and Vertex Subco will amalgamate as one corporation, being Amalco, under the name “Vertex Energy Services Inc.” or such other name as is acceptable to the regulatory authorities and the Parties and, among other things:

- a) each issued and outstanding Cordy Share, other than those held by Dissenting Shareholders and Vertex, will be exchanged for 0.081818 of a fully paid and non-assessable Consideration Share;
- b) each outstanding Vertex Subco Share will be exchanged for an Amalco Share; and
- c) as consideration for the issuance of the Consideration Shares to effect the Amalgamation, Amalco shall issue to Vertex one Amalco Share for each Consideration Share so issued.

As a result of the Amalgamation:

- Vertex will acquire all of the Cordy Shares;
- Amalco will become a wholly owned subsidiary of Vertex;

- the Cordy Shares will be delisted from trading on the TSXV; and
- former Shareholders will become shareholders of Vertex, holding approximately 17.2% of the outstanding Vertex Shares.

No fractional securities will be issued. If a Shareholder would otherwise be entitled to a fractional Vertex Share hereunder, the number of Vertex Shares issued to such Shareholder shall be rounded up to the next greater whole number of Vertex Shares. In calculating such fractional interests, all Cordy Shares registered in the name of CDS & Co. or beneficially held by a Shareholder or his/her/its nominee shall be aggregated.

Background to the Amalgamation

The Amalgamation Agreement is the result of arm's length negotiations among representatives and legal and financial advisors of Vertex and Cordy. The following is a summary of the principal meetings, discussions and activities that preceded the execution of the Amalgamation Agreement and the subsequent public announcement of the Amalgamation Agreement.

On or around December 10, 2021, senior management of Cordy was approached by Vertex congratulating Cordy on the Corporation's recent results and engaging in discussions regarding a potential transaction.

On or around December 14, 2021, senior management of Cordy and Vertex met to discuss a potential transaction, along with the future plans and outlooks of Vertex, how Cordy's business could integrate with the business of Vertex, and what opportunities could be provided to the Shareholders if a potential transaction as pursued.

On or around December 21, 2021, senior management of Cordy received an unsolicited letter from Vertex indicating a non-binding expression of interest (the "EOI") in pursuing a possible transaction involving Cordy and Vertex. The letter contemplated the potential acquisition by Vertex of all of the issued and outstanding Cordy Shares in exchange for Vertex Shares. Senior management of Cordy engaged their independent legal counsel to discuss the opportunity.

On or around December 28, 2021, the Chairman and senior management, of both Cordy and Vertex, met to discuss the EOI and the related benefits to each companies respective Shareholders.

On or around December 29, 2021, senior management of Cordy received an unsolicited letter of intent from Vertex which outlined terms and conditions by which Vertex proposed to acquire all of the issued and outstanding Cordy Shares by way of a share exchange.

On January 6, 2022, the Board met, along with independent legal counsel, to discuss the Vertex offer, along with the potential benefits of a transaction. The Board considered the Vertex offer in light of initial discussions with other companies who had also expressed interest in transacting with Cordy, discussed the merits of the Vertex offer, and resolved to thoroughly review the letter of intent, the fairness of the offer, to review strategic alternatives and to engage appropriate advisors regarding same.

Over the ensuing weeks, Cordy undertook a review of potential strategic alternatives to enhance Shareholder value. To this end, management contacted a number of local, North American and international companies to discuss possible strategic alternatives to the offer presented by Vertex. Concurrently, Cordy facilitated the due diligence review process requested by Vertex and undertook due diligence review of Vertex. Discussions between Cordy, Vertex and their respective advisors continued during this time period.

Expressions of interest were received by Cordy from other industry participants in respect of potential business combinations and senior management of Cordy engaged in discussions with such potential counter-parties.

On January 26, 2022, Vertex presented Cordy with a revised letter of intent, which included, among other things, the proposed structure of the transaction, the proposed offer from Vertex for the consideration to be paid to the Shareholders for their Cordy Shares.

On February 16, 2022, the Board of Directors met with senior management and legal counsel. Senior management provided the Board with a description of the proposals and expressions of interest received from Vertex and other parties and a description of related correspondence with those parties. Senior management also provided the Board with an analysis of other qualitative and quantitative analysis relative to the proposals received from Vertex and other parties. The Board also received legal advice with respect to its duties and responsibilities and matters related to a potential transaction with Vertex or another interested party and reviewed and considered with management Cordy's current operations, finances and go-forward outlook and strategy. A number of factors for and against the various proposals were discussed. The Board authorized management to continue to work with legal counsel on the drafting and negotiation of an amalgamation agreement and related agreements and documents with Vertex.

On February 22, 2022, the Board met to complete its deliberations on the proposed transaction with Vertex. The Board reviewed with senior management the general business conditions faced by Cordy, including potential scenarios arising as a result of the Russia/Ukraine situation, as it then was. The Board also considered the share exchange ratio proposed by Vertex for the Amalgamation in the context of the trading history and performance of the Cordy Shares and the Vertex Shares respectively.

The Board then reviewed the proposed final terms of the Amalgamation Agreement, the Support Agreements and related agreements and documents. At this meeting, DLA reviewed with the Board the terms and conditions of the proposed Amalgamation Agreement, the Support Agreements and related agreements and documents. The Board then considered various quantitative and qualitative factors related to the Amalgamation including, among other things: (i) the risks and prospects of Cordy on an individual basis and on a relative basis versus its peers; (ii) the share price performance of Cordy; (iii) the structure of the Amalgamation; (iv) the attributes of Cordy under a status quo scenario; (v) an assessment of Cordy's funding and strategic alternatives absent completing the Amalgamation; (vi) the terms of the Amalgamation Agreement providing the opportunity for the Board to review, consider and accept a Superior Proposal; and (ix) the risks associated with the completion of the Amalgamation.

After extensive deliberations and consulting with its legal advisors, and considering the impact of the Amalgamation on Shareholders and other stakeholders, the Board unanimously determined that the Amalgamation is in the best interests of the Corporation. The Board approved the Amalgamation Agreement and the transactions contemplated thereby (subject to the satisfactory resolution of the non-material outstanding items discussed at the meeting) and unanimously resolved to recommend that the Shareholders vote in favour of the Amalgamation Resolution at the Meeting. Management of Cordy was instructed to finalize the Amalgamation Agreement and all associated documentation.

Following further discussions and negotiations on the remaining terms and conditions of the Amalgamation Agreement, the Amalgamation Agreement was finalized and executed on February 25, 2022. In addition, all of the officers and directors of Cordy, who as of February 25, 2022, beneficially owned an aggregate of 61,092,867 Cordy Shares, or approximately 26% of the outstanding Cordy Shares, entered into the Support Agreements.

A news release announcing the Amalgamation was issued on the afternoon of February 25, 2022.

Recommendation of the Board

The Board, after consultation with its legal advisors and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*The Amalgamation – Reasons for the Amalgamation*", has unanimously determined that the Amalgamation is in the best interests of Cordy and is fair to the Shareholders. **Accordingly, the Board unanimously recommends that the Shareholders vote FOR the Amalgamation Resolution.**

All of the directors and senior officers of Cordy are required to vote all of their Cordy Shares in favour of the Amalgamation Resolution, subject to the terms of the Amalgamation Agreement and the Support Agreements.

Approval of Amalgamation Resolution

At the Meeting, the Shareholders will be asked to approve the Amalgamation Resolution, the full text of which is set out in Appendix "B" to this Information Circular. In order for the Amalgamation to become effective, as provided by the ABCA, the Amalgamation Resolution must be approved by (i) at least two-thirds of the votes cast on the Amalgamation Resolution at the Meeting by the Shareholders, present or represented by proxy and entitled to vote at

the Meeting, and (ii) a simple majority of the votes cast at the Meeting by the Shareholders, present or represented by proxy and entitled to vote at the Meeting, excluding the votes cast in respect of Cordy Shares held by any interested party (as defined by MI 61-101) and such other holders of Cordy Shares excluded by MI 61-101. Should the Shareholders fail to approve the Amalgamation Resolution by the requisite majority the Amalgamation will not be completed.

See *“The Amalgamation – Regulatory Matters and Securities Law Matters – Canadian Securities Law Matters – Multilateral Instrument 61-101”*.

The Board has approved the terms of the Amalgamation Agreement and the Amalgamation and unanimously recommends that the Shareholders vote FOR the Amalgamation Resolution. See “The Amalgamation — Recommendation of the Board” above.

Voting Agreements

On February 25, 2022, Vertex entered into the Support Agreements with the Supporting Shareholders. The Support Agreements set forth, among other things, the agreement of such director and senior officers to vote their Cordy Shares in favour of the Amalgamation and any other matters necessary for the consummation of the Amalgamation. As of the Record Date, 61,092,867 of the outstanding Cordy Shares were subject to the Support Agreements, representing approximately 26% of the votes which may be cast by the Shareholders at the Meeting.

Each Supporting Shareholder who has entered into a Support Agreement has agreed to vote his Cordy Shares owned or controlled (directly or indirectly), to the extent he is so entitled, in favour of the Amalgamation and against any Acquisition Proposal and/or any other matter that could reasonably be expected to result in a breach of any covenant, representation, warranty, or obligation in the Amalgamation agreement, or to impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Amalgamation.

The Support Agreements terminate upon, among other things: (i) mutual agreement; (ii) a party’s election following a breach of the other party’s covenant, representation or warranty; (iii) by the Supporting Shareholder if the Amalgamation Agreement is amended to decrease the amount or adversely change the nature of the consideration to be paid to such shareholder; (iv) the Effective Date or (v) the date of termination of the Amalgamation Agreement in accordance with the terms thereof.

Completion of the Amalgamation

Subject to the provisions of the Amalgamation Agreement, the Amalgamation will become effective on the Effective Date, being the date upon which all of the conditions to completion of the Amalgamation as set out in the Amalgamation Agreement have been satisfied or waived in accordance with the Amalgamation Agreement, all documents agreed to be delivered thereunder have been delivered to the satisfaction of the recipient, acting reasonably, and the filings required under the ABCA have been filed. Completion of the Amalgamation is expected to occur on or about April 25, 2022; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Amalgamation cannot be met on a timely basis, but in no event shall completion of the Amalgamation occur later than the Outside Date, unless extended by mutual agreement of the Parties in accordance with the terms of the Amalgamation Agreement.

Procedure for Exchange of Cordy Shares

At the time of sending this Information Circular to each Shareholder, Cordy is also sending the Letter of Transmittal to each Registered Shareholder. The Letter of Transmittal is only for use by Registered Shareholders and is not to be used by Non-Registered Shareholders. In order to receive the appropriate number of Vertex Shares that such Registered Shareholder is entitled to receive pursuant to the Amalgamation, he or she must deposit the original certificate(s) or DRS Statement, as applicable, representing his or her Cordy Shares with the Depository along with a properly completed and duly executed Letter of Transmittal.

The exchange of Cordy Shares for the Consideration in respect of Non-Registered Shareholders is expected to be made with the Non-Registered Shareholders’ nominee (bank, trust company, securities broker or other nominee) account through the procedures in place for such purposes between CDS & Co. and such nominee. Non-Registered

Shareholders should contact their nominee if they have any questions regarding this process and to arrange for their nominee to complete the necessary steps to ensure that they receive the Vertex Shares in respect of their Cordy Shares.

Registered Shareholders are requested to tender to the Depository any certificate(s) or DRS Statement representing their Cordy Shares along with the duly completed Letter of Transmittal. As soon as practicable following the Effective Date, the Depository will forward to each Registered Shareholder that submitted an effective Letter of Transmittal to the Depository, together with the original certificate(s) or DRS Statement representing the Cordy Shares held by such Shareholder immediately prior to the Effective Date, the DRS Statement representing the Vertex Shares to which the Registered Shareholder is entitled under the Amalgamation, to be sent to or at the direction of such Cordy Shareholder. DRS Statements representing the Vertex Shares will be registered in such name or names as directed in the Letter of Transmittal and will be sent to the address or addresses as such Shareholder directed in their Letter of Transmittal.

A Registered Shareholder that does not submit an effective Letter of Transmittal prior to the Effective Date may take delivery of the DRS Statement representing the Vertex Shares to which such Cordy Shareholder is entitled pursuant to the Amalgamation, by delivering the original certificate(s) or DRS Statement representing Cordy Shares formerly held by it to the Depository at the office indicated in the Letter of Transmittal at any time prior to the sixth anniversary of the Effective Date. Such certificate(s) or DRS Statement must be accompanied by a duly completed Letter of Transmittal, together with such other documents as the Depository may require. DRS Statements representing the Vertex Shares will be registered in such name or names as directed in the Letter of Transmittal and will be sent to the address or addresses as such Shareholder directed in its Letter of Transmittal as soon as practicable after receipt by the Depository of the required certificates and documents.

If any certificate, which immediately before the Effective Date represented one or more outstanding Cordy Shares in respect of which the holder was entitled to receive Vertex Shares pursuant to the Amalgamation is lost, stolen or destroyed, upon the making of an affidavit or statutory declaration of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depository will deliver in exchange for such lost, stolen or destroyed certificate, a DRS Statement representing Vertex Shares to which such Registered Shareholder is entitled pursuant to the Amalgamation. When authorizing delivery of the DRS Statement representing Vertex Shares that a former Shareholder is entitled to receive in exchange for any lost, stolen or destroyed certificate, such former holders to whom a DRS Statement is to be delivered will be required, as a condition precedent to the delivery thereof, to give an indemnity bond satisfactory to Vertex, Cordy and the Depository in such amount as Vertex, Cordy and the Depository may direct and indemnify Vertex, Cordy and the Depository in a manner satisfactory to them, against any claim that may be made against one or both of them with respect to the certificate alleged to have been lost, stolen or destroyed. Any certificate lost, stolen or destroyed prior to the Effective Time should be replaced by the method normally utilized by Computershare Investor Services Inc., as transfer agent for Cordy, for such purposes.

A Registered Shareholder must deliver to the Depository at the office listed in the Letter of Transmittal:

- a) the original certificate(s) or DRS Statement representing his or her Cordy Shares;
- b) a Letter of Transmittal in the form accompanying this Information Circular, or a manually executed photocopy thereof, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and
- c) any other relevant documents required by the instructions set out in the Letter of Transmittal.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the certificate(s) or DRS Statement deposited therewith, the certificate(s) or DRS Statement, as applicable, must be endorsed or be accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney guaranteed by an Eligible Institution.

Instructions will be provided upon receipt of the DRS Statement representing the Vertex Shares for Registered Shareholders that would like to request a physical Vertex Share certificate. Only Registered Shareholders will receive a DRS Statement representing the Vertex Shares. DRS is a system that will allow Registered Shareholders to hold their Vertex Shares in “book-entry” form without having a physical share certificate issued as evidence of ownership.

Instead, Vertex Shares will be held in the name of Registered Shareholders and registered electronically in Vertex's records, which will be maintained by its transfer agent and registrar, TSX Trust Company. The first time Vertex Shares are recorded under DRS (upon completion of the Amalgamation), Registered Shareholders will receive an initial DRS Statement acknowledging the number of Vertex Shares held in their DRS account. Anytime that there is movement of Vertex Shares into or out of a Registered Shareholder's DRS account, an updated DRS Statement will be mailed. Registered Shareholders may request a statement at any time by contacting TSX Trust Company, as transfer agent for Vertex. There is no fee to participate in DRS and dividends, if any, will not be affected by DRS.

The method of delivery of certificates or DRS Statements representing Cordy Shares and all other required documents is at the option and risk of the person depositing the same. Cordy recommends that such documents be delivered by hand to the Depository and a receipt obtained or, if mailed, that registered mail with return receipt requested be used and that appropriate insurance be obtained.

No Fractional Shares to be Issued

No holder of Cordy Shares will be entitled to a fractional Vertex Share. Where the aggregate number of Vertex Shares to be issued to a former Shareholder as consideration under or as a result of this Amalgamation would result in a fraction of a Vertex Share being issuable, the number of Vertex Shares to be received by such Shareholder shall be rounded up to the nearest whole Vertex Share.

Withholding Rights

Cordy, Vertex and the Depository will be entitled to deduct and withhold from any consideration otherwise payable to any Shareholder under the Amalgamation Agreement (including any payment to Dissenting Shareholders) such amounts as the Cordy, Vertex or the Depository is required to deduct and withhold with respect to such payment under the Tax Act, the Code, and the rules and regulations promulgated thereunder, or any provision of any provincial, state, local or foreign tax law as counsel may advise is required to be so deducted and withheld by Cordy, Vertex or the Depository, as the case may be. All such withheld amounts will be treated as having been paid to the person in respect of which such deduction and withholding was made on account of the obligation to make payment to such person under the Amalgamation Agreement, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity by or on behalf of Cordy, Vertex or the Depository, as the case may be. To the extent necessary, such deductions and withholdings may be effected by selling any Vertex Shares to which any such person may otherwise be entitled under the Amalgamation Agreement, and any amount remaining following the sale, deduction and remittance will be paid to the person entitled thereto as soon as reasonably practicable.

Regulatory Approvals

The Cordy Shares and Vertex Shares are each listed and posted for trading on the TSXV. It is a condition of the Amalgamation that the TSXV shall have conditionally approved for listing the Vertex Shares to be issued in connection with the Amalgamation. In a letter dated March 22, 2022, the TSXV conditionally approved the Amalgamation, subject to the delivery of certain documents following the closing of the Amalgamation.

Regulatory Law Matters and Securities Law Matters

Other than the necessary conditional approval of the TSXV having been obtained, Cordy is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Amalgamation. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Amalgamation. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Cordy currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to receipt of the Shareholders approval at the Meeting and the satisfaction or waiver of all other conditions specified in the Amalgamation Agreement, the Effective Date is expected to be on or about April 25, 2022.

Canadian Securities Law Matters

Each Shareholder is urged to consult such Shareholder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Vertex Shares.

Status under Canadian Securities Laws

Cordy is a reporting issuer in British Columbia, Alberta and Saskatchewan. The Cordy Shares currently trade on the TSXV. Pursuant to the Amalgamation, Cordy will merge with Vertex Subco and the merged entity, Amalco, will be a wholly owned subsidiary of Vertex. Following the Effective Date, the Cordy Shares will be delisted from the TSXV (anticipated to be effective two or three Business Days following the Effective Date) and Vertex expects to apply to the applicable Canadian securities regulators to have Cordy cease to be a reporting issuer.

Vertex is a reporting issuer in British Columbia, Alberta and Saskatchewan. The Vertex Shares are listed on the TSXV.

Distribution and Resale of Vertex Shares under Canadian Securities Laws

The distribution of the Vertex Shares pursuant to the Amalgamation will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Vertex Shares received pursuant to the Amalgamation will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined in NI 45-102, (ii) no unusual effort is made to prepare the market or to create a demand for Vertex Shares, (iii) no extraordinary commission or consideration is paid to a person or company in respect of such sale, and (iv) if the selling security holder is an insider or officer of Vertex, the selling security holder has no reasonable grounds to believe that Vertex is in default of applicable Securities Laws.

Multilateral Instrument 61-101

MI 61-101 regulates certain transactions to ensure equality of treatment among securityholders, generally requiring enhanced disclosure, approval by a majority of securityholders excluding "interested parties" or "related parties", independent valuations and, in certain instances, approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 generally apply to "business combinations" (as defined in MI 61-101) that terminate the interests of securityholders without their consent. MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (as defined in MI 61-101 and including directors, executive officers and shareholders holding over 10% of issued and outstanding shares of the issuer) is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with an amalgamation (such as the Amalgamation), such transaction may be considered a "business combination" for the purposes of MI 61-101 and subject to minority approval requirements and such "related party" is an "interested party" (as defined in MI 61-101).

A "collateral benefit" (as defined in MI 61-101) includes any benefit that a "related party" of Cordy is entitled to receive as a consequence of the Amalgamation, including without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to services as an employee, director or consultant of Cordy. MI 61-101 excludes from the meaning of collateral benefit a payment per security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party's services as an employee or director of an issuer, of an affiliated entity of such issuer or of a successor to the business of such issuer where (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either (i) at the time of the transaction the related party and his or her associated entities beneficially own, or exercise control or direction over, less than 1% of the outstanding securities of each class of equity securities of the issuer, or (ii) the related party discloses to an independent committee of the issuer the amount of consideration that he or she expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities he or she beneficially owns and the independent committee acting in good faith determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party will receive pursuant to the terms of the transaction for the equity securities it beneficially owns, and the independent committee's determination is disclosed in the disclosure document for the transaction.

The directors and officers of Cordy may have interests in the Amalgamation that are, or may be, different from, or in addition to, the interests of other Shareholders. These interests include those described below. The Board is aware of these interests and considered them, among other matters, when recommending approval of the Amalgamation by the Shareholders.

Severance Payment

Pursuant to the terms of his employment agreement with Cordy, the following officer of Cordy is entitled to receive a lump sum cash payment (the “**Severance Payment**”) on the occurrence of a “Change of Control”, such as the Amalgamation, as follows:

Name	Position	Severance Payment	Number of Cordy Shares Held
Darrick Evong	Chief Executive Officer	\$650,000 ¹	6,673,333

Note:

(1) This is an estimate. The final amount is dependent, in part, on the 2021 bonus awarded to Darrick Evong, which bonus amount will be determined prior to the Meeting.

Darrick Evong holds, or is deemed to hold, beneficially more than 1% of the outstanding Cordy Shares and would receive a Severance Payment exceeding 5% of value of the consideration to be received for his Cordy Shares under the Amalgamation. Consequently, the Severance Payment he may receive as a consequence of the Amalgamation constitutes a “collateral benefit” for the purposes of MI 61-101.

Consulting Arrangements

Darrick Evong, Cordy’s Chief Executive Officer, and Mark Hopper, Cordy’s Chief Financial Officer, may provide consulting services to Vertex following the completion of the Amalgamation. The consulting fees, the term of engagement and other terms and conditions under which such services may be provided have yet to be negotiated. Darrick Evong holds 6,673,333 Cordy Shares. Mark Hopper holds no Cordy Shares. These consulting engagements constitute a “collateral benefit” for the purposes of MI 61-101.

Minority Approval Requirements

As a result of the foregoing analysis, the minority approval requirements of MI 61-101 will apply in connection with the Amalgamation and in addition to obtaining approval of the Amalgamation Resolution at least two thirds of the votes cast on the Amalgamation Resolution at the Meeting by the Shareholders, present or represented by proxy and entitled to vote at the Meeting, approval will also be sought from a simple majority of the votes cast at the Meeting by the Shareholders present or represented by proxy at the Meeting, excluding the votes of the “interested parties” whose votes may not be included in determining minority approval of a “business combination” under MI 61-101.

To the best knowledge of the Board, it is estimated that 6,673,333 Cordy Shares will be excluded from the simple majority vote required under MI 61-101, being the Cordy Shares held by Darrick Evong.

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal Securities Laws that may be applicable to Cordy U.S. Shareholders. All Cordy U.S. Shareholders are urged to consult with their own legal counsel to ensure that any subsequent resale of Vertex Shares to be received in exchange for their Cordy Shares pursuant to the Amalgamation complies with applicable securities legislation.

The following discussion does not address the Canadian Securities Laws that will apply to the issue of Vertex Shares or the resale of these securities within Canada by the Shareholders in the United States. The Shareholders in the United States reselling their Vertex Shares in Canada must comply with Canadian Securities Laws, as outlined elsewhere in this Information Circular.

Exemption from the Registration Requirements of the U.S. Securities Act

The Vertex Shares to be received by the Shareholders in exchange for their Cordy Shares pursuant to the Amalgamation will not be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will be issued and exchanged in reliance upon exemptions from registration provided under the U.S. Securities Act and Securities Laws of each state of the United States in which Cordy U.S. Shareholders reside.

Resales of Vertex Shares After the Effective Date

The Vertex Shares to be issued pursuant to the Amalgamation will be unregistered “restricted securities” within the meaning of Rule 144 to the same extent and proportion that the securities exchanged by Cordy U.S. Shareholders in the United States pursuant to the Amalgamation were restricted securities. Cordy U.S. Shareholders that hold Cordy Shares that are not restricted securities under Rule 144 will receive Vertex Shares that are unrestricted securities and such Cordy U.S. Shareholders that are not deemed to be “affiliates” of Vertex after completion of the Amalgamation may freely re-sell their securities under U.S. Securities Laws. Cordy U.S. Shareholders that hold Cordy Shares that are restricted securities under Rule 144 will receive Vertex Shares that are restricted securities under Rule 144. Restricted securities may not be sold or transferred unless registered under the U.S. Securities Act or such registration is not required, such as because Rule 144 or Regulation S under the U.S. Securities Act (“**Regulation S**”) is available. Persons who may be deemed to be “affiliates” of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by Contract, or otherwise, and generally include executive officers, directors and principal shareholders of the issuer.

Resales Pursuant to Rule 144

In general, pursuant to Rule 144, persons who hold restricted Vertex Shares or are “affiliates” of Vertex after the Effective Date, or were “affiliates” of Vertex within 90 days prior to the Effective Date, will be entitled to sell, during any three-month period, those Vertex Shares that they receive pursuant to the Amalgamation, provided that the number of such securities sold does not exceed the greater of one percent of the then outstanding securities of such class or, if such securities are listed on a United States securities exchange and/or reported through the automated quotation system of a U.S. registered securities association, the average weekly trading volume of such securities during the four calendar week period preceding the date of sale, subject to specified restrictions on manner of sale requirements, aggregation rules, notice filing requirements and the availability of current public information about the issuer required under Rule 144.

Resales Pursuant to Regulation S

In general, pursuant to Regulation S, if at the Effective Date Vertex is a “foreign private issuer” (as defined in Rule 3b-4 under the U.S. Exchange Act), persons who hold restricted Vertex Shares or who are “affiliates” of Vertex after the Effective Date, or were “affiliates” of Vertex within 90 days prior to the Effective Date, solely by virtue of their status as an executive officer or director of Vertex, may sell their Vertex Shares outside the United States in an “offshore transaction” if none of the seller, an affiliate or any person acting on their behalf engages in “directed selling efforts” in the United States with respect to such securities and provided that no selling concession, fee or other remuneration is paid in connection with such sale other than the usual and customary broker’s commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, “directed selling efforts” means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered. Also, for purposes of Regulation S, an offer or sale of securities is made in an “offshore transaction” if the offer is not made to a person in the United States and either (a) at the time the buy order is originated, the buyer is outside the United States, or the seller reasonably believes that the buyer is outside of the United States, or (b) the transaction is executed in, on or through the facilities of a “designated offshore securities market” (which would include a sale through the TSXV), and neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States. Certain additional restrictions set forth in Rule 903 of Regulation S under the U.S. Securities Act are applicable to sales outside the United States by a holder of Vertex Shares who is an “affiliate” of Vertex after the Effective Date, or was an “affiliate” of Vertex within 90 days prior to the Effective Date, other than by virtue of his or her status as an officer or director of Vertex.

Fees and Expenses

All expenses incurred in connection with the Amalgamation and the transactions contemplated thereby shall be paid by the Party incurring such expense.

Interests of Certain Persons in the Amalgamation

In considering the unanimous recommendation of the Board with respect to the Amalgamation, the Shareholders should be aware that certain members of Cordy's senior management and the Board have certain interests in connection with the Amalgamation that may present them with actual or potential conflicts of interest in connection with the Amalgamation.

Benefits of Directors and Executive Officers of Cordy

Other than as disclosed in this Information Circular, no executive officer or director of Cordy will receive any payment as a result of the proposed Amalgamation. If the Amalgamation is completed, the Chief Executive Officers of Cordy will be entitled to receive additional compensation as a result of the change of control of Cordy. See "*The Amalgamation – Regulatory Matters and Securities Law Matters – Canadian Securities Law Matters - Multilateral Instrument 61-101*" above.

The directors (other than directors who are also executive officers) hold, in the aggregate, 27,409,534 Cordy Shares, representing approximately 11.857% of the Cordy Shares outstanding on the Record Date.

See "*The Amalgamation – Interests of Certain Persons in the Amalgamation – Indemnification*" below.

The executive officers of Cordy hold, in the aggregate, 33,683,333 Cordy Shares, representing approximately 14.572% of the Cordy Shares as of the Record Date.

The chart below sets out for each director and executive officer of Cordy the number of Cordy Shares beneficially owned, directly or indirectly, by such director and executive officer as of the Record Date. All of the Cordy Shares, held by the directors and executive officers of Cordy will be treated in the same fashion under the Amalgamation as all other Cordy Shares.

Name	Title	Cordy Shares ⁽¹⁾
Darrick Evong	Chief Executive Officer	6,673,333 (2.886%)
Craig Heitrich	Chief Operating Officer	25,000,000 (10.815%)
Mark Hopper	Chief Financial Officer	0 (0.00%)
Daniel Kenney	Corporate Secretary	2,010,000 (0.87%)
David Mullen	Director, Chairman	27,169,534 ⁽³⁾ (11.753%)
Timothy H. Urquhart	Director	240,000 (0.104%)

Name	Title	Cordy Shares ⁽¹⁾
Stuart King	Director	0 (0.00%)

Notes:

- (1) Based on 231,161,981 Cordy Shares issued and outstanding as of the Record Date.
- (2) Shares held by 1279107 Alberta Ltd., a corporation wholly owned by Craig Heitrich.
- (3) 26,334,534 shares are held by Lyncorp International Ltd. a corporation wholly owned by David Mullen.

Severance Payments

Upon completion of the Amalgamation, Darrick Evong of Cordy will be entitled to a Severance Payment payable by Cordy. See “*The Amalgamation – Regulatory Matters and Securities Law Matters – Canadian Securities Law Matters – Multilateral Instrument 61-101*” above. In order to comply with MI 61-101, a simple majority of disinterested Shareholders, present or represented by proxy at the Meeting, must cast votes in favour of the Amalgamation Resolution.

To the best knowledge of the Board, it is estimated that 6,673,333 Cordy Shares will be excluded from the simple majority vote required under MI 61-101, being the Cordy Shares held by Darrick Evong.

See “*The Amalgamation – Regulatory Matters and Securities Law Matters – Canadian Securities Law Matters – Severance Payments*” above.

Consulting Arrangements

Darrick Evong, Cordy’s Chief Executive Officer, and Mark Hopper, Cordy’s Chief Financial Officer, may provide consulting services to Vertex following the completion of the Amalgamation. The consulting fees, the term of engagement and other terms and conditions under which such services may be provided have yet to be negotiated. Darrick Evong holds 6,673,333 Cordy Shares. Mark Hopper holds no Cordy Shares. These consulting engagements constitute a “collateral benefit” for the purposes of MI 61-101.

See “*The Amalgamation – Regulatory Matters and Securities Law Matters – Canadian Securities Law Matters – Consulting Arrangements*” above.

Indemnification

Vertex and Cordy have agreed that they will honour all rights to indemnification existing in favour of present and former officers and directors of Vertex and Cordy as provided by certain specified contracts or agreements to which Cordy is a party and in effect as of the date of the Amalgamation Agreement will survive the completion of the Amalgamation and shall continue in full force and effect for a period of not less than six years from the Effective Date.

The Amalgamation Agreement

The description of the Amalgamation Agreement, both below and elsewhere in this Information Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Amalgamation Agreement, which is incorporated by reference herein and may be found under Cordy’s profile on SEDAR at www.sedar.com.

Effective Date and Conditions of Amalgamation

If the Amalgamation Resolution is passed, every requirement of the ABCA relating to the Amalgamation has been complied with and all other conditions to the Amalgamation Agreement as summarized under “*The Amalgamation – The Amalgamation Agreement – Conditions to the Amalgamation Becoming Effective*” are satisfied or waived, the Amalgamation will become effective on the Effective Date. It is currently expected that the Effective Date will be on or about April 25, 2022.

Representations and Warranties

The Amalgamation Agreement contains certain customary representations, warranties and covenants of each of Cordy and Vertex relating to, among other things, their respective organization, capitalization, qualification, absence of shareholder and similar agreements, financial statements, undisclosed liabilities, auditors, absence of certain changes, compliance with Laws and regulations, contracts, employment matters, environmental matters, insurance, taxes, books and records and other matters, including their authority to enter into the Amalgamation Agreement and to consummate the Amalgamation.

Conditions to the Amalgamation Becoming Effective

In order for the Amalgamation to become effective, certain conditions must have been satisfied or waived which conditions are summarized below.

Mutual Conditions

The respective obligations of Cordy and Vertex to complete the Amalgamation are subject to the satisfaction or mutual waiver by the Parties of the following conditions on or before the Effective Date or such other time as is specified below:

- a) the Amalgamation Resolution will have been approved by the Shareholders at the Meeting in accordance with applicable Laws;
- b) the Articles of Amalgamation will be in form and substance satisfactory to both Vertex and Cordy, acting reasonably;
- c) there shall be no action taken under any existing applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Entity, that:
 - i. makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation; or
 - ii. results in a judgment or assessment of material damages directly or indirectly relating to the Amalgamation;
- d) the Vertex Shares issuable pursuant to the Amalgamation have been approved for listing on the TSXV, subject to customary conditions; and
- e) all other required domestic and foreign regulatory, governmental and third party approvals and consents in respect of the completion of the Amalgamation shall have been obtained on terms and conditions satisfactory to Vertex and Cordy, each acting reasonably, and all applicable domestic and foreign statutory and regulatory waiting periods shall have expired or have been terminated and no unresolved material objection or opposition shall have been filed, initiated or made during any applicable statutory regulatory period.

The foregoing conditions are for the mutual benefit of the Parties and may be waived by mutual consent of Cordy and Vertex in writing at any time.

Vertex Conditions

The obligation of Vertex (and Vertex Subco) to complete the Amalgamation is subject to the satisfaction or waiver by Vertex of the following additional conditions on or before the Effective Date:

- a) each of the material covenants, acts and undertakings of Cordy to be performed on or before the Effective Date pursuant to the terms of the Amalgamation Agreement shall have been duly performed by Cordy;
- b) Cordy shall have furnished Vertex with:

- i. a certified copy of the resolutions duly passed by the Board approving the Amalgamation Agreement and the Amalgamation and directing the submission of the Amalgamation Resolution for approval at the Meeting and recommending that the Shareholders vote in favour of the Amalgamation Resolution; and
 - ii. a certified copy of the Amalgamation Resolution, duly passed at the Meeting;
- c) the representations and warranties of Cordy contained in the Amalgamation Agreement shall be true as at the Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date or except as affected by transactions contemplated or permitted by the Amalgamation Agreement) and Cordy shall have complied with its covenants in the Amalgamation Agreement, except where the failure or failures of such representations and warranties to be so true and correct or the failure to perform such covenants would not, or would not reasonably be expected to have a Material Adverse Effect on Cordy or to materially impede or reasonably be expected to materially impede the completion of the Amalgamation, and Vertex shall have received a certificate to that effect dated the Effective Date from an executive officer of Cordy acting solely on behalf of Cordy and not in their personal capacity, to the best of their information and belief having made reasonable inquiry, and Vertex will have no knowledge to the contrary;
- d) the Board shall not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in the Amalgamation Agreement in a manner materially adverse to Vertex or the completion of the Amalgamation;
- e) executed customary resignations and mutual releases, in a form and substance satisfactory to Cordy and Vertex, each acting reasonably, shall have been received by Cordy effective as of the Effective Date from each person who is an officer or employee of Cordy or its Subsidiaries and who has received or will receive a severance amount or other payment as a consequence of the Amalgamation pursuant to an employment or change of control agreement and payments of all such amounts have been made;
- f) executed resignations and customary mutual releases, in form and substance satisfactory to Cordy and Vertex, each acting reasonably, shall have been received by Cordy from all of the directors of Cordy and its Subsidiaries (effective as of the Effective Date);
- g) not later than five (5) Business Days prior to the Effective Date, Cordy shall provide Vertex with a payout statement effective the Effective Date in respect of amount owed to Great West Truck Lease & Rentals Ltd. under the line of credit agreement entered into among Cordy, Cordy Environmental Inc., Cordy Construction Inc. and to Great West Truck Lease & Rentals Ltd.;
- h) there shall not have occurred any Material Adverse Change in respect of Cordy since September 30, 2021;
- i) Dissent Rights have not been exercised (or, if exercised, remain outstanding) with respect to more than 5% of the issued and outstanding Cordy Shares and Cordy shall have provided to Vertex a certificate of two senior officers of Cordy certifying the foregoing and dated the Effective Date; and
- j) immediately prior to the Effective Date, Vertex shall be satisfied there shall be not more than 231,161,981 Cordy Shares outstanding and Vertex shall be satisfied that upon completion of the Amalgamation no person shall have any agreement, option or any right or privilege (whether by law, pre-emptive, by contract or otherwise) capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any issued or unissued securities of Cordy.

The foregoing conditions are for the exclusive benefit of Vertex (and Vertex Subco) and may be waived by Vertex in whole or in part at any time without prejudice to any other rights that Vertex (or Vertex Subco) may have.

Cordy Conditions

The obligation of Cordy to complete the Amalgamation is subject to the satisfaction or waiver by Cordy of the following additional conditions on or before the Effective Date:

- a) each of the material covenants, acts and undertakings of Vertex and Vertex Subco to be performed on or before the Effective Date pursuant to the terms of the Amalgamation Agreement shall have been duly performed by Vertex;
- b) Vertex shall have furnished Cordy with a certified copy of the resolutions duly passed by the board of directors of Vertex approving the Amalgamation Agreement and the Amalgamation;
- c) Vertex Subco shall have furnished Cordy with:
 - i. a certified copy of the resolutions duly passed by the board of directors of Vertex Subco approving the Amalgamation Agreement and the Amalgamation; and
 - ii. a certified copy of the resolution of the sole shareholder of Vertex Subco approving the Amalgamation;
- d) the representations and warranties of Vertex and Vertex Subco contained in the Amalgamation Agreement shall be true as at the Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date or except as affected by transactions contemplated or permitted by the Amalgamation Agreement) and Vertex and Vertex Subco shall have complied with its covenants in the Amalgamation Agreement, except where the failure or failures of such representations and warranties to be so true and correct or the failure to perform such covenants would not, or would not reasonably be expected to have a Material Adverse Effect on Vertex, or to materially impede or reasonably be expected to materially impede the completion of the Amalgamation, and Cordy shall have received a certificate to that effect dated the Effective Date from an executive officer of each of Vertex and Vertex Subco acting solely on behalf of Vertex or Vertex Subco, as applicable, and not in their personal capacity, to the best of their information and belief having made reasonable inquiry, and Cordy will have no knowledge to the contrary;
- e) Vertex and Cordy shall have entered into an amendment to the Note issued to 1279107 Alberta Ltd providing for a maturity date of December 31, 2022, with nine equal monthly payments of principal commencing April 30, 2022. The Note was issued on March 18, 2020 as partial consideration for the acquisition of the of the assets and business of Platinum North Resources Ltd. for \$750,000 and bears interest at 5.0%, payable monthly;
- f) Vertex shall have completed the Vertex Financing; and
- g) there shall not have occurred any Material Adverse Change in respect of Vertex or Vertex Subco since September 30, 2021.

The foregoing conditions are for the exclusive benefit of Cordy and may be waived by Cordy in whole or in part at any time without prejudice to any other rights that Cordy may have.

Covenants of Cordy

Cordy has agreed that, until the Effective Date or termination of the Amalgamation Agreement in accordance with its terms, except with the prior written consent of Cordy (such consent not to be unreasonably withheld), and except as otherwise expressly permitted or specifically contemplated by the Amalgamation Agreement:

- a) Cordy's business shall be conducted, in all material respects, only in the Ordinary Course, and Cordy shall consult with Vertex in respect of the ongoing business and affairs of Cordy and keep Vertex apprised of all material developments relating thereto;
- b) Cordy shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in the Amalgamation Agreement untrue in any material respect;

- c) Cordy shall promptly notify Vertex in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Cordy threatened, financial or otherwise) in its business, operations, affairs, assets, liabilities (contingent or otherwise), financial condition, capitalization, results of operations, properties, licenses, prospects or cash flows, whether contractual or otherwise, or of any change in any representation or warranty provided by Cordy in the Amalgamation Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Cordy shall in good faith discuss with Vertex any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Cordy, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Vertex pursuant to this provision;
- d) Cordy shall use its reasonable commercial efforts to obtain the consent of third parties including the TSXV, to the extent required, to the Amalgamation and provide evidence of the same to Vertex on or prior to the Effective Date;
- e) subject to Section 2.7 of the Amalgamation Agreement, the directors of Cordy not listed in Section 2.1(f) of the Amalgamation Agreement shall have provided their resignations together with mutual releases, effective on the Effective Date, each in form and substance and on such terms as are satisfactory to Vertex, acting reasonably;
- f) Cordy shall use its reasonable commercial efforts to satisfy or cause satisfaction of the conditions set out in Sections 6.1 and 6.3 of the Amalgamation Agreement as soon as reasonably practicable to the extent that the satisfaction of the same is within the control of Cordy;
- g) Cordy shall allow Vertex's representatives to attend the Meeting;
- h) Cordy will ensure that the Information Circular provides the Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matter before them, and will set out information concerning Vertex in the Information Circular in the form approved by Vertex;
- i) Cordy shall indemnify and save harmless Vertex and the directors, officers and agents of Vertex from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Vertex, or any director, officer or agent thereof, may be subject or which Vertex, or any director, officer or agent thereof, may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - i. any misrepresentation or alleged misrepresentation in the information concerning Cordy or in any material filed by Cordy in relation to the Amalgamation in compliance or intended compliance with any applicable Laws;
 - ii. any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any misrepresentation or any alleged misrepresentation in the information concerning Cordy or in any material filed by or on behalf of Cordy, in relation to the Amalgamation, non-compliance or intended compliance with applicable securities laws, which prevents or restricts the trading in the Cordy Shares; or
 - iii. Cordy not complying with any requirement of applicable Laws in connection with the Amalgamation;

except that Cordy shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any misrepresentation or alleged misrepresentation based solely on or relating to the information concerning Vertex included in this Information Circular;

- j) except for proxies and other non-substantive communications with the Shareholders, Cordy will furnish promptly to Vertex or Vertex's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Cordy in connection with: (i) the Amalgamation; (ii) the Meeting; (iii) any filings under applicable Laws; and (iv) any dealings with securities authorities in connection with the Amalgamation;

- k) Cordy shall conduct the Meeting in accordance with applicable Laws, the by-laws of Cordy and any instrument governing the Meeting, as applicable;
- l) Cordy will make all necessary filings and applications under applicable Laws required to be made on the part of Cordy in connection with the Amalgamation and shall take all reasonable action necessary to be in compliance with such applicable Laws;
- m) Cordy shall promptly advise Vertex of the number of Cordy Shares for which Cordy receives notices of Dissent Rights in relation to the Amalgamation and provide Vertex with copies of such notices;
- n) Cordy shall promptly notify Vertex in writing of:
 - i. any Material Adverse Effect;
 - ii. any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or maybe required in connection with the transactions contemplated by the Amalgamation Agreement;
 - iii. unless prohibited by Law, any notice or other communication from any person in connection with the transactions contemplated by the Amalgamation Agreement (and Cordy shall contemporaneously provide a copy of any such written notice or communication to Vertex); or
 - iv. any proceeding commenced or, to Cordy's knowledge, threatened against, relating to or involving, or otherwise affecting the Amalgamation, the Amalgamation Agreement or any of the transactions contemplated by the Amalgamation Agreement; and
- o) Cordy shall use commercially reasonable efforts to take all necessary actions to give effect to the Amalgamation.

Covenants of Vertex and Vertex Subco

Vertex and Vertex Subco have agreed that, until the Effective Date or termination of the Amalgamation Agreement in accordance with its terms, except with the prior written consent of Cordy (such consent not to be unreasonably withheld), and except as otherwise expressly permitted or specifically contemplated by the Amalgamation Agreement:

- a) Vertex's business shall be conducted in all material respects in the Ordinary Course and Vertex shall consult with Cordy in respect of the ongoing business and affairs of Vertex and keep Cordy apprised of all material developments relating thereto;
- b) neither Vertex nor Vertex Subco shall take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in the Amalgamation Agreement untrue in any material respect;
- c) Vertex shall promptly notify Cordy in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Vertex threatened, financial or otherwise) in its or Vertex Subco's business, operations, affairs, assets, liabilities (contingent or otherwise), financial condition, capitalization, results of operations, properties, licenses, prospects or cash flows, whether contractual or otherwise, or of any change in any representation or warranty provided by Vertex or Vertex Subco in the Amalgamation Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Vertex shall in good faith discuss with Cordy any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Vertex threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Cordy pursuant to this provision;

- d) each of Vertex and Vertex Subco shall use its reasonable commercial efforts to obtain the consent of third parties including the TSXV, to the extent required, to the Amalgamation and provide evidence of the same to Cordy on or prior to the Effective Date;
- e) each of Vertex and Vertex Subco shall use its reasonable commercial efforts to satisfy or cause satisfaction of the conditions set out in the Amalgamation Agreement as soon as reasonably practicable to the extent that the satisfaction of the same is within the control of Vertex;
- f) Vertex and Vertex Subco will assist Cordy in the preparation of the Information Circular and provide to Cordy, in a timely and expeditious manner, all information as Cordy may reasonably request with respect to Vertex and Vertex Subco for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with applicable securities Laws on the date of issue thereof and to enable Cordy to meet the standard referred to in subsection 3.2(l) of the Amalgamation Agreement with respect to Vertex, Vertex Subco, Amalco, the Amalgamation and the transactions to be considered at the Meeting;
- g) Vertex shall indemnify and save harmless Cordy and the directors, officers and agents of Cordy from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Cordy, or any director, officer or agent thereof, may be subject or which Cordy, or any director, officer or agent thereof, may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - i. any misrepresentation or alleged misrepresentation in the information provided by Vertex or in any material filed by Vertex or Vertex Subco in relation to the Amalgamation in compliance or intended compliance with any applicable Laws;
 - ii. any order made or any inquiry, investigation or proceeding by any securities authority or other competent authority based upon any misrepresentation or any alleged misrepresentation in the information provided by Vertex or in any material filed by or on behalf of Vertex or Vertex Subco, in relation to the Amalgamation, in compliance or intended compliance with applicable securities Laws, which prevents or restricts the trading in the Vertex Shares; or
 - iii. Vertex or Vertex Subco not complying with any requirement of applicable Laws in connection with the Amalgamation; except that Vertex shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any misrepresentation or alleged misrepresentation based solely on or relating to the information provided by Cordy included in the Information Circular;
- h) each of Vertex and Vertex Subco will make all necessary filings and applications under applicable Laws required to be made on the part of Vertex or Vertex Subco in connection with the Amalgamation and shall take all reasonable action necessary to be in compliance with such applicable Laws;
- i) Vertex will use all reasonable commercial efforts to maintain the listing of the Vertex Shares on the TSXV or any stock exchange or quotation system in Canada where the Vertex Shares are listed or through which the Vertex Shares are listed or quoted for minimum period of two (2) years following the Effective Date;
- j) Vertex shall use all reasonable commercial efforts to continue to: (i) be a “reporting issuer” (or the equivalent thereof) in the provinces of Canada in which it is a “reporting issuer” (or the equivalent thereof) on the date hereof; (ii) remain in compliance with applicable Canadian securities Laws in all material respects;
- k) Vertex will cause to be taken all necessary corporate action to permit the issuance of the Vertex Shares to Shareholders (other than Vertex and any Dissenting Shareholder) in connection with the Amalgamation;
- l) Vertex shall, on the Effective Date, provide to the Depositary an irrevocable direction authorizing and directing the Depositary, subject to the receipt of Letters of Transmittal from the applicable Shareholders (other than Vertex and Dissenting Shareholders), to issue certificates representing the Vertex Shares issuable under the Amalgamation to such holders in accordance with the terms of the Amalgamation;

- m) Vertex will make all necessary filings and applications under applicable Laws required to be made on the part of Vertex in connection with the Amalgamation and shall take all reasonable action necessary to be in compliance with such applicable Laws;
- n) each of Vertex and Vertex Subco shall use commercially reasonable efforts to take all necessary actions to give effect to the Amalgamation; and
- o) promptly following the Effective Date and in any event, no later than two (2) Business Days following the Effective Date, Vertex shall pay out in full the amounts owing to Great West Truck Lease & Rentals Ltd. under the line of credit agreement entered into among Cordy, Cordy Environmental Inc., Cordy Construction Inc. and to Great West Truck Lease & Rentals Ltd.

Mutual Covenants

Cordy, Vertex, and Vertex Subco agreed to use reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions to the Amalgamation and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under applicable Laws to complete the Amalgamation, including using reasonable commercial efforts:

- a) to obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other material contracts;
- b) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to complete the Amalgamation;
- c) to effect all necessary registrations and filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Amalgamation, and each of Vertex and Cordy will use its reasonable commercial efforts to cooperate with each other in connection with the performance by the other of their obligations under Section 3.3 of the Amalgamation Agreement including, without limitation, continuing to provide reasonable access to information and to maintain ongoing communications as among officers of Vertex and Cordy; and
- d) to reasonably cooperate with each other and their respective tax advisors in structuring the Amalgamation in a tax effective manner, and assist the other party and their tax advisor in making such investigations and inquiries with respect to such party in that regard as the other party and its tax advisor shall consider necessary, acting reasonably, provided that such party shall not be obligated to consent or agree to any structuring that has the effect of reducing or increasing the consideration to be received under the Amalgamation.

Non-Solicitation Covenant

Cordy has covenanted to Vertex and agreed that it shall not and shall cause its Representatives and Affiliates to not, directly or indirectly through any other person:

- a) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of Cordy or any Subsidiary or entering into any form of agreement, Amalgamation or understanding) any inquiry, proposal or offer (whether public or otherwise) that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
- b) enter into, engage in, continue or otherwise participate in any discussions or negotiations with any person (other than Vertex and its Affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
- c) make a Change in Recommendation;

- d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for a period of no more than five Business Days following such public announcement or public disclosure will not be considered to be in violation of this non-solicitation covenant (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or
- e) accept or enter into, or publicly propose to accept or enter into, any agreement, understanding or Amalgamation with any person in respect of an Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with Section 4.3 of the Amalgamation Agreement).

Cordy has additionally agreed to, and to cause its Subsidiaries and their respective Representatives to immediately cease and terminate any solicitation, encouragement, discussion, negotiations or other activities commenced prior to the date of the Amalgamation Agreement with any person (other than Vertex) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal and, in connection with such termination, agreed to:

- a) discontinue access to, and disclosure of, all information regarding Cordy and its Subsidiaries (including any data room and any confidential information, properties, facilities, books and records of Cordy or any of its Subsidiaries); and
- b) promptly request, and exercise all rights it has to require: (A) the return or destruction of all copies of any confidential information regarding Cordy or its Subsidiaries provided to any person other than Cordy, its Affiliates and their respective Representatives and (B) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding Cordy or any of its Subsidiaries, in each case, to the extent that such information has not previously been returned or destroyed and using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

Cordy has additionally agreed:

- a) that Cordy shall take all necessary action to enforce each confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement or covenant to which Cordy or any Subsidiary is a party; and
- b) not to release, and cause its Subsidiaries not to release, any person from, or waive, amend, suspend or otherwise modify such person's obligations respecting Cordy, or any of its Subsidiaries, under any confidentiality, standstill, non-disclosure, use, business purpose or similar agreement or covenant to which Cordy or any Subsidiary is a party, without the prior written consent of Vertex (which may be withheld or delayed in Vertex's sole and absolute discretion).

Right to Match

In the event Cordy receives an Acquisition Proposal that is a Superior Proposal from any person after the date of the Amalgamation Agreement and prior to the Meeting, then the Board may, prior to the Meeting, withdraw, modify, qualify or change in a manner adverse to Vertex its approval or recommendation of the Amalgamation and/or approve or recommend such Superior Proposal and/or enter into an Acquisition Agreement with respect to such Superior Proposal but only if:

- a) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction with Cordy or any of its Subsidiaries;
- b) Cordy has been, and continues to be, in compliance with its obligations under Article 4 of the Amalgamation Agreement;

- c) Cordy has delivered to Vertex a written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation, including a notice as to the value in financial terms that the Board has, determined should be ascribed to any non-cash consideration offered under the Superior Proposal (a “**Superior Proposal Notice**”);
- d) Cordy has provided Vertex with a copy of the proposed definitive agreement for the Superior Proposal (if any) and all supporting materials (including any financing documents, subject to customary confidentiality provisions with respect to fee letters or similar information) provided to Cordy in connection therewith;
- e) at least 72 hours (the “**Matching Period**”) have elapsed from the date that is the later of the date on which Vertex received the Superior Proposal Notice and the date on which Vertex received a copy of the definitive agreement referred to in Section 4.4(a)(iv) of the Amalgamation Agreement;
- f) during any Matching Period, Vertex has had the opportunity (but not the obligation), in accordance with Section 4.4(b) of the Amalgamation Agreement, to offer to amend the Amalgamation Agreement and the Amalgamation in order for such Acquisition Proposal to cease to be a Superior Proposal;
- g) after the Matching Period, the Board has:
 - i. determined, in good faith, after consultation with its outside legal counsel, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Amalgamation as proposed to be amended by Vertex under Section 4.4(b)) of the Amalgamation Agreement; and
 - ii. determined, in good faith, after consultation with its outside legal counsel, that the failure by the Board to authorize Cordy to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation would be inconsistent with its fiduciary duties; and
- h) prior to or concurrently with entering into such definitive agreement, Cordy terminates the Amalgamation Agreement pursuant to Section 7.2(a)(iii)(B) of the Amalgamation Agreement and the Termination Fee is paid.

During the Matching Period, or such longer period as Cordy may approve (in its sole discretion) in writing for such purpose:

- a) Vertex shall have the opportunity (but not the obligation) to offer to amend the Amalgamation Agreement and the Amalgamation;
- b) the Board shall, in good faith and in consultation with outside legal counsel, review any offer made by Vertex to amend the terms of the Amalgamation Agreement and the Amalgamation in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal; and
- c) Cordy shall, and shall cause its Representatives to, negotiate in good faith with Vertex to make such amendments to the terms of the Amalgamation Agreement and the Amalgamation as would enable Vertex to proceed with the transactions contemplated by the Amalgamation Agreement on such amended terms. If, as a consequence of the foregoing, the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, Cordy shall promptly so advise Vertex and Cordy and Vertex shall amend the Amalgamation Agreement to reflect such offer made by Vertex and shall take or cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for purposes of Section 4.4 of the Amalgamation Agreement, and Vertex shall be afforded a new 72 hour Matching Period from the later of the date on which Vertex received the Superior Proposal Notice and the date on which Vertex received a copy of the definitive agreement

referred to in Section 4.4(a)(iv) of the Amalgamation Agreement with respect to each new Superior Proposal from Cordy.

The Board shall promptly reaffirm the Board Recommendation by news release after any Acquisition Proposal that the Board has determined not to be a Superior Proposal is publicly announced or publicly disclosed, or the Board determines that a proposed amendment to the terms of the Amalgamation Agreement and the Amalgamation as contemplated under Section 4.4(b) of the Amalgamation Agreement would result in an Acquisition Proposal no longer being a Superior Proposal. Cordy shall provide Vertex and its outside legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by Vertex and its outside legal counsel.

If Cordy provides a Superior Proposal Notice to Vertex after a date that is less than ten Business Days before the Meeting, Cordy shall be entitled to, and shall upon request from Vertex, postpone the Meeting to a date that is not more than 15 Business Days after the scheduled date of the Meeting, but in any event to a date that is less than five Business Days prior to the Outside Date.

Indemnification

Vertex and Cordy have agreed that they will honour all rights to indemnification existing in favour of present and former officers and directors of Vertex and Cordy as provided by certain specified contracts or agreements to which Cordy is a party and in effect as of the date of the Amalgamation Agreement will survive the completion of the Amalgamation and shall continue in full force and effect for a period of not less than six years from the Effective Date.

Termination

The Amalgamation Agreement may be terminated prior to the Effective Date in certain circumstances, including:

1. by mutual written agreement of Vertex and Cordy;
2. by either Vertex (and Vertex Subco) or Cordy:
 - a) if the Meeting is held and the Amalgamation Resolution is not approved by the Shareholders in accordance with applicable Laws;
 - b) if any Law makes the completion of the Amalgamation or the transactions contemplated by the Amalgamation Agreement illegal or otherwise prohibited, and such Law has become final and non-appealable; or
 - c) if the Effective Date does not occur on or before the Outside Date, except that the right to terminate the Amalgamation Agreement shall not be available to any Party whose failure to fulfil any of its obligations or breach of any of its representations and warranties under the Amalgamation Agreement has been a principal cause of, or resulted in, the failure of the Effective Date to occur by such date;
3. by Cordy, if:
 - a) subject to compliance with the notice and cure provisions in the Amalgamation Agreement, Vertex breaches any of its representations, warranties, covenants or agreements contained in the Amalgamation Agreement, which breach would cause any of the mutual conditions precedent or the conditions precedent to the obligations of Cordy in the Amalgamation Agreement not to be satisfied, provided, however, that Cordy is not then in breach of the Amalgamation Agreement;
 - b) the Board approves, and authorizes Cordy to enter into, a definitive agreement providing for the implementation of a Superior Proposal prior to the Meeting and has paid or concurrently pays the Termination Fee; or
 - c) a Material Adverse Effect with respect to Vertex has occurred that is incapable of being cured on or before the Outside Date.

4. by Vertex (and Vertex Subco), if:

- a) either (A) the Board fails to publicly make a recommendation that the Shareholders vote in favour of the Amalgamation Resolution or Cordy or the Board, or any committee thereof, withdraws, modifies, qualifies or changes in a manner adverse to Vertex its approval or recommendation of the Amalgamation (it being understood that publicly taking no position or a neutral position by Cordy and/or the Board with respect to an Acquisition Proposal for a period exceeding three Business Days after an Acquisition Proposal has been publicly announced shall be deemed to constitute such a withdrawal, modification, qualification or change), (B) Vertex requests that the Board reaffirm its recommendation that the Shareholders vote in favour of the Amalgamation Resolution and the Board shall not have done so by the earlier of (x) the end of the third Business Day following receipt of such request and (y) the Meeting (each of the foregoing a “Change of Recommendation”), (C) Cordy and/or the Board, or any committee thereof, accepts, approves, endorses or recommends any Acquisition Proposal, (D) Cordy enters into an Acquisition Agreement in respect of any Acquisition Proposal (other than an Acceptable Confidentiality Agreement) or (E) Cordy or the Board publicly proposes or announces its intention to do any of the foregoing;
- b) Cordy breaches the non-solicitation provisions in the Amalgamation Agreement or Vertex’s right to match in a material respect;
- c) subject to compliance with the notice and cure provisions in the Amalgamation Agreement, Cordy breaches any of its representations, warranties, covenants or agreements contained in the Amalgamation Agreement, which breach would cause any of the mutual conditions precedent or the conditions precedent to the obligations of Vertex in the Amalgamation Agreement not to be satisfied, provided, however, that Vertex is not then in breach of the Amalgamation Agreement; or
- d) a Material Adverse Effect with respect to Cordy has occurred that is incapable of being cured on or before the Outside Date.

Termination Fee

Vertex is entitled to be paid the Termination Fee upon the occurrence of any of the following events:

- a) the Amalgamation Agreement shall have been terminated by Cordy pursuant to Section 3(b) above;
- b) the Amalgamation Agreement shall have been terminated by Vertex pursuant to Section 4(b) above; or
- c) an Acquisition Proposal has been made public or proposed publicly to Cordy or the Shareholders prior to the Meeting, and (A) either Cordy or Vertex shall have exercised its respective termination right under Section 2(b) above, and (B) Cordy shall have (x) completed any Acquisition Proposal within 12 months after the Amalgamation Agreement is terminated or (y) entered into an Acquisition Agreement in respect of any Acquisition Proposal or the Board shall have recommended any Acquisition Proposal, in each case, within 12 months after the Amalgamation Agreement is terminated, which Acquisition Proposal in either case, as it may be modified or amended, is subsequently completed (whether before or after the expiry of such 12-month period), provided, however, that for the purposes of this paragraph all references to “20%” in the definition of Acquisition Proposal shall be changed to “50%”.

Reasons for the Amalgamation

The Board reviewed and considered a significant amount of information and considered a number of factors relating to the Amalgamation with the benefit of advice from Cordy’s senior management and legal advisors. The following is a summary of the principal reasons for the unanimous recommendation of the Board that the Shareholders vote **FOR** the Amalgamation Resolution:

- management of Vertex and Cordy anticipate that the acquisition will create a stronger environmental services business that is expected to provide enhanced free cashflow generation through savings from integration, duplicate head office costs and increased fleet and personnel utilization;

- Vertex and Cordy operate highly complementary environmental service lines which can provide enhanced scale, utilization, and growth through cross-selling services to Vertex and Cordy's customers;
- management of Cordy and Vertex estimate annual integration cost savings of approximately \$1 million, which are expected to be realized within 12 – 18 months after closing of the Amalgamation;
- management of Cordy and Vertex expect there to be immediately accretive cash flow from operations and free cash flow per share for all shareholders of Vertex with the anticipated synergies of the Amalgamation;
- there is expected to be an improved cost structure to serve a growing and consolidating customer base;
- the Amalgamation is expected to result in a strong pro forma financial position with attractive free cash flow from operations that is expected to reduce senior debt and help achieve Vertex's targeted senior debt to EBITDA ratio of less than 2.0x, which is expected to be achieved within two years of closing;
- the Amalgamation is expected to enhance both Vertex and Cordy's position to advance and deliver on environmental, social and governance initiatives for Vertex, Cordy and its customers; and
- the Amalgamation creates the opportunity for the Shareholders to hold shares of a larger more diversified organization with a history of growth and stronger access to markets and capital to promote the development of Cordy's operations.

The foregoing summary of the information considered by the Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Amalgamation, the Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. In addition, individual members of the Board may have given different weights to different factors or items of information.

Risks Associated with the Amalgamation

In evaluating the Amalgamation, the Shareholders should carefully consider the following risk factors relating to the Amalgamation. The following risk factors are not a definitive list of all risk factors associated with the Amalgamation. Additional risks and uncertainties, including those currently unknown or considered immaterial by Cordy, may also adversely affect the trading price of the Cordy Shares, the Vertex Shares and/or the businesses of Cordy and Vertex following the Amalgamation. In addition to the risk factors relating to the Amalgamation set out below, the Shareholders should also carefully consider the risk factors associated with the businesses of Cordy and Vertex included in this Information Circular and in the documents incorporated by reference herein. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated. The risks associated with the Amalgamation include the following:

The Amalgamation Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Cordy.

Each of Cordy and Vertex has the right to terminate the Amalgamation Agreement and Amalgamation in certain circumstances. Accordingly, there is no certainty, nor can Cordy provide any assurance, that the Amalgamation Agreement will not be terminated by either Cordy or Vertex before the completion of the Amalgamation. For example, Vertex has the right, in certain circumstances, to terminate the Amalgamation if changes occur that, in the aggregate, have a Material Adverse Effect on Cordy. Although a Material Adverse Effect excludes certain events that are beyond the control of Cordy (such as general changes in the global economy or changes that affect the mining industry generally and which do not have a materially disproportionate effect on Cordy), there is no assurance that a change having a Material Adverse Effect on Cordy will not occur before the Effective Date, in which case Vertex could elect to terminate the Amalgamation Agreement and the Amalgamation would not proceed.

There can be no certainty that all conditions precedent to the Amalgamation will be satisfied.

The completion of the Amalgamation is subject to a number of conditions precedent, certain of which are outside the control of Cordy. There can be no certainty, nor can Cordy provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

The Shareholders will receive a fixed number of Vertex Shares which will not be adjusted to reflect any change in the market value of the Vertex Shares or Cordy Shares prior to the closing of the Amalgamation.

Under the Amalgamation, the Shareholders will receive 0.081818 of a Vertex Share in exchange for each Cordy Share held, rather than Vertex Shares with a fixed market value. Because the number of Vertex Shares to be received in respect of each Cordy Share under the Amalgamation will not be adjusted to reflect any change in the market value of the Vertex Shares or the Cordy Shares, the market value of Vertex Shares received under the Amalgamation may vary significantly from the market value at the dates referenced in this Information Circular. If the market price of the Vertex Shares relative to the market price of Cordy Shares increases or decreases, the value of the Consideration that the Shareholders receive pursuant to the Amalgamation will correspondingly increase or decrease. There can be no assurance that the market price of the Vertex Shares relative to the market price of the Cordy Shares on the Effective Date will not be lower than the relative market prices of such shares on the date of the Meeting. In addition, the number of Vertex Shares being issued in connection with the Amalgamation will not change despite decreases or increases in the market price of Cordy Shares. Many of the factors that affect the market price of the Vertex Shares and the Cordy Shares are beyond the control of Vertex and Cordy, respectively. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

Cordy will incur costs even if the Amalgamation is not completed and may have to pay the Termination Fee to Vertex.

Certain costs related to the Amalgamation, such as legal, accounting and certain financial advisor fees, must be paid by Cordy and Vertex even if the Amalgamation is not completed. Cordy and Vertex are each liable for their own costs incurred in connection with the Amalgamation. If the Amalgamation is not completed, Cordy may be required to pay Vertex the Termination Fee. See “*The Amalgamation – The Amalgamation Agreement – Termination*”.

The Termination Fee provided under the Amalgamation Agreement may discourage other parties from attempting to acquire Cordy.

Under the Amalgamation Agreement, Cordy would be required to pay a Termination Fee of \$500,000 in the event the Amalgamation Agreement is terminated in certain circumstances (see “*The Amalgamation – The Amalgamation Agreement – Termination – Termination Fee*”). The Termination Fee may discourage other parties from attempting to acquire Cordy Shares or otherwise making an Acquisition Proposal to Cordy, even if those parties would otherwise be willing to offer greater value to the Shareholders than that offered by Vertex under the Amalgamation.

If the Amalgamation is not approved by the Shareholders, the market price for the Cordy Shares may decline.

If the Amalgamation is not approved by the Shareholders, the market price of the Cordy Shares may decline to the extent that the current market price of the Cordy Shares reflects a market assumption that the Amalgamation will be completed. If the Amalgamation Resolution is not approved and the Board decides to seek another merger or Amalgamation, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total Consideration to be paid pursuant to the Amalgamation.

Directors and officers of Cordy have interests in the Amalgamation that may be different from those of the Shareholders generally.

In considering the unanimous recommendation of the Board to vote in favour of the Amalgamation Resolution, the Shareholders should be aware that certain members of Cordy’s senior management and the Board have certain interests in connection with the Amalgamation that differ from, or are in addition to, those Shareholders generally and may present them with actual or potential conflicts of interest in connection with the Amalgamation. See “*The Amalgamation – Interests of Certain Persons in the Amalgamation*” in this Information Circular.

Dissent Rights

The following description of the rights of Dissenting Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the “fair value” of such Shareholder’s Cordy Shares and is qualified in its entirety by the full text of Section 191 of the ABCA which is attached as Appendix “C” to this Information Circular. **A Shareholder who intends to exercise Dissent Rights should carefully consider and strictly comply with the provisions of Section 191 of the ABCA. Failure to strictly comply with the provisions of that section, and to adhere to the procedures established therein may result in the loss of all rights thereunder. It is suggested that Shareholders wishing to avail themselves of their rights under those provisions seek their own legal advice, as failure to comply strictly with them may prejudice their right of dissent.**

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Shareholders should seek independent legal advice, as failure to comply strictly with the provisions of Section 191 of the ABCA may result in the loss of all Dissent Rights.

A Registered Shareholder who fully complies with the dissent procedures in Section 191 of the ABCA, is entitled, upon the Amalgamation Resolution being approved, in addition to any other rights he may have, to dissent and to be paid by Cordy the fair value of the Cordy Shares held by such Shareholder in respect of which he or she dissents, determined as of the close of business on the last business day before the day on which the Amalgamation Resolution is adopted. A Dissenting Shareholder shall not have voted his or her Cordy Shares at the Meeting, either by proxy or in person, in favour of the Amalgamation Resolution and Registered Shareholders may not exercise the right of dissent in respect of only a portion of the holder’s Cordy Shares, but may dissent only with respect to all of the Cordy Shares held by the Shareholder or on behalf of any one beneficial owner and registered in the Dissenting Shareholder’s name. A vote against the Amalgamation Resolution, whether in person or by proxy, shall not constitute a written objection to the Amalgamation Resolution.

Shareholders who are Non-Registered Shareholders and wish to dissent should be aware that only the registered owner of such Cordy Shares is entitled to dissent. Accordingly, a Shareholder that is a Non-Registered Shareholder desiring to exercise its Dissent Rights must make arrangements for the Cordy Shares beneficially owned by such holder to be registered in such holder’s name prior to the time the written objection to the Amalgamation Resolution is required to be received by Cordy or, alternatively, make arrangements for the registered holder of such holder’s Cordy Shares to dissent on their behalf.

A Registered Shareholder wishing to exercise rights of dissent with respect to the Amalgamation must send to Cordy a written objection to the Amalgamation Resolution, which written objection must be received by Cordy c/o DLA Piper (Canada) LLP, 1000, 250 - 2nd Street S.W., Calgary, Alberta, T2P 0C1, Attention: Daniel E. Kenney, by no later than 11:00 a.m. (Calgary time) on April 20, 2022 or, if the Meeting is adjourned or postponed, by 11:00 a.m. (Calgary time) on the day that is two business days immediately preceding the date on which the Meeting is reconvened or held, as the case may be, and must otherwise strictly comply with the dissent procedures described in this Information Circular. Upon such application, Cordy shall send to such Dissenting Shareholder a written offer to pay the Shareholder an amount considered by the Board to be the fair value of the Cordy Shares.

An application may be made to the Court by Cordy or by a Dissenting Shareholder to fix the fair value of the Dissenting Shareholder’s Cordy Shares. If such an application to the Court is made by either Cordy or a Dissenting Shareholder, Cordy must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay him an amount considered by the Board to be the fair value of the Cordy Shares formerly held by such Dissenting Shareholder. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if Cordy is the applicant, or within 10 days after Cordy is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer must be made on the same terms to each Dissenting Shareholder and must be accompanied by a statement showing how the fair value was determined.

In such circumstances, a Dissenting Shareholder may make an agreement with Cordy for the purchase of such holder’s Cordy Shares for an agreed upon amount, at any time before the Court pronounces an order fixing the fair value of the applicable Cordy Shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application and appraisal. On the application, the Court will

make an order under Subsection 191(13) of the ABCA fixing the fair value of the Cordy Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount in favour of each of those Dissenting Shareholders, and fixing the time within which Cordy must pay that amount to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Shareholder under the ABCA until the date of payment.

Cordy shall not make a payment to a Dissenting Shareholder under Section 191 of the ABCA if there are reasonable grounds for believing that Cordy is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of its assets of Cordy would thereby be less than the aggregate of its liabilities. In such event, Cordy shall notify each Dissenting Shareholder that it is unable lawfully to pay such Dissenting Shareholder for its Cordy Shares, in which case the Dissenting Shareholder may, by written notice to Cordy within 30 days after receipt of such notice, withdraw such holder's written objection, in which case the holder shall be deemed to have participated in the Amalgamation as a Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection, such Dissenting Shareholder retains status as a claimant against Cordy to be paid as soon as Cordy is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of Cordy but in priority to its shareholders.

After the Effective Date, or upon the making of an agreement between Cordy and the Dissenting Shareholder as to the payment to be made by Cordy to the Dissenting Shareholder, or upon the pronouncement of a court order, whichever first occurs, the Shareholder ceases to have any rights as a Shareholder other than the right to be paid the fair value of the Cordy Shares held by such Dissenting Shareholder in the amount agreed to between Cordy and the Dissenting Shareholder or in the amount of the judgement, except where: (i) the Dissenting Shareholder withdraws such Dissenting Shareholder's demand for payment; or (ii) the Amalgamation Resolution is terminated, in which case such Dissenting Shareholder's rights as a Shareholder will be reinstated as of the date on which such Dissenting Shareholder sent the demand for payment. In either event, the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

Dissenting Shareholders who duly exercise Dissent Rights and who are ultimately entitled to be paid fair value for their Cordy Shares will be deemed to have transferred their Cordy Shares as of the Effective Time and without any further authorization, act or formality and free and clear of all liens, charges, claims and encumbrances, to Cordy under the Amalgamation.

In the event that a Dissenting Shareholder fails to perfect or effectively withdraws a claim under Section 191 of the ABCA or forfeits the right to make a claim under that section or such Dissenting Shareholder's rights as a Shareholder are otherwise reinstated, such Dissenting Shareholder's Cordy Shares will thereupon be deemed to have been transferred to Cordy at the same time as all other Cordy Shares are acquired by Cordy under the Amalgamation on the same basis as a non-dissenting holder of Cordy Shares, notwithstanding the provisions of Section 191 of the ABCA.

We urge any Shareholder who is considering dissenting to the Amalgamation to consult their own tax advisor with respect to the income tax consequences to them of such action. For a general summary of certain income tax implications to a Dissenting Shareholder, see: "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders*" and "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations under the Tax Act of the Amalgamation generally applicable to a Cordy Shareholder who, at all relevant times, for purposes of the Tax Act: (i) deals at arm's length with Cordy, Vertex, and Vertex Subco; (ii) is not affiliated with Cordy, Vertex, or Vertex Subco; and (iii) holds its Cordy Shares, and will hold any Vertex Shares received upon the Amalgamation, as capital property (a "**Holder**"). This summary only addresses Holders.

Cordy Shares will generally be considered to be capital property to a Holder for the purposes of the Tax Act unless such Cordy Shares are held by the Holder in the course of carrying on a business of buying and selling securities or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Cordy Shareholder: (i) that is a "specified financial institution" or "restricted financial institution" for the purposes of the Tax Act; (ii) that is a "financial institution" for the purposes of the mark-to-market rules in the Tax Act; (iii) an interest in which is a "tax shelter investment" for the purposes of the Tax Act; (iv) who makes or has made a functional currency reporting election for the purposes of the Tax Act; (v) that has entered into or will enter into a "synthetic disposition agreement", or a "derivative forward agreement", each as defined in the Tax Act, in respect of the Cordy Shares or Vertex Shares; (vi) that is a corporation resident in Canada and that is, or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes), as part of a series of transactions or events that includes the Amalgamation, controlled by a non-resident person (or by a group of non-resident persons that do not deal at arm's length with each other for purposes of the Tax Act) for the purposes of the "foreign affiliate dumping" rules in the Tax Act; (vii) that will receive dividends on Vertex Shares under, or as part of, a "dividend rental arrangement"; or (viii) that is exempt from tax under the Tax Act, all within the meaning of the Tax Act. Such Holders should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act in force on the date hereof and on counsels' understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances, including the application and effect of the income and other tax laws of any country, province or other jurisdiction that may be applicable to the Holder.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the application of the Tax Act and any applicable income tax treaty: is, or is deemed to be, resident in Canada; (a "**Resident Holder**"). Certain Resident Holders whose Cordy Shares or Vertex Shares might not otherwise qualify as capital property may be entitled to have such shares, and all other "Canadian securities" (as defined in the Tax Act) owned by them in the taxation year and any subsequent taxation year, deemed to be capital property by making an irrevocable election in accordance with subsection 39(4) of the Tax Act. Resident Holders considering such an election should consult their own tax advisors for advice as to whether the election is available or advisable in their own particular circumstances.

No Capital Gain or Capital Loss on Amalgamation

A Resident Holder (other than a Dissenting Resident Holder) will realize no capital gain (or capital loss) when such holder disposes of Cordy Shares pursuant to the Amalgamation. A Resident Holder will be deemed to have disposed of the Cordy Shares for proceeds of disposition equal to the aggregate adjusted cost base to it of such shares immediately before the disposition. Such Resident Holder will be deemed to have acquired the Vertex Shares at an aggregate cost equal to such proceeds of disposition.

Dissenting Resident Holders

A Resident Holder who exercises Dissent Rights in respect of the Amalgamation (a “**Dissenting Resident Holder**”) and to whom Amalco consequently pays the fair value of its Cordy Shares will be deemed to receive a taxable dividend in the taxation year of payment equal to the amount, if any, by which the payment (excluding interest) exceeds the paid-up capital of the Dissenting Resident Holder’s Cordy Shares determined immediately before the payment. Any such taxable dividend will be taxable as described below under “*Holdings Resident in Canada - Dividends on Vertex Shares*”.

The Dissenting Resident Holder will also realize a capital gain (or capital loss) equal to the amount, if any, by which the payment (excluding interest), less any such deemed taxable dividend, exceeds (or is exceeded by) the total of: (a) the adjusted cost base, as defined in the Tax Act, to the Dissenting Resident Holder of the Cordy Shares immediately before the payment; and (b) the Dissenting Resident Holder’s reasonable costs of disposition. The taxation of capital gains and capital losses is described below under the heading “*Holdings Resident in Canada - Taxation of Capital Gains and Capital Losses*”.

The Dissenting Resident Holder will be required to include any portion of the payment that is on account of interest in income in the year received. Holders who are contemplating exercising their Dissent Rights should consult their own tax advisors.

Dividends on Vertex Shares

A Resident Holder who is an individual will be required to include in income any dividends received or deemed to be received on the Resident Holder’s Vertex Shares and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by Vertex as “eligible dividends”, as defined in the Tax Act. There may be limitations on the ability of Vertex to designate dividends as eligible dividends.

A Resident Holder that is a corporation will be required to include in income any dividend received or deemed to be received on the Resident Holder’s Vertex Shares, but generally will be entitled to deduct an equivalent amount in computing taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A “private corporation” or a “subject corporation” (each as defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act on any dividend that it receives or is deemed to receive on Vertex Shares to the extent that the dividend is deductible in computing the corporation’s taxable income for the year. This refundable tax generally will be refunded to a Resident Holder that is a corporation when sufficient taxable dividends are paid to its shareholders while it is a private corporation or a subject corporation.

Taxable dividends received by an individual or trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act.

Disposing of Vertex Shares

Generally, on a disposition or deemed disposition of a Vertex Share (other than a disposition to Vertex that is not a sale in the open market in the manner in which shares would normally be purchased by a member of the public in an open market), a Resident Holder will realize a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition exceed (or are exceeded by) the aggregate of the adjusted cost base to the Resident

Holder of the Vertex Share immediately before the disposition or deemed disposition and any reasonable costs of disposition. For a description of the tax treatment of capital gains and capital losses, see “*Taxation of Capital Gains and Capital Losses*” below.

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder in a taxation year must be included in the Resident Holder’s income for the year, and one-half of any capital loss (an “**allowable capital loss**”) realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year (subject to and in accordance with rules contained in the Tax Act). Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be required to pay additional refundable tax on certain investment income, including taxable capital gains. Resident Holders who are individuals (other than certain trusts) may be subject to alternative minimum tax in respect of capital gains.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a share may be reduced by the amount of certain dividends previously received (or deemed to be received) by the Resident Holder on such share (or another share where the share has been acquired in exchange for such other share) to the extent and under circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns a share or where a trust or partnership of which a corporation is a beneficiary or a member is a member of a partnership or a beneficiary of a trust that owns any such share. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Eligibility for Investment

Based on the current provisions of the Tax Act, the Vertex Shares will be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan, a tax-free savings account (collectively, “**Registered Plans**”), or a deferred profit sharing plan (each as defined in the Tax Act), at any particular time, provided that, at that time, the Vertex Shares are listed on a “designated stock exchange” (which currently includes the TSXV) or Vertex is a “public corporation” other than a “mortgage investment corporation” (each as defined in the Tax Act).

Notwithstanding that Vertex Shares may be qualified investments for a trust governed by a Registered Plan, the annuitant or subscriber under, or holder of, the Registered Plan (as applicable) (the “**Controlling Individual**”), will be subject to a penalty tax on such shares if such shares are a “prohibited investment” (as defined in the Tax Act). The Vertex Shares will generally not be a prohibited investment for a trust governed by a Registered Plan provided that (i) the Controlling Individual deals at arm’s length with Vertex for purposes of the Tax Act and does not have a “significant interest” (as defined in the Tax Act) in Vertex or (ii) Vertex Shares are “excluded property” (as defined in subsection 207.01(1) of the Tax Act) for the Registered Plan. The Controlling Individual should consult its own tax advisor in this regard.

Holdings Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for the purposes of the application of the Tax Act and any applicable income tax treaty, is not, and is not deemed to be, resident in Canada and does not use or hold, and is not deemed to use or hold, the Cordy Shares or Vertex Shares in a business carried on in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to certain holders that are insurers carrying on an insurance business in Canada and elsewhere or an “authorized foreign bank” (as defined in the Tax Act).

No Capital Gain or Capital Loss on Amalgamation

A Non-Resident Holder (other than a Dissenting Non-Resident Holder) generally will be subject to the same tax treatment as described above under “*Holders Resident in Canada – No Capital Gain or Capital Loss on Amalgamation*”.

Non-Resident Holders who dispose of Cordy Shares that are or are deemed to be “taxable Canadian property” (as defined in the Tax Act) should consult their own tax advisors concerning the Canadian income tax consequences of the disposition and the potential requirement to file a Canadian income tax return and comply with special compliance procedures depending on their particular circumstances. Generally, a Cordy Share will not constitute taxable Canadian property of a Non-Resident Holder at the time of disposition provided that such share is listed on a designated stock exchange (which currently includes the TSXV) at that time, unless at any time during the 60-month period immediately preceding that time: (a) one or any combination of the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, a partnership in which the Non-Resident Holder or a non-arm’s length person holds a membership interest directly or indirectly through one or more partnerships owned 25% or more of the issued shares of any class or series of the capital stock of Cordy; and (b) more than 50% of the fair market value of such share was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource property (as defined in the Tax Act), timber resource property (as defined in the Tax Act), and options in respect of, or interests in, or civil law rights in, any such properties (whether or not such property exists).

Dissenting Non-Resident Holders

A Non-Resident Holder that exercises Dissent Rights in respect of the Amalgamation (a “**Dissenting Non-Resident Holder**”) and to whom Amalco consequently pays the fair value of its Cordy Shares will realize a dividend and capital gain or capital loss in the same manner as described above under “*Holders Resident in Canada - Dissenting Resident Holders*”. The tax treatment of any such dividend will be the same as described below under “*Holders Not Resident in Canada - Dividends on Vertex Shares*”. A Dissenting Non-Resident Holder will not be subject to income tax under the Tax Act on any capital gain realized on the disposition of such Dissenting Non-Resident Holder’s Cordy Shares unless the shares are “taxable Canadian property” (as described above) and the gain is not exempt from tax under an applicable income tax convention. Interest received by a Dissenting Non-Resident Holder upon the exercise of the Dissent Rights will generally not be subject to Canadian withholding tax under the Tax Act.

Dividends on Vertex Shares

Dividends paid or credited, or deemed to be paid or credited, on a Non-Resident Holder’s Vertex Shares will be subject to withholding tax under the Tax Act at a rate of 25% unless the rate is reduced under the provisions of an applicable income tax treaty or convention. In the case of a beneficial owner of dividends who is a resident of the United States for purposes of the Canada-US Income Tax Convention (1980) and who is entitled to the benefits of that treaty, the rate of withholding will generally be reduced to 15%.

Disposing of Vertex Shares

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition or deemed disposition of a Vertex Share, unless (i) the Vertex Share is “taxable Canadian property” of the Non-Resident Holder for purposes of the Tax Act; and (ii) the Non-Resident Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident. Generally, a Vertex Share will not constitute taxable Canadian property of a Non-Resident Holder at the time of disposition provided that such share is listed on a designated stock exchange (which currently includes the TSXV) at that time, unless at any time during the 60-month period immediately preceding that time: (a) one or any combination of the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, a partnership in which the Non-Resident Holder or a non-arm’s length person holds a membership interest directly or indirectly through one or more partnerships owned 25% or more of the issued shares of any class or series of the capital stock of Vertex; and (b) more than 50% of the fair market value of such share was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource property (as defined in the Tax Act), timber resource property (as defined in the Tax Act), and options in respect of,

or interests in, or civil law rights in, any such properties (whether or not such property exists). In addition, where a Non-Resident Holder acquires Vertex Shares on the Amalgamation in exchange for Cordy Shares that are “taxable Canadian property” as described above, the Vertex Shares will be deemed to be “taxable Canadian property” for the 60-month period that commences on the Effective Date.

Non-Resident Holders who dispose of Vertex Shares that are or are deemed to be “taxable Canadian property” should consult their own tax advisors with respect to the Canadian income tax consequences of the disposition and the potential requirement to file a Canadian income tax return and comply with special compliance procedures in respect of the disposition depending on their particular circumstances.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as otherwise disclosed in this Information Circular, none of the persons who were directors or executive officers of Cordy or a subsidiary of Cordy at any time during Cordy’s last financial year, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Cordy Shares, or any associate or Affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect Cordy or its subsidiaries.

INFORMATION CONCERNING CORDY

General

Cordy is an Alberta based oilfield services company offering services including hydro-excavation, drilling rigs, water hauling and more. Cordy operates throughout Western Canada in the oil, gas and commercial, and environmental industries. Cordy is a reporting issuer in Alberta, British Columbia and Saskatchewan, and has a head office in Calgary, Alberta. The Cordy Shares are listed for trading on the TSXV under the trading symbol “CKK”.

Trading Price and Volume

The Cordy Shares are listed on the TSXV under the symbol “CKK”. The following table shows the high and low trading prices and monthly trading volume of the Cordy Shares on the TSXV for the 12-month period preceding the date of this Information Circular:

Year	Period	High	Low	Volume
2021	March	0.035	0.025	4,931,944
2021	April	0.030	0.025	3,158,037
2021	May	0.030	0.020	2,865,576
2021	June	0.030	0.020	1,152,875
2021	July	0.030	0.025	1,373,315
2021	August	0.030	0.020	5,832,000
2021	September	0.030	0.020	1,056,308
2021	October	0.040	0.025	8,383,574
2021	November	0.045	0.035	7,914,424
2021	December	0.045	0.035	2,109,112
2022	January	0.045	0.035	4,700,316
2022	February	0.050	0.045	3,688,956
2022	March 1 - 22	0.050	0.035	4,468,648

The closing price of the Cordy Shares on the TSXV on March 22, 2022 was \$0.04. The closing price of the Cordy Shares on the TSXV on February 25, 2022, the last trading day prior to the announcement of the Amalgamation, was \$0.05.

If the Amalgamation is completed, all of the Cordy Shares will be owned by Vertex and will be delisted from the TSXV, subject to the rules and policies of the TSXV.

Prior Sales

Cordy has not issued any Cordy Shares, or securities that are convertible into Cordy Shares, during the 12-month period preceding the date of the Information Circular.

Dividends or Capital Distributions

Cordy has not, since the date of its incorporation, declared or paid any cash dividends or capital distributions on the Cordy Shares and does not currently have a policy with respect to the payment of dividends. Under the terms of the Amalgamation Agreement, Cordy has agreed not to declare, set aside or pay dividends on the Cordy Shares prior to the Effective Date.

Ownership of Securities

For complete details regarding the securities held by each senior officer and director of Cordy, please see “*The Amalgamation - Interests of Certain Persons in the Amalgamation*” above.

Management Contracts

No management functions of Cordy are performed to any substantial degree by a person other than the directors or officers of Cordy.

Auditor

The auditor of Cordy is KPMG LLP.

INFORMATION CONCERNING VERTEX

Vertex is an Alberta based provider of environmental and industrial services, serving clients in the oil and gas, oilsands, petrochemical, renewable energy, utilities, agriculture, forestry, drilling, midstream, mining, aggregate and municipal sectors. Vertex is a reporting issuer in Alberta, British Columbia and Saskatchewan, and has a head office in Sherwood Park, Alberta. The Vertex Shares are listed for trading on the TSXV under the trading symbol “VTX”. See “*Appendix D – Information Concerning Vertex*”.

INFORMATION CONCERNING SUBCO

Vertex Subco is a private company, incorporated under the provisions of the ABCA which holds no assets or liabilities and whose sole business is to complete the Amalgamation with Cordy. All of the issued and outstanding Vertex Subco Shares are held by Vertex.

INFORMATION CONCERNING AMALCO

General

On completion of the Amalgamation, Cordy will be amalgamated with Vertex Subco and become Amalco. Vertex will directly own all of the outstanding shares of Amalco.

After completion of the Amalgamation, the business and operations of Cordy will be managed and operated as a subsidiary of Vertex. Vertex expects that the business and operations of Vertex and Cordy will be consolidated and the principal executive office of the combined company will be located at Vertex’s current head and registered office, being 161, 2055 Premier Way Sherwood Park, Alberta T8H 0G2.

Directors and Executive Officers of the Combined Company

Following the completion of the Amalgamation, the directors and officers of Vertex are expected to remain the current directors and officers of Vertex, with the exception of Stuart King, who shall be appointed to the Vertex board of directors pursuant to the Amalgamation Agreement.

Description of Share Capital

The authorized share capital of Vertex following the completion of the Amalgamation will continue to be as described above in Appendix “D” and the rights and restrictions of the Common Shares of Vertex will remain unchanged. The issued share capital of Vertex will change as a result of the Amalgamation, to reflect the issuance of the Common Shares of Vertex contemplated in the Amalgamation. Vertex expects to issue 18,913,253 Common Shares in connection with the Amalgamation. As at the date of this Circular, that would result in 110,166,368 Common Shares of Vertex issued and outstanding.

See “*Consolidated Capitalization*” in Appendix “D” to this Circular.

Auditors, Transfer Agent and Registrar

The auditors of Vertex following the Amalgamation will continue to be KPMG LLP and the transfer agent and registrar for the Common Shares of Vertex will continue to be TSX Trust Company.

OTHER MATTERS

Management of Cordy is not aware of any matters to come before the Meeting other than as set forth in the Notice of Special Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Cordy Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Additional information relating to Cordy is available under its profile on the SEDAR website at www.sedar.com. Financial and other information of Cordy is provided in its audited consolidated financial statements and management’s discussion and analysis for the financial year ended December 31, 2021, which are incorporated by reference in this Information Circular and can be found under Cordy’s profile on SEDAR at www.sedar.com and will be sent without charge to any Shareholder upon request by contacting Mark Hopper, Chief Financial Officer of Cordy, at mark.hopper@cordy.ca. Unless otherwise indicated, information in this Information Circular is provided as at March 22, 2022.

APPROVAL OF DIRECTORS

The contents and sending of this Information Circular, including the Notice of Special Meeting, have been approved and authorized by the Board.

March 22, 2022

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Darrick Evong*”

Darrick Evong, Chief Executive Officer
Cordy Oilfield Services Inc.

APPENDIX "A"
AMALGAMATION AGREEMENT

AMALGAMATION AGREEMENT

between

VERTEX RESOURCE GROUP LTD.

-and-

VERTEX ENERGY SERVICES LTD.

-and-

CORDY OILFIELD SERVICES INC.

February 25, 2022

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SCHEDULES

A – Articles of Amalgamation

B – Terms and Conditions of the Amalco Shares

AMALGAMATION AGREEMENT

THIS AGREEMENT is made as of the 25th day of February, 2022:

AMONG:

VERTEX RESOURCE GROUP LTD., a body corporate existing under the laws of Alberta (“**Vertex**”)

-and-

VERTEX ENERGY SERVICES LTD., a body corporate existing under the laws of Alberta (“**Subco**”)

-and-

CORDY OILFIELD SERVICES INC., a body corporate existing under the laws of Alberta (“**Cordy**”)

WHEREAS the Parties (as defined herein) intend to carry out an amalgamation of Subco, a wholly-owned subsidiary of Vertex, and Cordy under Section 181 of the *Business Corporations Act* (Alberta), on the terms and subject to the satisfaction or waiver of the conditions set out in this Agreement (as defined herein);

AND WHEREAS Amalco (as defined herein) will become a wholly-owned subsidiary of Vertex;

AND WHEREAS the Parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to the proposed Amalgamation (as defined herein);

NOW THEREFORE this Agreement witnesseth that in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as set out below.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following words and terms have the indicated meanings:

“**ABCA**” means the *Business Corporations Act*, R.S.A. 2000, c. B-9 as amended, including the regulations promulgated thereunder;

“**Acquisition Proposal**” means, other than the transactions contemplated by this Agreement, any offer, proposal or inquiry (written or oral) from any Person or group of Persons “acting jointly or

in concert” (within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* (“**NI 62-104**”)) other than Vertex (or any Affiliate of Vertex) relating to:

- (a) any direct or indirect sale or disposition (or any lease, licence, royalty agreement, joint venture, long-term supply agreement or other arrangement having the same economic effect), in a single transaction or a series of related transactions, of:
 - (i) assets of Cordy and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Cordy and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Cordy and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent annual consolidated financial statements of Cordy filed as part of Cordy Filings); or
 - (ii) 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of Cordy or any of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Cordy and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Cordy and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent annual consolidated financial statements of Cordy filed as part of Cordy Filings);
- (b) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction, in a single transaction or a series of related transactions, that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of Cordy or any of its Subsidiaries;
- (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or winding up, or other similar transaction, in a single or a series of related transactions, involving Cordy or any of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Cordy and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Cordy and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent annual consolidated financial statements of Cordy filed as part of the Cordy Filings); or
- (d) any other similar transaction or series of transactions involving Cordy or any of its Subsidiaries.

“**Affiliate**” has the meaning specified in National Instrument 45-106 - *Prospectus Exemptions* and, for purposes of this Agreement, "control" shall include the possession, directly or indirectly, of the power to direct or cause the direction of the policies, management and affairs of the Person, whether through the ownership of voting securities, by contract or otherwise, including with

respect to any general partner of another Person with the power to direct the policies, management and affairs of such Person.

“**Agreement**”, “**herein**”, “**hereof**”, “**hereto**”, “**hereunder**” and similar expressions mean and refer to this amalgamation agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;

“**Amalco**” means the continuing corporation resulting from the Amalgamation;

“**Amalco Shares**” means the common shares in the capital of Amalco, having the rights, privileges, restrictions and conditions set out in Schedule B hereto;

“**Amalgamating Corporations**” means Subco and Cordy;

“**Amalgamation**” means the amalgamation of Cordy and Subco under the provisions of Section 181 of the ABCA, on the terms set out herein;

“**Articles of Amalgamation**” means the articles of amalgamation in respect of the Amalgamation, substantially in the form set out in Schedule A hereto, required under subsection 185(1) of the ABCA to be filed with the Registrar to give effect to the Amalgamation;

“**Associate**” has the meaning specified in the *Securities Act* (Alberta);

“**Authorization**” means, with respect to any Person, any order, permit, approval, certification, accreditation, consent, waiver, registration, licence, or similar authorization of, or agreement with, any Governmental Entity, whether by expiry or termination of an applicable waiting period or otherwise, that is binding upon or applicable to such Person or its business, assets or securities.

“**Breaching Party**” has the meaning set forth in Section 3.6(c).

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

“**Canadian Securities Authorities**” means the Alberta Securities Commission and other applicable securities commissions and securities regulatory authorities of the provinces and territories of Canada;

“**Canadian Securities Laws**” means the *Securities Act* (Alberta) and other applicable corporate and securities laws in force in Canada, including the rules, regulations, notices, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date;

“**CASL**” means *An Act to Promote the Efficiency and Adaptability of the Canadian Economy by Regulating Certain Activities that Discourage Reliance on Electronic Means of Carrying out Commercial Activities, and to Amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act* (Canada).

“**Certificate**” means the certificate of amalgamation to be issued by the Registrar, pursuant to subsection 185(4) of the ABCA, in respect of the Amalgamation;

“**Change in Recommendation**” has the meaning set forth in Section 7.2(a)(iv)(B).

“**Contract**” means any written or oral agreement, commitment, engagement, contract, franchise, licence, lease, obligation, note, bond, mortgage, indenture, undertaking or joint venture to which Cordy or any of its Subsidiaries is a party or by which Cordy or any of its Subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

“**Cordy**” means Cordy Oilfield Services Inc.;

“**Cordy Amalgamation Resolution**” means the special resolution to approve the Amalgamation and to approve and ratify the Amalgamation Agreement to be presented to Cordy Shareholders for approval at the Cordy Meeting;

“**Cordy Board**” means the board of directors of Cordy;

“**Cordy Board Recommendation**” has the meaning set forth in Section 5.1(II)(i).

“**Cordy Employees**” means the officers and employees of Cordy and its Subsidiaries.

“**Cordy Employee List**” means the list of Cordy Employees included in the Disclosure Letter;

“**Cordy Filings**” means all documents publicly filed by Cordy under the profile of Cordy on the System for Electronic Document Analysis Retrieval (SEDAR) since January 1, 2021;

“**Cordy Information**” means the information to be included in the Information Circular regarding Cordy, including its business, operations and affairs and the matters to be considered at the Cordy Meeting;

“**Cordy Lease**” means any real or immovable property leased, subleased, licensed or otherwise used or occupied by Cordy or any of its Subsidiaries.

“**Cordy Leased Property**” means any real or immovable property leased, subleased, licensed or otherwise used or occupied by Cordy or any of its Subsidiaries.

“**Cordy Material Contract**” means any Contract:

- (a) that, if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect;
- (b) under which indebtedness in excess of \$200,000 is or may become outstanding, other than a Contract between two or more wholly owned Subsidiaries of Cordy or between Cordy and one or more of its wholly owned Subsidiaries;
- (c) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness for borrowed money in excess of \$200,000 in the aggregate;

- (d) under which Cordy or any of its Subsidiaries is obligated to make or expects to receive payments in excess of \$100,000 over the remaining term;
- (e) that creates an exclusive dealing arrangement or right of first offer or refusal;
- (f) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds \$200,000;
- (g) that limits or restricts in any material respect (i) the ability of Cordy or any Subsidiary to engage in any line of business or carry on business in any geographic area or (ii) the scope of Persons to whom Cordy or any of its Subsidiaries may sell products; or
- (h) providing for the establishment, investment in, organization or formation of any joint venture, partnership or other revenue sharing arrangements in which the interest of Cordy or its Subsidiaries has a fair market value that exceeds \$200,000.

“**Cordy Meeting**” means the special meeting of Cordy Shareholders (including any adjournment or postponement thereof permitted under this Agreement) that is to be convened to consider, and, if deemed advisable, to approve the Cordy Amalgamation Resolution;

“**Cordy Shareholders**” means the holders of Cordy Shares;

“**Cordy Shares**” means the common shares in the capital of Cordy;

“**Corrupt Practices Legislation**” has the meaning set forth in Section 5.1(gg).

“**Depository**” means the trust company appointed by Cordy and Vertex for the purpose of receiving the deposit of certificates formerly representing Cordy Shares and for the payment for Cordy Shares by Vertex pursuant to the Amalgamation;

“**Disclosure Letter**” means the disclosure letter dated the date of this Agreement and delivered by Cordy to Vertex with this Agreement.

“**Dissent Rights**” means the rights of dissent that will apply in relation to the Amalgamation as provided for in Section 191 of the ABCA;

“**Dissenting Shareholder**” means a registered Cordy Shareholder that validly exercises Dissent Rights in relation to the Amalgamation;

“**Effective Date**” means the date shown on the Certificate;

“**Employee Plans**” means all health, welfare, supplemental unemployment benefit, fringe benefit, bonus, profit sharing, savings, insurance, incentive, incentive compensation, deferred compensation, death benefits, termination, retention, change in control, severance, security purchase, security compensation, disability, pension, or supplemental retirement plans and other employee, independent contractor, consultant or director compensation or benefit plans, policies,

trusts, funds, agreements or arrangements for the benefit of current or former directors of Cordy or any of its Subsidiaries, Cordy Employees, former Cordy Employees or any other Person, whether written or unwritten, which are maintained by or binding upon Cordy or any of its Subsidiaries or in respect of which Cordy or any of its Subsidiaries has any actual or potential liability, but does not include (a) individual offer letters or Contracts with any Cordy Employees or former Cordy Employees (including any amendments thereto) and (b) any statutory plans administered by a Governmental Entity, including the Canada Pension Plan and plans administered pursuant to applicable federal, state or provincial health, worker's compensation or employment insurance legislation.

“Encumbrances” means, in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust deeds, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or assets, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing), whether arising by Laws, contract or otherwise, against title to any of such property or assets, or any part thereof or interest therein or capable of becoming any of the foregoing;

“Environmental Laws” means all Laws and agreements with Governmental Entities and all other statutory requirements relating to public health and safety, noise control, pollution, reclamation or the protection of the environment or to the generation, production, installation, use, processing, handling, storage, treatment, distribution, transportation, disposal or release of hazardous substances, and all Authorizations issued pursuant to such Laws, agreements or other statutory requirements.

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision or authority of any of the above; (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; (d) any government-controlled corporation or similar entity; or (e) any stock exchange;

“Information Circular” means the notice of the Cordy Meeting to be sent to Cordy Shareholders, and the information circular and proxy statement to be prepared in connection with the Cordy Meeting, together with all appendices, schedules and exhibits thereto, and any amendments thereto or supplements thereof;

“Intellectual Property” means domestic and foreign:

- (a) patents, applications for patents and reissues, divisionals, continuations, renewals, re-examinations, extensions and continuations-in-part of patents or patent applications;

- (b) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, models, formulae, algorithms, processes, designs, technology, technical data, schematics, formulae and customer lists and documentation relating to any of the foregoing;
- (c) copyrights, copyright registrations and applications for copyright registration;
- (d) integrated circuit topographies, integrated circuit topography registrations and applications, mask works, mask work registrations and applications for mask work registrations;
- (e) designs, design registrations, design registration applications, industrial designs, industrial design registrations and industrial design applications;
- (f) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trademarks, trademark registrations, trademark applications, trade dress and logos, and the goodwill associated with any of the foregoing;
- (g) software; and
- (h) any other intellectual property and industrial property.

“**Intellectual Property Rights**” has the meaning set forth in Section 5.1(x).

“**Law(s)**” means all laws (including common law), by-laws, statutes, rules, regulations, principles of law, orders, ordinances, judgments, decrees, guidelines, policies or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity and the term “**applicable**” with respect to such Laws and in a context that refers to a Person, means such Laws as are applicable to such Person or its business, undertaking, property or securities and emanate from a Governmental Entity having jurisdiction over the Person or its business, undertaking, property or securities;

“**Letter of Transmittal**” means the letter of transmittal to be sent to Cordy Shareholders pursuant to which Cordy Shareholders may deliver certificate(s) representing Cordy Shares to the Depository;

“**Matching Period**” has the meaning set forth in Section 4.4(a)(v).

“**Material Adverse Change**” or “**Material Adverse Effect**” means any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances:

- (i) is or could reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, financial condition, liabilities (contingent or otherwise) or prospects, of Vertex and its Subsidiaries, taken as a whole, or Cordy and its Subsidiaries, taken as a whole, as

the case may be, except any such change, event, occurrence, effect, or circumstance resulting from or arising in connection with:

- (i) any change affecting the oilfield services industry as a whole;
- (ii) any changes in currency exchange, interest or inflation rates or commodity, securities or general economic, financial, or credit market conditions in Canada;
- (iii) any change in global, national or regional political conditions (including the outbreak or escalation of war or acts of terrorism);
- (iv) any change in applicable Law;
- (v) any change in Canadian generally accepted accounting principles;
- (vi) any epidemic, pandemic or outbreak of illness or health crisis or public health event, or any worsening of any of the foregoing;
- (vii) any natural disaster;
- (viii) the announcement or performance of this Agreement or consummation of the Amalgamation; or
- (ix) any change in the market price or trading volume of any securities of Vertex or Cordy, as the case may be, (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Material Adverse Change or Material Adverse Effect has occurred);

provided, however, that with respect to clauses (i) through to and including (v); such matter does not have a materially disproportionate effect on Vertex and its Subsidiaries, taken as a whole, or Cordy and its Subsidiaries, taken as a whole, as the case may be, relative to other comparable companies and entities operating in the industries in which Vertex and/or its Subsidiaries or Cordy and/or its Subsidiaries, as the case may be, operate. Provided further, for greater certainty, that any change, event, occurrence, effect or circumstance arising from Vertex or Cordy carrying on its business in the ordinary course shall not be construed to be excluded, pursuant to clauses (viii) or (ix), from the definition of “**Material Adverse Change**” or “**Material Adverse Effect**” by reason of Vertex or Cordy, as applicable, being obligated to carry on its business in the Ordinary Course; or

- (j) prevents or materially impairs or could reasonably be expected to prevent or materially impair the ability of Vertex or Cordy, as the case may be, to consummate the Amalgamation by the Outside Date, and unless expressly provided in any particular section of this Agreement, references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be,

illustrative or interpretive for purposes of determining whether a “**Material Adverse Change**” or a “**Material Adverse Effect**” has occurred;

“**Misrepresentation**” has the meaning ascribed thereto under the *Securities Act* (Alberta);

“**Money Laundering Laws**” has the meaning set forth in Section 5.1(hh).

“**Non-exempt Shareholders**” means any Person resident in a Restricted State.

“**OHSA**” has the meaning set forth in Section 5.1(bb)(vii).

“**Order**” means any order, writ, judgment, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Entity.

“**Outside Date**” means May 31, 2022 or such later date as may be agreed to in writing by the Parties.

“**Ordinary Course**” means, with respect to an action taken by Vertex or Cordy, as the case may be, that such action is consistent with the past practices of Vertex or Cordy, as the case may be, and is taken in the ordinary course of the normal day-to-day operations of the business of Vertex or Cordy, as the case may be;

“**Parties**” means, collectively, the parties to this Agreement, and “**Party**” shall be construed to mean Cordy or both Vertex and Subco;

“**Permitted Encumbrances**” means (a) with respect to Cordy, Encumbrances specifically disclosed to Vertex by Cordy and with respect to Vertex, Encumbrances specifically disclosed to Cordy by Vertex; (b) easements, rights of way, servitudes or other similar rights, including, without limitation, rights of way for highways, railways, sewers, drains, gas or oil pipelines, gas or water mains, electric light, power, telephone or cable television towers, poles, wires and similar rights in real property or any interest therein, provided the same are registered on title and not of such nature as to materially adversely affect the use of the property subject thereto; (c) the regulations and any rights reserved to or vested in any Governmental Entity to levy taxes or to control or regulate any Party’s or any of its Subsidiaries’ interests in any manner; (d) undetermined or inchoate liens incurred or created in the ordinary course of business as security for a Party’s or any of its Subsidiaries’ share of the costs and expenses of the development or operation of any of its assets, which costs and expenses are not delinquent as of the Effective Date; (e) undetermined or inchoate mechanics’ liens and similar liens for which payment for services rendered or goods supplied is not delinquent as of the Effective Date; (f) liens granted in the ordinary course of business to a Governmental Entity respecting operations pertaining to petroleum and natural gas rights; (g) liens for taxes, assessments and governmental charges that are not due and payable or delinquent; and (h) any encumbrances under a Party’s or any of its Subsidiaries’ existing credit facilities or other borrowing arrangements disclosed to the other Party;

“**Person**” includes any individual, partnership, association, body corporate, company, organization, trust, estate, trustee, executor, administrator, legal representative, government (including any Governmental Entity), syndicate or other entity, whether or not having legal status;

“Personal Information” means any data or information in any media that is used or reasonably capable of being used alone or in conjunction with other information to identify an individual and any other data or information that constitutes personal data or personal information under any Law to which Cordy or any of its Subsidiaries is subject.

“Proceeding” means any suit, claim, action, charge, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination or known investigation commenced, brought, conducted or heard by or before any Governmental Entity.

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

“Representatives” means officers, directors, employees, and legal representatives and agents of Cordy, Vertex or Subco, as the context requires;

“Restricted State” means any jurisdiction that is not Canada or the United States;

“Sanctions” has the meaning set forth in Section 5.1(ff);

“SEC” means the United States Securities and Exchange Commission;

“Securities Authority” means, collectively, the Canadian Securities Authorities and the SEC;

“Securities Laws” means, collectively, the Canadian Securities Laws, the U.S. Securities Laws and the rules of the TSXV;

“Severance Payments” has the meaning set forth in Section 5.1(bb)(v);

“Subco” means Vertex Energy Services Ltd., a wholly-owned subsidiary of Vertex;

“Subco Board” means the board of directors of Subco;

“Subco Shares” means the voting, non-cumulative Class A shares and non-voting, non-cumulative Class B shares in the capital of Subco;

“Subsidiary” has the meaning ascribed thereto in the ABCA (and shall include any partnerships directly or indirectly owned by Vertex or Cordy, as the case may be, unless the context otherwise requires);

“Superior Proposal” means any unsolicited bona fide written Acquisition Proposal made after the date of this Agreement from a Person (other than Vertex) or group of Persons to acquire not less than all of the outstanding Cordy Shares or all or substantially all of the assets of Cordy on a consolidated basis that:

- (a) did not result from a breach of Article 4;
- (b) is reasonably capable of being completed, without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and

the Person or group of Persons making such Acquisition Proposal and their respective Affiliates;

- (c) is not subject to a financing condition and, in respect of which it has been demonstrated to the satisfaction of the Cordy Board, in its good-faith judgment, after receiving the advice of its outside legal counsel, that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal;
- (d) is not subject to a due diligence condition or access condition; and
- (e) the Cordy Board determines, in its good-faith judgment, after receiving the advice of its outside legal counsel and after taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the Person or group of Persons making such Acquisition Proposal and their Affiliates, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction that is more favourable, from a financial point of view, to Cordy Shareholders than the Amalgamation (including any amendments to the terms and conditions of the Amalgamation proposed by Vertex pursuant to Section 4.4(b)).

“Superior Proposal Notice” has the meaning set forth in Section 4.4(a)(iii).

“Support Agreements” means the agreements to vote in favour of the Amalgamation dated the date of this Agreement and made between Vertex and, (i) the directors and senior officers of Cordy who are Cordy Shareholders, (ii) Lyncorp International Ltd.; and (iii) 1279107 Alberta Ltd.

“Taxes” means:

- (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, royalties, capital, capital stock, production, volume, quantity, recapture, transfer, land transfer, licence, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, fuel, carbon, excise, special assessment, stamp, withholding, business, franchising, real, immovable or personal or movable property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all licence and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions;
- (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts described in paragraph (a) above or this paragraph (b);

- (c) any liability for the payment of any amounts of the type described in paragraphs (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and
- (d) any liability for the payment of any amounts described in paragraphs (a) or (b) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“**Tax Returns**” means any and all returns, reports, declarations, elections, notices, forms, designations, filings and statements (including estimated tax returns and reports, withholding tax returns and reports and information returns and reports) filed or required to be filed in respect of Taxes.

“**Terminating Party**” has the meaning set forth in Section 3.6(c).

“**Termination Fee**” has the meaning set forth in Section 8.1(b).

“**Termination Fee Event**” has the meaning set forth in Section 8.1(b).

“**Termination Notice**” has the meaning set forth in Section 3.6(c).

“**Third-Party Beneficiaries**” has the meaning set forth in Section 11.9.

“**TSXV**” means the TSX Venture Exchange;

“**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

“**U.S. Securities Laws**” means the federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder;

“**Vertex** ” means Vertex Resource Group Ltd.;

“**Vertex Board**” means the board of directors of Vertex;

“**Vertex Filings**” means all documents publicly filed by Vertex under the profile of Vertex on the System for Electronic Document Analysis Retrieval (SEDAR) since January 1, 2021;

“**Vertex Financing**” means the convertible debenture financing for aggregate gross proceeds of \$15,000,000, to be completed as a condition precedent to the Amalgamation by Vertex, bearing interest at 8% per annum from the date of issuance, payable monthly in arrears in cash, which convertible debentures shall be convertible at any time into Vertex Shares at a conversion price of \$0.65 per share;

“**Vertex Information**” means the information provided by Vertex to Cordy for inclusion in the Information Circular regarding Vertex and Subco, including their respective businesses, operations and affairs;

“Vertex Material Contract” means any Contract:

- (a) that, if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect;
- (b) under which indebtedness in excess of \$1,000,000 is or may become outstanding, other than a Contract between two or more wholly owned Subsidiaries of Vertex or between Vertex and one or more of its wholly owned Subsidiaries;
- (c) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness for borrowed money in excess of \$1,000,000 in the aggregate;
- (d) under which Vertex or any of its Subsidiaries is obligated to make or expects to receive payments in excess of \$1,000,000 over the remaining term;
- (e) that creates an exclusive dealing arrangement or right of first offer or refusal;
- (f) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds \$1,000,000;
- (g) that limits or restricts in any material respect (i) the ability of Vertex or any Subsidiary to engage in any line of business or carry on business in any geographic area or (ii) the scope of Persons to whom Vertex or any of its Subsidiaries may sell products; or
- (h) providing for the establishment, investment in, organization or formation of any joint venture, partnership or other revenue sharing arrangements in which the interest of Vertex or its Subsidiaries has a fair market value that exceeds \$1,000,000.

“Vertex Options” means the 3,000,000 outstanding stock options, whether or not vested, to acquire Vertex Shares;

“Vertex Shareholders” means the holders of Vertex Shares;

“Vertex Shares” means the common shares in the capital of Vertex; and

“Willful Breach” means with respect to any representation, warranty, agreement or covenant in this Agreement, a breach of this Agreement that is a consequence of an act or omission by the Breaching Party with the actual knowledge that the taking of such act or failure to act, as applicable, would, or would reasonably be expected to, cause a breach of this Agreement.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections and the inclusion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include firms and corporations and vice versa.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day that is a Business Day in such place.

1.5 Entire Agreement

This Agreement constitutes the entire agreement among the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof.

1.6 Currency

All sums of money referred to in this Agreement are expressed in lawful money of Canada.

1.7 Disclosure in Writing

Any reference in this Agreement to disclosure in writing shall, in the case of Vertex, include disclosure to Vertex or its Representatives, and shall, in the case of Cordy, include disclosure to Cordy or its Representatives. For certainty, disclosure in writing shall include disclosure in any disclosure letters delivered concurrent with the execution hereof.

1.8 Knowledge

Where any representation or warranty is expressly qualified by reference to the knowledge of: (i) Cordy, it is deemed to refer to the actual knowledge of David Mullen and Darrick Evong, after reasonable inquiry and (ii) Vertex, is deemed to refer to the actual knowledge of Terry Stephenson, after reasonable inquiry.

1.9 Schedules

The following schedules attached hereto are incorporated into and form an integral part of this Agreement:

- Schedule A - Articles of Amalgamation
- Schedule B - Terms and Conditions of the Amalco Shares

ARTICLE 2
THE AMALGAMATION AND THE CORDY MEETING

2.1 Agreement to Amalgamate

Vertex, Subco and Cordy agree that the Amalgamating Corporations shall amalgamate pursuant to Section 181 of the ABCA as of the Effective Date and continue as one corporation on the terms and subject to the satisfaction or waiver of the conditions set out in this Agreement, including the following:

- (a) **Name.** The name of Amalco shall be “**Vertex Energy Services Ltd.**”.
- (b) **Registered Office.** The registered office of Amalco shall be located at Suite 2200, 10235 – 101 Street NW, Edmonton, Alberta, T5J 3G1.
- (c) **Authorized Capital.** Amalco shall be authorized to issue an unlimited number of Amalco Shares and an unlimited number of preferred shares, which shall have the rights, privileges, restrictions and conditions set out in the Articles of Amalgamation.
- (d) **Restrictions on Share Transfers.** No shares of Amalco may be transferred except in compliance with the restrictions set out in the Articles of Amalgamation.
- (e) **Number of Directors.** The minimum number of directors of Amalco shall be one and the maximum number of directors of Amalco shall be eleven.
- (f) **Initial Directors.** The number of first directors of Amalco shall be one. The first director of Amalco shall be the individual whose name and address is set out below:

<u>Name</u>	<u>Address</u>
Terry Stephenson	161, 2055 Premier Way, Sherwood Park, Alberta T8H 0G2

Such directors shall hold office until the next annual meeting of shareholders of Amalco or until their successors are elected or appointed.

- (g) **Restrictions on Business.** There shall be no restrictions on the business that Amalco may carry on.
- (h) **Amalgamation.** On the Effective Date:
 - (i) subject to subsection 2.1(h)(iv), each issued and outstanding Cordy Share (other than Cordy Shares held by any Dissenting Shareholders) shall be converted into 0.081818 of a Vertex Share;
 - (ii) each issued and outstanding Cordy Share held by a Dissenting Shareholder will be cancelled and the Dissenting Shareholder will be entitled to be paid the fair value of such Cordy Share by Amalco in accordance with the ABCA;

- (iii) each issued and outstanding Subco Share shall be converted into one Amalco Share;
 - (iv) no fractional Vertex Shares will be issued in connection with the Amalgamation. If a Cordy Shareholder would otherwise be entitled to a fractional Vertex Share hereunder, the number of Vertex Shares issued to such Cordy Shareholder shall be rounded up to the next greater whole number of Vertex Shares. In calculating such fractional interests, all Cordy Shares registered in the name of or beneficially held by a Cordy Shareholder or his/her/its nominee shall be aggregated; and
- (i) **By-Laws.** The by-laws of Amalco, until repealed, amended or altered, shall be the by-laws of Subco.
 - (j) **Auditors.** The Auditors of Amalco shall be KPMG LLP, Chartered Professional Accountants.
 - (k) **Share Certificates.** Subject to Section 2.2, upon the presentation and surrender by a Cordy Shareholder to the Depositary of the certificate or certificates representing Cordy Shares held by such Cordy Shareholder together with a duly completed Letter of Transmittal, the Depositary shall promptly prepare and deliver to such Cordy Shareholder a certificate representing the number of Vertex Shares to which the Cordy Shareholder is entitled as a result of the Amalgamation. On the Effective Date, share certificates evidencing Cordy Shares and Subco Shares shall cease to represent any claim upon or interest in Cordy or Subco, as the case may be, other than the right of the holder to receive certificates representing Vertex Shares and Amalco Shares, as applicable, as provided for herein.
 - (l) **Dissenting Shareholders.** Cordy Shares held by a Dissenting Shareholder shall not be exchanged for Vertex Shares pursuant to the Amalgamation. However, if a Dissenting Shareholder fails to perfect or effectively withdraws such Dissenting Shareholder's claim under Section 191 of the ABCA or forfeits such Dissenting Shareholder's right to make a claim under Section 191 of the ABCA or if his rights as a Cordy Shareholder are otherwise reinstated, such Cordy Shareholder's Cordy Shares shall thereupon be deemed to have been exchanged for Vertex Shares as of the Effective Date in accordance with the Amalgamation and cancelled in accordance with Section 2.1(h)(i).
 - (m) **Effect of Amalgamation.** On the Effective Date:
 - (i) the property (except amounts receivable from any Amalgamating Corporation or shares of any Amalgamating Corporation) of each Amalgamating Corporation will continue to be the property of Amalco;
 - (ii) Amalco will continue to be liable for the obligations (except amounts payable to any Amalgamation Corporation) of each Amalgamating Corporation;

- (iii) any existing cause of action, claim or liability to prosecution pending by or against either of the Amalgamating Corporations will be unaffected;
- (iv) any civil, criminal or administrative action or proceeding pending by or against either of the Amalgamating Corporations may be continued to be prosecuted by or against Amalco;
- (v) any conviction against, or ruling, order or judgment in favour or against, either of the Amalgamating Corporations may be enforced by or against Amalco; and
- (vi) the Articles of Amalgamation of Amalco shall be deemed to be the Articles of Incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the Certificate of Incorporation of Amalco.

2.2 Foreign Securities Laws

Notwithstanding Section 2.1(h), no offer to sell or solicitation of an offer to buy Vertex Shares is made in the Restricted States to Non-exempt Shareholders. Cordy Shareholders that reside in a Restricted State and who are Non-exempt Shareholders, shall not receive Vertex Shares for his/her/its Cordy Shares. The Depositary or its nominee will, as agent for the Non-exempt Shareholders, sell, cause to be sold (through a broker in Canada and on the TSXV). After completion of such sales, the Depositary will distribute the aggregate net proceeds of sale, after expenses, commissions and applicable withholding taxes, pro rata, among the Non-exempt Shareholders. Any sales or redemption of Vertex Shares described above will be completed as soon as practicable on or after the Effective Date and will be done in a manner intended to maximize consideration to be received from the sale of Vertex Shares and to minimize any adverse impact of the sale on the market for the Vertex Shares.

2.3 Information Circular and Meeting

At such times as agreed to by Vertex and Cordy, acting reasonably, and in compliance with applicable Laws:

- (a) Vertex shall prepare the Vertex Information for inclusion in the Information Circular and ensure that the Vertex Information is true and complete in all material respects as of the date of the Information Circular and does not contain any Misrepresentation;
- (b) Cordy shall:
 - (i) prepare the Information Circular, in consultation with Vertex, and cause such circular and the Letters of Transmittal to be mailed to the Cordy Shareholders (other than Vertex) in all jurisdictions in accordance with applicable Laws;
 - (ii) convene the Cordy Meeting no later than the Outside Date or such other date as Vertex and Cordy may agree in writing;

- (iii) ensure that the Information Circular includes the Cordy Information and the determinations of the Cordy Board pursuant to Section 2.6; and
 - (iv) ensure that the Cordy Information is true and complete in all material respects as of the date of the Information Circular and does not contain any Misrepresentation; and
- (c) Vertex and Cordy shall cooperate in the preparation, filing and mailing of the Information Circular. Each of Vertex and Cordy shall provide the other and their respective Representatives with a reasonable opportunity to review and comment on the Information Circular and any other relevant documentation and shall incorporate all reasonable comments made by Vertex and Cordy and their respective counsel and the Information Circular shall be reasonably satisfactory to each of Vertex and Cordy before it is filed or distributed to the Cordy Shareholders.

2.4 Effective Date

The Amalgamation shall become effective on the Effective Date.

2.5 Indemnities and Directors' and Officers' Insurance

- (a) Vertex agrees that Amalco and its successors shall not take any action to terminate or materially adversely affect, and will fulfill its obligations pursuant to, indemnities provided or available to or in favour of past and present officers and directors of Cordy, pursuant to the provisions of the articles, by-laws or other constating documents of Cordy, applicable corporate legislation and any written indemnity agreements which have been entered into between Cordy and its current officers and directors effective on or prior to the date hereof.
- (b) Prior to the Effective Date, Cordy shall maintain directors' and officers' liability insurance for the current officers and directors of Cordy, covering claims made prior to or within 6 years after the Effective Date which has a scope and coverage substantially similar in scope and coverage to that provided pursuant to its current directors' and officers' insurance policy and Vertex agrees to not take or permit any action to be taken to terminate or adversely affect such directors' and officers' insurance.

2.6 Cordy Approval

Cordy represents and warrants to Vertex that the Cordy Board has approved the Amalgamation and the entering into of the Amalgamation Agreement and determined that it will recommend that the Cordy Shareholders vote in favour of the Cordy Amalgamation Resolution.

2.7 Resignations and Releases

Cordy shall use its reasonable commercial efforts to arrange for the resignation of the directors of Cordy not listed in Section 2.1(f), as directors of Cordy, effective as of the Effective Date, and to use its reasonable commercial efforts to obtain mutual releases in a form acceptable to Vertex,

acting reasonably, from each of the directors of Cordy not listed in Section 2.1(f), as directors of Cordy, effective as of the Effective Date.

2.8 Withholdings

- (a) Each of the Parties shall be entitled to deduct and withhold from any consideration otherwise payable to Cordy Shareholders such amounts as the applicable Party is required to deduct and withhold from such consideration in accordance with applicable tax laws. Any such amounts will be deducted and withheld from such consideration payable pursuant to the Amalgamation in accordance with this Agreement and shall be treated for all purposes as having been paid to the Cordy Shareholder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.
- (b) Each of the Parties or the Depositary, as trustee, shall be authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to enable it to comply with its deducting or withholding requirements and such Party shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale to such holder.

2.9 Filing of Articles of Amalgamation

Upon the satisfaction or waiver of the conditions set out herein and provided that this Agreement is not otherwise terminated in accordance with its terms, the Articles of Amalgamation and such other documents as may be required under the ABCA to give effect to the Amalgamation shall be filed with the Registrar prior to the Outside Date.

2.10 Board Nominee

Vertex shall, as soon as reasonably practicable following the date of this Agreement, take such reasonable commercial steps as may be required by the TSXV and applicable Law, to permit the appointment of Stuart King prior to the Effective Date by the Parties, acting reasonably (the “**Cordy Board Nominee**”), to the Vertex Board with such assistance from the Cordy Board Nominee as may be required and no later than the Effective Date subject to compliance by such Cordy Board Nominee with the requirements of the ABCA and the TSXV.

ARTICLE 3 COVENANTS

3.1 Covenants of Vertex and Subco

Vertex hereby agrees that, from the date hereof until the Effective Date or termination of this Agreement in accordance with its terms, except with the prior written consent of Cordy (such consent not to be unreasonably withheld), and except as otherwise expressly permitted or specifically contemplated by this Agreement:

- (a) Vertex 's business shall be conducted in all material respects in the Ordinary Course and Vertex shall consult with Cordy in respect of the ongoing business and affairs of Vertex and keep Cordy apprised of all material developments relating thereto;
- (b) neither Vertex nor Subco shall take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect;
- (c) Vertex shall promptly notify Cordy in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Vertex threatened, financial or otherwise) in its or Subco's business, operations, affairs, assets, liabilities (contingent or otherwise), financial condition, capitalization, results of operations, properties, licenses, prospects or cash flows, whether contractual or otherwise, or of any change in any representation or warranty provided by Vertex or Subco in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Vertex shall in good faith discuss with Cordy any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Vertex threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Cordy pursuant to this provision;
- (d) each of Vertex and Subco shall use its reasonable commercial efforts to obtain the consent of third parties including the TSXV, to the extent required, to the Amalgamation and provide evidence of the same to Cordy on or prior to the Effective Date;
- (e) each of Vertex and Subco shall use its reasonable commercial efforts to satisfy or cause satisfaction of the conditions set out in Sections 6.1 and 6.2 as soon as reasonably practicable to the extent that the satisfaction of the same is within the control of Vertex;
- (f) Vertex and Subco will assist Cordy in the preparation of the Information Circular and provide to Cordy, in a timely and expeditious manner, all information as Cordy may reasonably request with respect to Vertex and Subco for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with applicable Securities Laws on the date of issue thereof and to enable Cordy to meet the standard referred to in subsection 3.2(l) with respect to Vertex, Subco, Amalco, the Amalgamation and the transactions to be considered at the Cordy Meeting;
- (g) Vertex shall indemnify and save harmless Cordy and the directors, officers and agents of Cordy from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Cordy, or any director, officer or agent thereof, may be subject or which Cordy, or any director, officer or agent thereof, may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:

- (i) any Misrepresentation or alleged Misrepresentation in the Vertex Information or in any material filed by Vertex or Subco in relation to the Amalgamation in compliance or intended compliance with any applicable Laws;
 - (ii) any order made or any inquiry, investigation or proceeding by any Securities Authority or other competent authority based upon any Misrepresentation or any alleged Misrepresentation in the Vertex Information or in any material filed by or on behalf of Vertex or Subco, in relation to the Amalgamation, in compliance or intended compliance with applicable Securities Laws, which prevents or restricts the trading in the Vertex Shares; or
 - (iii) Vertex or Subco not complying with any requirement of applicable Laws in connection with the Amalgamation; except that Vertex shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any Misrepresentation or alleged Misrepresentation based solely on or relating to the Cordy Information included in the Information Circular;
- (h) each of Vertex and Subco will make all necessary filings and applications under applicable Laws required to be made on the part of Vertex or Subco in connection with the Amalgamation and shall take all reasonable action necessary to be in compliance with such applicable Laws;
 - (i) Vertex will use all reasonable commercial efforts to maintain the listing of the Vertex Shares on the TSXV or any stock exchange or quotation system in Canada where the Vertex Shares are list on or through which the Vertex Shares are listed or quoted for minimum period of two (2) years following the Effective Date;
 - (j) Vertex shall use all reasonable commercial efforts to continue to: (i) be a “reporting issuer” (or the equivalent thereof) in the provinces of Canada in which it is a “**reporting issuer**” (or the equivalent thereof) on the date hereof; (ii) remain in compliance with applicable Canadian Securities Laws in all material respects;
 - (k) Vertex will cause to be taken all necessary corporate action to permit the issuance of the Vertex Shares to Cordy Shareholders (other than Vertex and any Dissenting Shareholder) in connection with the Amalgamation;
 - (l) Vertex shall, on the Effective Date, provide to the Depositary an irrevocable direction authorizing and directing the Depositary, subject to the receipt of Letters of Transmittal from the applicable Cordy Shareholders (other than Vertex and Dissenting Shareholders), to issue certificates representing the Vertex Shares issuable under the Amalgamation to such holders in accordance with the terms of the Amalgamation;
 - (m) Vertex will make all necessary filings and applications under applicable Laws required to be made on the part of Vertex in connection with the Amalgamation

and shall take all reasonable action necessary to be in compliance with such applicable Laws;

- (n) each of Vertex and Subco shall use commercially reasonable efforts to take all necessary actions to give effect to the Amalgamation; and
- (o) promptly following Closing and in any event, no later than two (2) Business Days following the Effective Date, Vertex shall pay out in full the amounts owing to Great West Truck Lease & Rentals Ltd. under the line of credit agreement entered into among Cordy, Cordy Environmental Inc., Cordy Construction Inc. and to Great West Truck Lease & Rentals Ltd.

3.2 Covenants of Cordy

Cordy hereby agrees that, from the date hereof until the Effective Date or termination of this Agreement in accordance with its terms, except with the prior written consent of Vertex (such consent not to be unreasonably withheld), and except as otherwise expressly permitted or specifically contemplated by this Agreement:

- (a) Cordy 's business shall be conducted, in all material respects, only in the Ordinary Course, and Cordy shall consult with Vertex in respect of the ongoing business and affairs of Cordy and keep Vertex apprised of all material developments relating thereto;
- (b) Cordy shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect;
- (c) Cordy shall promptly notify Vertex in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Cordy threatened, financial or otherwise) in its business, operations, affairs, assets, liabilities (contingent or otherwise), financial condition, capitalization, results of operations, properties, licenses, prospects or cash flows, whether contractual or otherwise, or of any change in any representation or warranty provided by Cordy in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Cordy shall in good faith discuss with Vertex any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Cordy, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Vertex pursuant to this provision;
- (d) Cordy shall use its reasonable commercial efforts to obtain the consent of third parties including the TSXV, to the extent required, to the Amalgamation and provide evidence of the same to Vertex on or prior to the Effective Date;
- (e) subject to Section 2.7, the directors of Cordy not listed in Section 2.1(f) shall have provided their resignations together with mutual releases, effective on the Effective

Date, each in form and substance and on such terms as are satisfactory to Vertex, acting reasonably;

- (f) Cordy shall use its reasonable commercial efforts to satisfy or cause satisfaction of the conditions set out in Sections 6.1 and 6.3 as soon as reasonably practicable to the extent that the satisfaction of the same is within the control of Cordy;
- (g) Cordy shall allow Vertex 's Representatives to attend the Cordy Meeting;
- (h) Cordy will ensure that the Information Circular provides Cordy Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matter before them, and will set out the Vertex Information in the Information Circular in the form approved by Vertex;
- (i) Cordy shall indemnify and save harmless Vertex and the directors, officers and agents of Vertex from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Vertex, or any director, officer or agent thereof, may be subject or which Vertex, or any director, officer or agent thereof, may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - (i) any Misrepresentation or alleged Misrepresentation in the Cordy Information or in any material filed by Cordy in relation to the Amalgamation in compliance or intended compliance with any applicable Laws;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any Misrepresentation or any alleged Misrepresentation in the Cordy Information or in any material filed by or on behalf of Cordy, in relation to the Amalgamation, in compliance or intended compliance with applicable securities laws, which prevents or restricts the trading in the Cordy Shares; or
 - (iii) Cordy not complying with any requirement of applicable Laws in connection with the Amalgamation;

except that Cordy shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any Misrepresentation or alleged Misrepresentation based solely on or relating to the Vertex Information included in the Information Circular;

- (j) except for proxies and other non-substantive communications with shareholders, Cordy will furnish promptly to Vertex or Vertex 's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Cordy in connection with: (i) the Amalgamation; (ii) the Cordy Meeting; (iii) any filings under applicable Laws; and (iv) any dealings with Securities Authorities in connection with the Amalgamation;

- (k) Cordy shall conduct the Cordy Meeting in accordance with applicable Laws, the by-laws of Cordy and any instrument governing the Cordy Meeting, as applicable;
- (l) Cordy will make all necessary filings and applications under applicable Laws required to be made on the part of Cordy in connection with the Amalgamation and shall take all reasonable action necessary to be in compliance with such applicable Laws;
- (m) Cordy shall promptly advise Vertex of the number of Cordy Shares for which Cordy receives notices of Dissent Rights in relation to the Amalgamation and provide Vertex with copies of such notices;
- (n) Cordy shall promptly notify Vertex in writing of:
 - (i) any Material Adverse Effect;
 - (ii) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the transactions contemplated by this Agreement;
 - (iii) unless prohibited by Law, any notice or other communication from any Person in connection with the transactions contemplated by this Agreement (and Cordy shall contemporaneously provide a copy of any such written notice or communication to Vertex); or
 - (iv) any Proceeding commenced or, to Cordy's knowledge, threatened against, relating to or involving, or otherwise affecting the Amalgamation, this Agreement or any of the transactions contemplated by this Agreement; and
- (o) Cordy shall use commercially reasonable efforts to take all necessary actions to give effect to the Amalgamation.

3.3 Mutual Covenants

From the date hereof until the Effective Date, each of the Parties will use its reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions to the Amalgamation hereunder and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under applicable Laws to complete the Amalgamation, including using reasonable commercial efforts:

- (a) to obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other material contracts;
- (b) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to complete the Amalgamation;

- (c) to effect all necessary registrations and filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Amalgamation, and each of Vertex and Cordy will use its reasonable commercial efforts to cooperate with each other in connection with the performance by the other of their obligations under this Section 3.3 including, without limitation, continuing to provide reasonable access to information and to maintain ongoing communications as among officers of Vertex and Cordy; and
- (d) to reasonably cooperate with each other and their respective tax advisors in structuring the Amalgamation in a tax effective manner, and assist the other Party and their tax advisor in making such investigations and inquiries with respect to such Party in that regard as the other Party and its tax advisor shall consider necessary, acting reasonably, provided that such Party shall not be obligated to consent or agree to any structuring that has the effect of reducing or increasing the consideration to be received under the Amalgamation.

3.4 Access to Information.

- (a) From the date hereof until the earlier of the Effective Date and the time that this Agreement is terminated in accordance with its terms, subject to applicable Law and the terms of any existing Contracts, each Party shall give the other Party and its Representatives reasonable access to the offices, properties, officers, books and records of Cordy and its Subsidiaries or Vertex and its Subsidiaries, as the case may be, during normal business hours and in such a manner as to not unreasonably interfere with the conduct of the business of Cordy and its Subsidiaries or Vertex and its Subsidiaries, as the case may be, and furnish to Cordy or Vertex and its respective Representatives such financial, Tax and operating data and other filings, reports and information as either Party may reasonably request.
- (b) Investigations made by or on behalf of Vertex or Cordy, as the case may be, whether under this Section 3.4 or otherwise, will not waive, diminish the scope of or otherwise affect any representation or warranty made by Cordy or Vertex, as the case may be, under this Agreement.

3.5 Public Communications.

- (a) The Parties shall agree on the text of the news release to be issued by each of them to announce the execution of this Agreement.
- (b) Each Party shall: (i) not issue any news release or make any other public statement or disclosure with respect to this Agreement or the transactions contemplated by this Agreement without the prior consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed and (ii) use commercially reasonable efforts to give the other Party prior oral or written notice and a reasonable opportunity to review and comment on all such news releases and other disclosure; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make disclosure in accordance with applicable Laws and,

if such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other Party and, if such prior notice is not permitted by applicable Law, shall give such notice immediately following the making of such disclosure. The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel. For the avoidance of doubt, the foregoing shall not prevent either Party from making internal announcements to employees and having discussions with shareholders and financial analysts and other stakeholders so long as such statements and announcements are consistent in all material respects with the most recent news releases and other public disclosure made by the Parties.

3.6 Notice and Cure Provisions.

- (a) During the period commencing on the date of this Agreement and continuing until the earlier of the Effective Date and the time that this Agreement is terminated in accordance with its terms, each Party shall promptly notify the other Party of the occurrence, or failure to occur, of any event or state of facts, which occurrence or failure would, or would be reasonably likely to:
 - (i) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date of this Agreement to the Effective Date; or
 - (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.
- (b) Notification provided under this Section 3.6 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto), or the conditions to the obligations of the Parties under this Agreement.
- (c) Cordy may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(a)(iii)(A) and Vertex may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(a)(iv)(A), unless the Party seeking to terminate the Agreement (the “**Terminating Party**”) has delivered a written notice (“**Termination Notice**”) to the other Party (the “**Breaching Party**”) specifying in reasonable detail all breaches of covenants, representations and warranties or other matters that the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided that the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Terminating Party may not exercise such termination right until the earlier of: (i) the Outside Date; and (ii) the date that is 15 Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date.

- (d) If the Terminating Party delivers a Termination Notice prior to the date of the Cordy Meeting, unless the Parties agree otherwise, Cordy shall postpone or adjourn the Cordy Meeting until the earlier of (i) five Business Days prior to the Outside Date and (ii) the date that is 15 Business Days following receipt of such Termination Notice by the Breaching Party.

3.7 Insurance and Indemnification.

- (a) Prior to the Effective Time, Cordy shall obtain, from a reputable third-party insurer, and fully pay the necessary premium for, customary “run-off” policies of directors' and officers' liability insurance in favor of the directors' and officers' of Cordy, providing protection for a claims reporting or discovery period beginning at the Effective Date and continuing for not less than six years from and after the Effective Date and with terms and conditions (including retentions and limits of liability) that are no less favourable in the aggregate to the protection provided by the policies maintained by Cordy that are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events that occurred on or prior to the Effective Date; provided that, the cost of such "run-off" policies shall not exceed 200% of the annual premium for the policies currently maintained by Cordy and in effect as of the date of this Agreement.
- (b) From and after the Effective Date, Vertex shall, and shall cause Cordy and its Subsidiaries to, honour all rights to indemnification or exculpation existing as of the date of this Agreement in favour of present and former officers and directors of Cordy and its Subsidiaries, to the extent that they are: (i) included in the constating documents of Cordy or the articles and by-laws (or equivalent documents) of any of its Subsidiaries; (ii) provided for by Law or, and acknowledges that such rights shall survive the Effective Date and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date; or (iii) any written indemnity agreements, which have been entered into between Cordy and its past or current officers or directors.
- (c) If Vertex, Cordy or any of its Subsidiaries, or any of their respective successors or assigns: (i) consolidates or amalgamates with, or merges or liquidates into, any other Person and is not a continuing or surviving corporation or entity of such consolidation, amalgamation, merger or liquidation or (ii) transfers all or substantially all of its properties and assets to any Person, Vertex shall ensure that any such successor or assign (including, as applicable, any acquiror of substantially all of the properties and assets of Cordy or its Subsidiaries) assumes all of the obligations set forth in this Section 3.7.

ARTICLE 4
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

4.1 Non-Solicitation

- (a) Except as expressly permitted in this Article 4, Cordy shall not, and shall cause its Subsidiaries not to, directly or indirectly, through any Representative, Affiliate or otherwise, and shall not permit any such Person to:
 - (i) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of Cordy or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer (whether public or otherwise) that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
 - (ii) enter into, engage in, continue or otherwise participate in any discussions or negotiations with any Person (other than Vertex and its Affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
 - (iii) make a Change in Recommendation;
 - (iv) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for a period of no more than five Business Days following such public announcement or public disclosure will not be considered to be in violation of this Section 4.1) (or in the event that the Cordy Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Cordy Meeting); or
 - (v) accept or enter into, or publicly propose to accept or enter into, any agreement, understanding or arrangement with any Person in respect of an Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with Section 4.3).
- (b) Cordy shall, and shall cause its Subsidiaries and its and their respective Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations or other activities commenced prior to the date of this Agreement with any Person (other than Vertex and its Affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal and, in connection with such termination, shall:

- (i) discontinue access to, and disclosure of, all information regarding Cordy and its Subsidiaries (including any data room and any confidential information, properties, facilities, books and records of Cordy or any of its Subsidiaries); and
 - (ii) promptly request, and exercise all rights it has to require: (A) the return or destruction of all copies of any confidential information regarding Cordy or its Subsidiaries provided to any Person other than Cordy, its Affiliates and their respective Representatives and (B) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding Cordy or any of its Subsidiaries, in each case, to the extent that such information has not previously been returned or destroyed and using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.
- (c) Cordy covenants and agrees: (i) that Cordy shall take all necessary action to enforce each confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement or covenant to which Cordy or any Subsidiary is a party and (ii) not to release, and cause its Subsidiaries not to release, any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting Cordy, or any of its Subsidiaries, under any confidentiality, standstill, non-disclosure, use, business purpose or similar agreement or covenant to which Cordy or any Subsidiary is a party, without the prior written consent of Vertex (which may be withheld or delayed in Vertex's sole and absolute discretion) (it being acknowledged by Vertex that the automatic termination or release of any standstill restrictions of any such agreements as a result of entering into and announcing this Agreement shall not be a violation of this Section 4.1(c)).

4.2 Notification of Acquisition Proposals

If Cordy or any of its Subsidiaries or any of their respective Representatives, receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to Cordy or any of its Subsidiaries (including information, access or disclosure relating to the properties, facilities, books or records of Cordy or any Subsidiary), Cordy shall:

- (a) promptly notify Vertex, at first orally, and then promptly and in any event within 24 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request and copies of all written documents, material or substantive correspondence or other material received in respect of, from or on behalf of such Person; and
- (b) upon Vertex's reasonable request, the status of all material developments and, to the extent permitted by Section 4.3, including any material changes, modifications

or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

Nothing contained in this Agreement shall prevent the Cordy Board from complying with Section 2.17 of NI 62-104 and similar provisions under Securities Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal.

4.3 Responding to an Acquisition Proposal.

Notwithstanding Section 4.1, or any other agreement between the Parties or between Cordy and any other Person, if, at any time prior to obtaining the approval of the Cordy Amalgamation Resolution by the Cordy Shareholders, Cordy receives a bona fide unsolicited written Acquisition Proposal, Cordy may:

- (a) contact the Person making such Acquisition Proposal and its Representatives solely for the purpose of clarifying the terms and conditions of such Acquisition Proposal; and
- (b) engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal and may provide copies of, access to, or disclosure of, confidential information, properties, facilities, books or records of Cordy or any of its Subsidiaries, if and only if, in the case of this Section 4.3(b):
 - (i) the Cordy Board first determines in good faith, after consultation with its outside legal counsel, that such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal;
 - (ii) such Person was not restricted from making the Acquisition Proposal pursuant to an existing standstill or similar restriction with Cordy or any of its Subsidiaries;
 - (iii) Cordy has been, and continues to be, in compliance with its obligations under this Article 4;
 - (iv) before providing any such copies, access or disclosure, Cordy enters into a confidentiality and standstill agreement with such Person that contains a customary standstill provision, and any such copies, access or disclosure provided to such Person shall have been (or promptly be) provided to Vertex; and
 - (v) before providing any such copies, access or disclosure, Cordy provides Vertex with a true, complete and final executed copy of the confidentiality and standstill agreement referred to in Section 4.3(b)(iv).

4.4 Right to Match.

- (a) If Cordy receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Cordy Amalgamation Resolution by the Cordy Shareholders,

the Board may authorize Cordy to enter into a definitive agreement with respect to such Superior Proposal or may make a Change in Recommendation, if and only if:

- (i) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction with Cordy or any of its Subsidiaries;
- (ii) Cordy has been, and continues to be, in compliance with its obligations under this Article 4;
- (iii) Cordy has delivered to Vertex a written notice of the determination of the Cordy Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation, including a notice as to the value in financial terms that the Cordy Board has determined should be ascribed to any non-cash consideration offered under the Superior Proposal (a “**Superior Proposal Notice**”);
- (iv) Cordy has provided Vertex with a copy of the proposed definitive agreement for the Superior Proposal (if any) and all supporting materials (including any financing documents, subject to customary confidentiality provisions with respect to fee letters or similar information) provided to Cordy in connection therewith;
- (v) at least 72 hours (the “**Matching Period**”) have elapsed from the date that is the later of the date on which Vertex received the Superior Proposal Notice and the date on which Vertex received a copy of the definitive agreement referred to in Section 4.4(a)(iv);
- (vi) during any Matching Period, Vertex has had the opportunity (but not the obligation), in accordance with Section 4.4(b), to offer to amend this Agreement and the Amalgamation in order for such Acquisition Proposal to cease to be a Superior Proposal;
- (vii) after the Matching Period, the Cordy Board has (A) determined, in good faith, after consultation with its outside legal counsel, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Amalgamation as proposed to be amended by Vertex under Section 4.4(b)) and (B) determined, in good faith, after consultation with its outside legal counsel, that the failure by the Cordy Board to authorize Cordy to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation would be inconsistent with its fiduciary duties; and
- (viii) prior to or concurrently with entering into such definitive agreement, Cordy terminates this Agreement pursuant to Section 7.2(a)(iii)(B) and the Termination Fee is paid pursuant to Section 8.1.

- (b) During the Matching Period, or such longer period as Cordy may approve (in its sole discretion) in writing for such purpose: (i) Vertex shall have the opportunity (but not the obligation) to offer to amend this Agreement and the Amalgamation; (ii) the Cordy Board shall, in good faith and in consultation with outside legal counsel, review any offer made by Vertex to amend the terms of this Agreement and the Amalgamation in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal; and (iii) Cordy shall, and shall cause its Representatives to, negotiate in good faith with Vertex to make such amendments to the terms of this Agreement and the Amalgamation as would enable Vertex to proceed with the transactions contemplated by this Agreement on such amended terms. If, as a consequence of the foregoing, the Cordy Board determines that such Acquisition Proposal would cease to be a Superior Proposal, Cordy shall promptly so advise Vertex and Cordy and Vertex shall amend this Agreement to reflect such offer made by Vertex and shall take or cause to be taken all such actions as are necessary to give effect to the foregoing.
- (c) Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Cordy Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for purposes of this Section 4.4, and Vertex shall be afforded a new 72 hour Matching Period from the later of the date on which Vertex received the Superior Proposal Notice and the date on which Vertex received a copy of the definitive agreement referred to in Section 4.4(a)(iv) with respect to each new Superior Proposal from Cordy.
- (d) The Cordy Board shall promptly reaffirm the Cordy Board Recommendation by news release after any Acquisition Proposal that the Cordy Board has determined not to be a Superior Proposal is publicly announced or publicly disclosed, or the Cordy Board determines that a proposed amendment to the terms of this Agreement and the Amalgamation as contemplated under Section 4.4(b) would result in an Acquisition Proposal no longer being a Superior Proposal. Cordy shall provide Vertex and its outside legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by Vertex and its outside legal counsel.
- (e) If Cordy provides a Superior Proposal Notice to Vertex after a date that is less than ten Business Days before the Cordy Meeting, Cordy shall be entitled to, and shall upon request from Vertex, postpone the Cordy Meeting to a date that is not more than 15 Business Days after the scheduled date of the Cordy Meeting, but in any event to a date that is less than five Business Days prior to the Outside Date.

4.5 Permitted Disclosure

- (a) Notwithstanding anything to the contrary set forth in this Agreement (including this Article 4), nothing shall prohibit the Cordy Board from (a) making any disclosure

prior to the Effective Date prescribed by Law in response to an Acquisition Proposal (including by responding to an Acquisition Proposal under a directors' circular under applicable Securities Laws); provided that, Cordy shall provide Vertex and its outside legal counsel with a reasonable opportunity to review the form and content of such disclosure and shall give reasonable consideration to any comments made by Vertex and its outside legal counsel or (b) calling or holding a meeting of Cordy Shareholders requisitioned Cordy Shareholders in accordance with the ABCA.

4.6 Breach by Subsidiaries and Representatives

Without limiting the generality of the foregoing: (a) Cordy shall advise its Subsidiaries and its and their Representatives of the prohibitions set out in this Article 4; (b) any violation of the restrictions set forth in Article 4 by Cordy, its Subsidiaries or its or their Representatives will be deemed to be a breach of this Article 4 by Cordy; and (c) Cordy shall be responsible for any breach of this Article 4 by its Subsidiaries and its and its Subsidiaries' Representatives.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Cordy

Except as set forth in the correspondingly numbered section of the Disclosure Letter, Cordy represents and warrants to and in favour of Vertex as follows and acknowledges that Vertex is relying upon such representations and warranties in connection with the matters contemplated by this Agreement and consummation of the Amalgamation:

- (a) **Organization and Qualification.** Each of Cordy and its Subsidiaries has been duly incorporated, amalgamated or created, as the case may be, and is validly subsisting under the Laws of its jurisdiction of formation and has the requisite power and capacity to own its assets and properties as now owned and to carry on its business as now conducted. Each of Cordy and its Subsidiaries is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to be so registered or authorized would not, individually or in the aggregate, have a Material Adverse Effect on Cordy.
- (b) **Authority Relative to this Agreement.** Cordy has the requisite corporate power and capacity to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Cordy of the Amalgamation have been duly authorized by the Cordy Board and, subject to the requisite approval of the Cordy Shareholders, no other proceedings on the part of Cordy are necessary to authorize this Agreement or the Amalgamation, other than the approval of the Information Circular by the Cordy Board and matters ancillary thereto and approval by the Cordy Shareholders of the Cordy

Amalgamation Resolution. This Agreement has been duly executed and delivered by Cordy and constitutes a legal, valid and binding obligation of Cordy enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

- (c) **Governmental Authorization.** The execution and delivery of this Agreement by Cordy, the performance of its and its Subsidiaries' obligations under this Agreement and the consummation of the Amalgamation and the other transactions contemplated under this Agreement do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by Cordy or any of its Subsidiaries other than: (i) the filing of the Articles of Amalgamation; (iii) filings and approvals required by the TSXV; (iv) customary filings with the Securities Authorities; and (v) any Authorizations which, if not obtained, or any other actions by or in respect of, or filings with, or notifications to, any Governmental Entity which, if not taken or made, would not have, individually or in the aggregate, a Material Adverse Effect.
- (d) **Non-Contravention.** The execution and delivery of this Agreement by Cordy, the performance of its and its Subsidiaries' obligations under this Agreement and the consummation of the Amalgamation and the other transactions contemplated under this Agreement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):
- (i) contravene, conflict with, or result in any violation or breach of the constating documents of Cordy or the organizational documents of any Subsidiary of Cordy;
 - (ii) assuming compliance with the matters referred to in Section 5.1(c), contravene, conflict with or result in a violation or breach of any Law applicable to Cordy or any of its Subsidiaries or any of their respective properties or assets;
 - (iii) allow any Person to exercise any right, require any consent, or notice under or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation, or the loss of any benefit to which Cordy or any of its Subsidiaries is entitled (including by triggering any rights of first refusal or first offer, change in control provisions or other restrictions or limitations) under any Contract or any Authorization to which Cordy or any of its Subsidiaries is a party or by which Cordy or any of its Subsidiaries is bound; or

- (iv) result in the creation or imposition of any Encumbrance (other than Permitted Encumbrances) upon any of the properties or assets of Cordy or any of its Subsidiaries;

with such exceptions, in the case of clauses (ii), (iii) and (iv) as would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

- (e) **Subsidiaries, Joint Ventures and Partnerships.** Cordy has no Subsidiaries, joint ventures or partnerships, other than those disclosed by Cordy to Vertex. Cordy owns, directly or indirectly, all of the outstanding voting and equity securities of each of its Subsidiaries and Cordy 's and its Subsidiaries' ownership interest in each of its joint ventures and partnerships has been disclosed by Cordy to Vertex. All of the outstanding shares and all other ownership interests in the Subsidiaries, joint ventures or partnerships of Cordy are duly authorized, validly issued and fully paid and non- assessable, and all such shares and other ownership interests held directly or indirectly by Cordy, are owned by Cordy free and clear of all Encumbrances (other than Permitted Encumbrances), except pursuant to restrictions on transfer contained in the constating documents of such Subsidiary, joint venture or partnership. There are no rights of first refusal or similar rights restricting the transfer of Cordy Shares contained in shareholders, partnership, joint venture or similar agreements or pursuant to existing financing arrangements.
- (f) **Capitalization.** As of the date hereof, the authorized capital of Cordy consists of an unlimited number of Cordy Shares. As of the date hereof, there are issued and outstanding 231,161,981 Cordy Shares and no other shares are issued and outstanding. There are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Cordy of any securities of Cordy (including Cordy Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Cordy (including Cordy Shares). All outstanding Cordy Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any preemptive rights. There are no securities of Cordy outstanding which have the right to vote generally with Cordy Shareholders on any matter. All dividends or distributions on the securities of Cordy or any of its Subsidiaries that have been declared or authorized have been paid in full.
- (g) **Shareholders and Similar Agreements.** None of Cordy or any of its Subsidiaries is a party to any unanimous shareholders agreement, shareholder agreement, pooling, voting or other similar arrangement or agreement relating to the ownership or voting of any securities of Cordy or any of its Subsidiaries, or pursuant to which any Person may have any right or claim in connection with any existing or past equity interest in Cordy or any of its Subsidiaries. To the knowledge of Cordy, there are no irrevocable proxies or voting Contracts with respect to any securities issued by Cordy or any of its Subsidiaries other than the Support Agreements.

- (h) **Shareholder Rights Plan.** Cordy does not have a shareholder rights plan, as that term is contemplated pursuant to Securities Laws.
- (i) **Subsidiaries.**
- (i) A true and complete list of all Subsidiaries of Cordy is set out in Section 5.1(i)(i) of the Disclosure Letter, and the following information with respect to each Subsidiary is set forth therein: (A) its name; (B) the number, type and percentage of each class of outstanding shares or other interests owned directly or indirectly by Cordy; and (C) its governing jurisdiction.
 - (ii) Other than the Subsidiaries set out in Section 5.1(i)(i) of the Disclosure Letter, Cordy has no direct or indirect Subsidiaries nor does it own any direct or indirect equity or voting interest of any kind in any Person.
 - (iii) Cordy, directly or indirectly, owns all of the issued and outstanding shares and other interests of each of its Subsidiaries, free and clear of any Encumbrances (other than Permitted Encumbrances) and all of the issued and outstanding shares or interests directly or indirectly owned by Cordy have been duly authorized and validly issued and are fully paid and non-assessable shares or interests, and no such shares or interests have been issued in violation of any pre-emptive or similar rights.
 - (iv) There are no Contracts, arrangements or restrictions that require Cordy's Subsidiaries to issue, sell or deliver any shares or other interests, or any securities convertible into or exchangeable for, any shares or other interests.
- (j) **Securities Law Matters.**
- (i) Cordy is a reporting issuer under applicable Securities Laws in each of the provinces of British Columbia, Alberta and Saskatchewan and is not in default of any material requirement of applicable Securities Laws. The Cordy Shares are listed and posted for trading on the TSXV. None of the Subsidiaries of Cordy are subject to any continuous or periodic or other disclosure requirements under applicable Securities Laws.
 - (ii) Cordy has not taken any action to cease to be a reporting issuer in any province in which it is a reporting issuer nor has Cordy received notification from any Securities Authority seeking to revoke the reporting issuer status of Cordy. No Proceeding or Order for the delisting, suspension of trading, or cease trade or other Order or restriction with respect to any securities of Cordy is in effect or pending or, to the knowledge of Cordy, has been threatened or is expected to be implemented or undertaken.
 - (iii) Cordy has timely filed with the Securities Authorities all forms, reports, schedules, statements, and other documents required to be filed under applicable Securities Laws since January 1, 2021. The documents comprising the Cordy Filings, as of their respective dates (or, if amended or

superseded by a subsequent filing prior to the date of this Agreement, on the date of such subsequent filing), complied as filed in all material respects with applicable Law and did not contain any Misrepresentation. Cordy has not filed any confidential material change report or other confidential filing with any Securities Authority which, at the date of this Agreement, remains confidential. There are no outstanding or unresolved comments in comment letters from any Securities Authority with respect to any of the Cordy Filings. Neither Cordy nor any of its Subsidiaries is subject to any ongoing Proceeding by any Securities Authority and, to the knowledge of Cordy, no such Proceeding is threatened.

- (k) **Financial Statements.** Cordy's audited consolidated financial statements (including any of the notes or schedules thereto, the auditor's report thereon and the related management's discussion and analysis) and unaudited consolidated interim financial statements (including any of the notes or schedules thereto and the related management's discussion and analysis) included in the Cordy Filings: (i) were prepared in accordance with IFRS, consistently applied throughout the periods referred to therein (except as expressly set forth in the notes thereto) and (ii) fairly present, in all material respects, the assets, liabilities, consolidated financial position, results of operations and cash flows of Cordy and its Subsidiaries as of their respective dates and for the periods covered by such financial statements, and there have been no changes in accounting methods, policies or practices of Cordy or any of its Subsidiaries during such periods (except, in each case, as expressly set forth in the notes to such financial statements). Cordy does not intend to correct or restate, nor is there any basis for any correction or restatement of, any aspect of Cordy's financial statements referred to in this Section 5.1(k).
- (l) **Auditors.** The auditors of Cordy are independent public accountants as required by applicable Laws and there has not been any reportable event (as defined in National Instrument 51-102 - *Continuous Disclosure Obligations*) with the present or any former auditor of Cordy.
- (m) **Books and Records.** The financial books, records and accounts of Cordy and each of its Subsidiaries: (i) have been maintained, in all material respects, in accordance with applicable Laws and IFRS; (ii) accurately and fairly reflect the material transactions, acquisitions and dispositions of Cordy and its Subsidiaries; and (iii) accurately and fairly reflect the basis of Cordy's financial statements.
- (n) **Minute Books.** The corporate minute books of Cordy and its Subsidiaries contain the minutes of all meetings and resolutions of their respective boards of directors and each committee thereof and have been maintained in accordance with applicable Laws and are complete and accurate in all material respects. True and correct copies of the minute books of Cordy and each of its Subsidiaries have been provided to Vertex prior to the date hereof (other than those portions of minutes of the Cordy Board and any committee thereof relating to this Agreement and the transactions contemplated by this Agreement).

- (o) **No Undisclosed Liabilities.** There are no liabilities or obligations of Cordy or any of its Subsidiaries of any nature, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations: (i) disclosed in the audited consolidated financial statements of Cordy as at and for the year ended December 31, 2020 (including any notes or schedules thereto and the related management's discussion and analysis) included in the Cordy Filings; (ii) incurred in the Ordinary Course since September 30, 2021; (iii) reasonably incurred after September 30, 2021 in connection with this Agreement or the transactions contemplated under this Agreement; or (iv) that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of Cordy or any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off- balance sheet Contract, arrangement or understanding (including any Contract, arrangement or understanding between Cordy or any of its Subsidiaries, on the one hand, and any unconsolidated entity, including any structured finance, special purpose or limited purpose entity or Person, on the other hand) or any other “off-balance sheet arrangements” (as defined in the instructions contained in Form 51-102F1 - *Management's Discussion & Analysis*).
- (p) **Absence of Certain Changes or Events.** Except for the Amalgamation or any action taken in accordance with this Agreement, since September 30, 2021:
- (i) Cordy and each of its Subsidiaries has conducted its business only in the Ordinary Course, other than as disclosed in Cordy Filings;
 - (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Cordy has been incurred other than in the Ordinary Course or as disclosed in Cordy Filings;
 - (iii) there has been no Material Adverse Change in respect of Cordy other than as disclosed in Cordy Filings; and
 - (iv) Cordy has not, and to the knowledge of Cordy, no director, officer, employee or auditor of any of Cordy 's Subsidiaries, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of any member of Cordy or any of its Subsidiaries or its internal accounting controls.
- (q) **Related Party Transactions.** Other than as set out in the Disclosure Letter, none of Cordy or any of its Subsidiaries is indebted to any director, officer, employee or agent of, or independent contractor to, Cordy or any of its Subsidiaries or any of their respective Affiliates or Associates (except for amounts due in the Ordinary Course as salaries, bonuses, directors' fees or the reimbursement of Ordinary Course expenses). Other than as set out in the Disclosure Letter, there are no Contracts (other than employment arrangements) with, or advances, loans,

guarantees, liabilities or other obligations to, on behalf or for the benefit of, any shareholder, officer or director of Cordy or any of its Subsidiaries, or any of their respective Affiliates.

- (r) **Compliance with Law.** Cordy and each of its Subsidiaries is, and since December 31, 2019 has been, in compliance with Law in all material respects, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Cordy. None of Cordy or any of its Subsidiaries is under any investigation with respect to, has been convicted, charged or threatened to be charged with, or has received notice of, any violation or potential violation of any Law from any Governmental Entity, in each case, that could be expected to be material to Cordy and its Subsidiaries.
- (s) **Authorizations.** Cordy and each of its Subsidiaries own, possess or have obtained all Authorizations that are required by Law in connection with the (i) operation of their businesses in the Ordinary Course and (ii) ownership, operation or use of their properties and assets except, in each case, as would not have a Material Adverse Effect. Each such Authorization is valid, in full force and effect and is renewable in the Ordinary Course. No Proceeding is in progress or, to the knowledge of Cordy, pending or threatened in respect of or regarding any such Authorization that could reasonably be expected to result in the suspension, loss, adverse amendment or revocation of any such Authorizations.
- (t) **Cordy Material Contracts.**
 - (i) Section 5.1(t)(i) of the Disclosure Letter sets out a complete and accurate list of all Cordy Material Contracts as of the date hereof and true, correct and complete copies of all Cordy Material Contracts as of the date hereof (including all material amendments, assignments and supplements thereto) have been provided to Vertex.
 - (ii) Each Cordy Material Contract is legal, valid and binding and in full force and effect and is enforceable against, Cordy and/or one or more of its Subsidiaries that are party thereto and, to the knowledge of Cordy, each other party thereto, in accordance with its terms subject to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies, such as specific performance and injunction.
 - (iii) To the knowledge Cordy, none of Cordy or any of its Subsidiaries is in breach or default under any Cordy Material Contract, nor does Cordy have knowledge of any condition that with the passage of time or the giving of notice or both would result in such a breach or default.
 - (iv) There is no, nor has Cordy received any written notice of any, breach or default under nor, to the knowledge of Cordy, does there exist any condition which, with the passage of time or the giving of notice or both, would result

in a breach under any Cordy Material Contract by any other party to a Cordy Material Contract.

- (v) To the knowledge of Cordy, none of Cordy or any of its Subsidiaries has received any notice that any party to a Cordy Material Contract intends to cancel, terminate or otherwise adversely modify or not renew its relationship with Cordy or any of its Subsidiaries, and to the knowledge of Cordy, no such action has been threatened.
- (u) **Restrictions on Conduct of Business.** None of Cordy or any of its Subsidiaries is a party to, or bound by, any non-competition agreement or any other Contract or any Order or Authorization which purports to: (i) limit the manner or the location in which Cordy or any of its Subsidiaries may conduct any line of business; (ii) limit any business practice of Cordy or any of its Subsidiaries; or (iii) restrict any acquisition or disposition of any assets or property by Cordy or by any of its Subsidiaries.
- (v) **Real Property.**
 - (i) Cordy does not own any real and immovable property.
 - (ii) With respect to all Cordy Leased Properties:
 - (A) each Cordy Lease in respect thereof is in good standing, legal, valid, binding and in full force and effect and is a legal, valid, binding obligation of, and is enforceable against, each other party thereto in accordance with its terms subject to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies, such as specific performance and injunction;
 - (B) there is no event of breach or default, or any event which, with the giving of notice, the lapse of time or both, would become an event of default, under any such Cordy Lease and, to the knowledge of Cordy, none of Cordy or any of its Subsidiaries has received or delivered any notice of any material breach of, or default under, any such Cordy Lease; and
 - (C) to the knowledge of Cordy, there is no breach of or default under, any such Cordy Lease by any other party thereto.
- (w) **Personal Property.** Each of Cordy and its Subsidiaries is the owner of all of its material personal property and assets with good and marketable title thereto except for (A) Permitted Encumbrances and (B) as would not reasonably be expected to have a Material Adverse Effect. Cordy and its Subsidiaries, as lessees, have the right under valid and subsisting leases to use, possess and control all personal property leased by and material to Cordy or any of its Subsidiaries as used,

possessed and controlled by Cordy or its Subsidiaries, as applicable, except for (A) Permitted Encumbrances and (B) as would not reasonably be expected to have a Material Adverse Effect.

- (x) **Intellectual Property.** Except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect: (i) Cordy and its Subsidiaries, as applicable, own or possess, or have a licence to or otherwise have the right to use, all Intellectual Property that is material and necessary for the conduct of its business as presently conducted (collectively, the “**Intellectual Property Rights**”); (ii) to the knowledge of Cordy, all such Intellectual Property Rights that are owned by Cordy and its Subsidiaries are valid and enforceable subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies, such as specific performance and injunction, and does not infringe in any material way upon the rights of others; and (iii) to the knowledge of Cordy, no third party is infringing upon the Intellectual Property Rights owned or licensed by Cordy or its Subsidiaries.

- (y) **Consents and Approval.** Other than the approval of the TSXV, Cordy or any of its Subsidiaries are not under any obligation, contractual or otherwise, to request or obtain the consent of any Person, and no permits certification, authorizations or approvals of, or notifications to, any Governmental Entities are required to be obtained by Cordy or any of its Subsidiaries in connection with the execution, delivery or performance of this Agreement or the completion of the transactions contemplated herein.

- (z) **Litigation.**
 - (i) Other than disclosed in the Disclosure Letter, there are no material Proceedings in progress, pending or ongoing, or, to the knowledge of Cordy, threatened, against or affecting Cordy or any of its Subsidiaries, their respective properties or assets, or the business of Cordy or any of its Subsidiaries by or before any Governmental Entities, and Cordy is not aware of any facts or circumstances that could give rise to any such Proceedings.
 - (ii) None of Cordy or any of its Subsidiaries or any of their respective properties or assets is subject to any outstanding Order.
 - (iii) There is no bankruptcy, liquidation, winding-up or other similar Proceeding pending or in progress, or, to the knowledge of Cordy, threatened against or relating to Cordy or any of its Subsidiaries before any Governmental Entity.

- (aa) **Environmental Matters.**
 - (i) Other than as set out in the Disclosure Letter, Cordy and each of its Subsidiaries are in compliance in all material respects with all applicable Environmental Laws.

- (ii) None of Cordy or any of its Subsidiaries (A) is subject to any Proceeding or investigation under any Environmental Laws or (B) has received any written notice of any non-compliance in respect of, or any liability under, any Environmental Laws.

(bb) **Employees.**

- (i) Section 5.1(bb)(i) of the Disclosure Letter contains a list of all Persons who are employees, independent contractors or consultants of Cordy and its Subsidiaries as of the date hereof, including any employee who is on a leave of absence of any nature, paid or unpaid, authorized or unauthorized, and sets forth for each individual the following information (as applicable): (A) title or position (including whether full or part time); (B) hire date; (C) current annual base compensation rate; and (D) commission, bonus or other incentive-based compensation.
- (ii) All written Contracts with the directors, Cordy Employees and independent contractors or consultants of Cordy and its Subsidiaries are listed in Section 5.1(bb)(ii) of the Disclosure Letter and have been administered in accordance with their terms, in all material respects, and true, correct and complete copies of each such Contract has been made available to Vertex.
- (iii) All material amounts due or accrued due for all salary, wages, bonuses, incentive compensation, deferred compensation, commissions, vacation with pay, sick days and benefits under Employee Plans and other similar accruals have either been paid or are accrued and accurately reflected in all material respects in the books and records of Cordy and its Subsidiaries.
- (iv) Cordy and its Subsidiaries are in compliance in all material respects with applicable terms and conditions of employment and all Law respecting labour and employment, including pay equity, employment standards, labour, human rights, accessibility, privacy, workers' compensation and occupational health and safety, and there are no material Proceedings with respect to any such Law relating to Cordy or any of its Subsidiaries in progress or pending or, to the knowledge of Cordy, threatened.
- (v) Except for the severance, termination pay, vacation pay, change of control payments as set out in the agreement disclosed in Section 5.1(bb)(v) of the Disclosure Letter (the "**Severance Payments**"), no Cordy Employee has any agreement in relation to any employee's termination, length of notice, pay in lieu of notice, severance, job security or similar provisions (other than such as results by Law from the employment of an employee without an agreement as to notice or severance) nor are there any change of control payments, golden parachutes, severance payments, retention payments, Contracts or other agreements with current or former Cordy Employees providing for cash or other compensation or benefits upon the consummation of, or relating to, the Amalgamation or any other transaction

contemplated by this Agreement, including a change of control of Cordy or any of its Subsidiaries.

- (vi) There are no material outstanding assessments, penalties, fines, Encumbrances, charges, surcharges or other amounts due or owing pursuant to any workers' compensation Laws owing by Cordy or any of its Subsidiaries, and none of Cordy or any of its Subsidiaries has been assessed or reassessed in any material respect under such Laws during the past three years. No material Proceeding involving Cordy or any of its Subsidiaries is currently in progress or pending, or, to the knowledge of Cordy, threatened pursuant to any workers' compensation Laws. There are no Proceedings currently in progress or pending, or, to the knowledge of Cordy, threatened that may materially adversely affect the accident cost experience in respect of Cordy and its Subsidiaries.
- (vii) There are no material charges pending with respect to Cordy or any of its Subsidiaries under applicable occupational health and safety Laws (“OHSAs”), and there are no appeals of any Orders applicable to Cordy or any of its Subsidiaries currently outstanding under OHSAs. Cordy and each of its Subsidiaries have complied in all material respects with the terms and conditions of any Orders issued under OHSAs and have developed and implemented policies and training for Cordy Employees, including with respect to harassment, OHSAs and accessibility for people with disabilities requirements.
- (viii) Other than as disclosed to Vertex prior to the date hereof, all individuals who provide services to Cordy or, to the knowledge of Cordy, any of its Subsidiaries, have at all times been accurately classified by Cordy and its Subsidiaries with respect to such services as an employee or a non-employee for all purposes, including wages, payroll taxes and participation, and benefit accrual under each Employee Plan.
- (ix) No union has bargaining rights in respect of the Cordy Employees or any Person providing on-site services in respect of the business of Cordy or its Subsidiaries. None of Cordy or any of its Subsidiaries is a party to or bound by, either directly or indirectly, voluntarily or by operation of Law, any collective bargaining agreement. There are no outstanding or, to the knowledge of Cordy, threatened, unfair labour practices, complaints or applications relating to any union, including any Proceedings that could result in the certification of a union as a bargaining agent for any Cordy Employees, and, other than as disclosed in the Disclosure Letter, there have been no such Proceedings within the last five (5) years. To the knowledge of Cordy, there are no threatened or apparent union organizing activities involving any Cordy Employees.
- (x) To Cordy’s knowledge, in the last five years: (A) no allegations of sexual harassment or sexual misconduct have been made involving any current or

former director or Cordy Employee or independent contractor of Cordy or any of its Subsidiaries and (B) none of Cordy or any of its Subsidiaries has entered into any settlement agreements related to allegations of sexual harassment or sexual misconduct by any current or former director or Company Employee or independent contractor of Cordy or any of its Subsidiaries.

(cc) **Employee Plans.**

- (i) Cordy has made available to Vertex complete and accurate copies of all Employee Plans and, to the extent applicable, (A) each trust agreement, Contract, insurance or group annuity Contract, letter of credit or other funding Contract relating to any Employee Plan and (B) all material correspondence to or from any Governmental Entity in the last three years relating to any Employee Plan.
- (ii) No Employee Plan is registered in, or subject to, the Laws of any jurisdiction outside of Canada.
- (iii) Only Company Employees and directors of Cordy and its Subsidiaries participate in the Employee Plans, and no Persons other than Cordy or its Subsidiaries is a participating employer under any Employee Plan.
- (iv) Other than as disclosed in Section 5.1(bb)(v) of the Disclosure Letter, neither the execution of this Agreement nor the consummation of the Amalgamation or any of the other transactions contemplated under this Agreement will increase the amount payable under, result in a default under or result in any other material obligation pursuant to any Employee Plan or individual Contract with any Cordy Employee.
- (v) Each Employee Plan is and has been, in all material respects, established, registered (to the extent required), qualified (to the extent required), funded and administered in accordance with Law and in accordance with their terms. To the knowledge of Cordy, no fact or circumstance exists that could adversely affect the registered or qualified status of any such Employee Plan.
- (vi) No event has occurred and no condition or circumstance exists that has resulted in, or could reasonably be expected to result in, any Employee Plan being ordered, or required to be, terminated or wound up in whole or in part, having its registration under Law refused or revoked, being placed under the administration of any trustee, receiver or Governmental Entity, or Cordy or any of its Subsidiaries being required to pay any Taxes, penalties, payments or levies under Law that are material in the aggregate.
- (vii) All contributions or premiums required to be made or paid by Cordy or any of its Subsidiaries, as the case may be, under the terms of each Employee

Plan or by Law have been duly made in accordance with the terms of such Employee Plan and in accordance with Law.

- (viii) None of Cordy or any of its Subsidiaries has any material liability or obligation for any assessment, excise or penalty Taxes with respect to any Employee Plan and, to the knowledge of Cordy, no condition or circumstances exist that would give rise to any such liability or obligation.
- (ix) To the knowledge of Cordy and except as would not, individually or in the aggregate, be material to Cordy and its Subsidiaries:
 - (A) no Employee Plan is subject to any Proceeding initiated by any Governmental Entity, or by any other Person (other than routine claims for benefits); and
 - (B) there exists no state of facts which, after notice or lapse of time or both, would reasonably be expected to give rise to any Proceeding to affect the registration or qualification of any Employee Plan required to be registered or qualified.

(dd) **Insurance.**

- (i) Cordy and each of its Subsidiaries is insured by reputable third-party insurers with reasonable and prudent policies appropriate for the size and nature of the business of Cordy and its Subsidiaries and their respective assets, consistent with industry practice.
- (ii) Each material insurance policy held by Cordy or any of its Subsidiaries is in full force and effect in accordance with its terms and none of Cordy or any of its Subsidiaries is in default under the terms of any such policy. To the knowledge of Cordy, there is no material claim pending under any insurance policy of Cordy or its Subsidiaries that has been denied, rejected, questioned or disputed by any insurer, or as to which any insurer has refused to cover all or any material portion of such claims. To the knowledge of Cordy, all material Proceedings covered by any insurance policy of Cordy or any of its Subsidiaries have been properly reported to and accepted by the applicable insurer.

(ee) **Taxes.**

- (i) Cordy and each of its Subsidiaries have duly and timely filed with the appropriate Governmental Entity all material Tax Returns required by Law to be filed by them prior to the date hereof, and all such Tax Returns are complete and correct in all material respects.
- (ii) Cordy and each of its Subsidiaries have paid as required by Law on a timely basis all material Taxes that are due and payable (including instalments required by Law on account of Taxes for the current year) and all

assessments and reassessments of material Taxes due and payable by them, other than Taxes that are being or have been contested in good faith and in respect of which adequate reserves have been provided in the most recently published consolidated financial statements of Cordy (where required in accordance with applicable accounting standards). Cordy and its Subsidiaries have provided adequate accruals in accordance with their books and records and in the most recently published consolidated financial statements of Cordy for any Taxes of Cordy and each of its Subsidiaries for the period covered by such financial statements that have not been paid whether or not shown as being due in any Tax Returns. Since the date of publication of the most recent consolidated financial statements of Cordy, no liability in respect of material Taxes not reflected in such financial statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued.

- (iii) Cordy and each of its Subsidiaries have withheld or collected all amounts required by Law to be withheld or collected by them on account of Taxes (including Taxes and other amounts required to be withheld by them in respect of any amount paid or credited or deemed to be paid or credited by them to or for the benefit of any Person, and all amounts on account of any sales, use or transfer Taxes, including goods and services, harmonized sales, provincial and territorial Taxes, and state and local Taxes required by Law to be collected by them) and have remitted all such amounts to the appropriate Governmental Entity when required by Law to do so.
- (iv) No claims, suits, audits, assessments, reassessments, deficiencies, litigation, proposed adjustments or other matters in controversy exist or have been asserted or threatened with respect to material Taxes of Cordy or any of its Subsidiaries and none of Cordy or any of its Subsidiaries is a party to any material action or Proceeding for assessment or collection of Taxes, and no such event has been asserted or threatened against Cordy or any of its Subsidiaries or any of their respective assets.
- (v) No claim has been made by any Governmental Entity in a jurisdiction where Cordy or any of its Subsidiaries do not file Tax Returns that Cordy or any of its Subsidiaries is or may be subject to Tax by that jurisdiction.
- (vi) There are no Encumbrances (other than Permitted Encumbrances) with respect to Taxes upon any of the assets of Cordy or any of its Subsidiaries.
- (vii) None of Cordy or any of its Subsidiaries is bound by, is party to or has any obligation under any Tax sharing, allocation, indemnification, or similar agreement with respect to Taxes that could give rise to a payment or indemnification obligation (other than agreements among Cordy and its Subsidiaries).

- (viii) There are no outstanding agreements, waivers or objections extending the statutory period or providing for any extension of time with respect to the assessment or reassessment of any material Taxes or of the payment or remittance of material Taxes by Cordy or any of its Subsidiaries.
- (ff) **Anti-Terrorism Laws.** None of Cordy, any of its Subsidiaries or, to the knowledge of Cordy, any Representative of Cordy or any of its Subsidiaries, has been or is currently subject to any economic or financial sanctions or trade embargoes imposed, authorized, administered or enforced by any Governmental Entity (including the Government of Canada, the Office of Foreign Assets Control of the U.S. Treasury Department (including, but not limited to, the designation as a "specially designated national or blocked person" thereunder) or any other applicable sanctions authority) or other similar Laws (collectively "**Sanctions**"). None of Cordy or any of its Subsidiaries has received any notice alleging that Cordy, any of its Subsidiaries or any Representative of Cordy or any of its Subsidiaries has violated any Sanctions and, to the knowledge of Cordy, no condition or circumstances exist (including any ongoing Proceeding) that would form the basis for any such allegations.
- (gg) **Corrupt Practices Legislation.** None of Cordy, any of its Subsidiaries or, to the knowledge of Cordy, any Representative of Cordy or any of its Subsidiaries, has taken, committed to take or been alleged to have taken any action that would cause Cordy or any of its Subsidiaries to be in violation of the *Corruption of Foreign Public Officials Act* (Canada), the *Foreign Corrupt Practices Act of 1977* (United States) and the *U.K. Bribery Act of 2010* or similar Laws (collectively, "**Corrupt Practices Legislation**"). None of Cordy or any of its Subsidiaries has received any notice alleging that Cordy, any of its Subsidiaries or any Representative of Cordy or any of its Subsidiaries has violated any Corrupt Practices Legislation and, to the knowledge of Cordy, no condition or circumstances exist (including any ongoing Proceeding) that would form the basis for any such allegations.
- (hh) **Money Laundering.** The operations of Cordy and each of its Subsidiaries are and have been conducted in compliance in all material respects with applicable financial record-keeping and reporting requirements and money laundering or similar Laws (collectively, "**Money Laundering Laws**"). None of Cordy or any of its Subsidiaries has received any notice alleging that Cordy, any of its Subsidiaries or any Representative of Cordy or any of its Subsidiaries has violated any Money Laundering Laws and, to the knowledge of Cordy, no condition or circumstances exist (including any ongoing Proceeding) that would form the basis for any such allegations.
- (ii) **Privacy.** Except as would not, individually or in the aggregate, have a Material Adverse Effect:
- (i) Cordy and its Subsidiaries have since January 1, 2020 complied with all applicable privacy laws;

- (ii) Cordy has a written policy that governs the collection, use and disclosure of Personal Information, and Cordy and its Subsidiaries are in compliance with such policy;
- (iii) since January 1, 2020 there have not been, to the knowledge of Cordy, any:
 - (A) losses or thefts of, or security breaches relating to, Personal Information in the possession, custody or control of Cordy or any of its Subsidiaries;
 - (B) unauthorized access or unauthorized use of any Personal Information in the possession, custody or control of Cordy or any of its Subsidiaries; and
 - (C) improper disclosure of any Personal Information in the possession, custody or control of Cordy or any Subsidiary or any Person acting on their behalf; and
 - (D) to the knowledge of Cordy, none of Cordy or any of its Subsidiaries is under investigation for any violation of applicable privacy laws.
- (jj) **Anti-Spam.** Cordy and each of its Subsidiaries have, in all material respects, conducted its business in compliance with CASL, including provisions relating to the sending of commercial electronic messages only with express or implied consent, within the meaning of such legislation, and with the prescribed contact information and unsubscribe mechanism, and retains records sufficient to demonstrate such compliance.
- (kk) **Brokers.** No investment banker, broker, finder, financial advisor or other intermediary has been retained by or is authorized to act on behalf of Cordy or any of its Subsidiaries, or any of their respective officers, directors or employees, or is entitled to any fee, commission or other payment from Cordy or any of its Subsidiaries, or any of their respective directors, officers or employees, in connection with this Agreement or any other transaction contemplated by this Agreement.
- (ll) **Board Approval.**
 - (i) The Cordy Board, after consultation with its outside legal counsel, has: (A) unanimously determined that Amalgamation is in the best interests of Cordy; (B) resolved to unanimously recommend that the Cordy Shareholders vote in favour of the Cordy Amalgamation Resolution (the “**Cordy Board Recommendation**”); and (C) authorized the entering into of the Amalgamation Agreement and the performance by Cordy of its obligations under the Amalgamation Agreement, and no action has been taken to amend or supersede such determinations, resolutions or authorizations.

- (ii) Each of the directors and executive officers of Cordy has signed a Support Agreement.
- (mm) **No Collateral Benefit.** To the knowledge of Cordy, other than as disclosed in the Disclosure Letter, no related party of Cordy (within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”)), together with its associated entities (within the meaning of MI 61-110), beneficially owns or exercises control or direction over 1% or more of the outstanding Cordy Shares, except for related parties who will not receive a collateral benefit (within the meaning of MI 61-101) as a consequence of the transactions contemplated by this Agreement.
- (nn) **Funds Available.** Cordy has sufficient funds available to pay the Termination Fee in the event of a Termination Fee Event.

5.2 Representations and Warranties of Vertex

Vertex represents and warrants to and in favour of Cordy as follows and acknowledges that Cordy is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

- (a) **Organization and Qualification.** Each of Vertex and Subco has been duly incorporated, amalgamated or created, as the case may be, and is validly subsisting under the Laws of its jurisdiction of formation and has the requisite power and capacity to own its assets and properties as now owned and to carry on its business as now conducted. Each of Vertex and Subco is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to be so registered or authorized would not, individually or in the aggregate, have a Material Adverse Effect on Vertex.
- (b) **Authority Relative to this Agreement.** Each of Vertex and Subco has the requisite corporate power and capacity to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by each of Vertex and Subco of the Amalgamation have been duly authorized by the Vertex Board and the board of directors of Subco, respectively, and no other proceedings on the part of Vertex or Subco are necessary to authorize this Agreement or the Amalgamation. This Agreement has been duly executed and delivered by Vertex and Subco and constitutes a legal, valid and binding obligation of Vertex and Subco enforceable against each of them, respectively, in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

- (c) **Capitalization of Vertex.** As of the date hereof, the authorized capital of Vertex consists of an unlimited number of Vertex Shares. As of the date hereof, there are issued and outstanding 91,253,115, Vertex Shares and no other shares are issued and outstanding. As of the date hereof, there are 3,000,000 Vertex Shares issuable upon the exercise of outstanding Vertex Options. Except as set out above and otherwise provided for in this Agreement, there are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Vertex of any securities of Vertex (including Vertex Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Vertex (including Vertex Shares). All outstanding Vertex Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights and all Vertex Shares issuable upon the exercise of Vertex Options in accordance with the terms of such securities will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Other than Vertex Shares, there are no securities of Vertex outstanding which have the right to vote generally (or, except for Vertex Options, are exercisable or convertible into or exchangeable for securities having the right to vote generally) with Vertex Shareholders on any matter.
- (d) **Capitalization of Subco.** As of the date hereof, the authorized capital of Subco consists of an unlimited number of voting, non-cumulative Class A shares, an unlimited number of non-voting, non-cumulative Class B shares, an unlimited number of non-voting, non-cumulative Class C shares, an unlimited number of non-cumulative, redeemable, retractable Class D shares, an unlimited number of voting, non-cumulative, redeemable, retractable Class E shares, an unlimited number of non-voting, non-cumulative, redeemable, retractable Class F shares and an unlimited number of non-voting, non-cumulative, redeemable, retractable Class G shares. As of the date hereof, there are issued and outstanding 100 voting, non-cumulative Class A shares and 50 non-voting, non-cumulative Class B shares and no other shares are issued and outstanding. There are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Subco of any securities of Subco (including Subco Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Subco (including Subco Shares). All outstanding Subco Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights.
- (e) **Governmental Authorization.** The execution and delivery of this Agreement by Vertex, the performance of its obligations under this Agreement and the consummation of the Amalgamation and the other transactions contemplated under this Agreement do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by Vertex other than: (i) the filing of the Articles of Amalgamation; (iii) filings and approvals required by the TSXV; (iv) customary filings with the Securities Authorities; and (v) any Authorizations which, if not obtained, or any other actions by or in respect of, or

filings with, or notifications to, any Governmental Entity which, if not taken or made, would not have, individually or in the aggregate, a Material Adverse Effect.

- (f) **Non-Contravention.** The execution and delivery of this Agreement by Vertex, the performance of its obligations under this Agreement and the consummation of the Amalgamation and the other transactions contemplated under this Agreement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):
- (i) contravene, conflict with, or result in any violation or breach of the constating documents of Vertex or the organizational documents of any Subsidiary of Vertex;
 - (ii) assuming compliance with the matters referred to in Section 5.1(c), contravene, conflict with or result in a violation or breach of any Law applicable to Vertex or its properties or assets;
 - (iii) allow any Person to exercise any right, require any consent, or notice under or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation, or the loss of any benefit to which Vertex is entitled (including by triggering any rights of first refusal or first offer, change in control provisions or other restrictions or limitations) under any Contract or any Authorization to which Vertex is a party or by which Vertex is bound; or
 - (iv) result in the creation or imposition of any Encumbrance (other than Permitted Encumbrances) upon any of the properties or assets of Vertex;
- (g) with such exceptions, in the case of clauses (ii), (iii) and (iv) as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.
- (h) **Securities Law Matters.**
- (i) Vertex is a reporting issuer under applicable Securities Laws in each of the provinces of British Columbia, Alberta and Saskatchewan and is not in default of any material requirement of applicable Securities Laws. The Vertex Shares are listed and posted for trading on the TSXV.
 - (ii) Vertex has not taken any action to cease to be a reporting issuer in any province in which it is a reporting issuer nor has Vertex received notification from any Securities Authority seeking to revoke the reporting issuer status of Vertex. No Proceeding or Order for the delisting, suspension of trading, or cease trade or other Order or restriction with respect to any securities of Vertex is in effect or pending or, to the knowledge of Vertex, has been threatened or is expected to be implemented or undertaken.

- (iii) Vertex has timely filed with the Securities Authorities all forms, reports, schedules, statements, and other documents required to be filed under applicable Securities Laws since January 1, 2021. The documents comprising the Vertex Filings, as of their respective dates (or, if amended or superseded by a subsequent filing prior to the date of this Agreement, on the date of such subsequent filing), complied as filed in all material respects with applicable Law and did not contain any Misrepresentation. Vertex has not filed any confidential material change report or other confidential filing with any Securities Authority which, at the date of this Agreement, remains confidential. There are no outstanding or unresolved comments in comment letters from any Securities Authority with respect to any of the Vertex Filings. Vertex is not subject to any ongoing Proceeding by any Securities Authority and, to the knowledge of Vertex, no such Proceeding is threatened.
- (i) **Financial Statements.** Vertex's audited consolidated financial statements (including any of the notes or schedules thereto, the auditor's report thereon and the related management's discussion and analysis) and unaudited consolidated interim financial statements (including any of the notes or schedules thereto and the related management's discussion and analysis) included in the Vertex Filings: (i) were prepared in accordance with IFRS, consistently applied throughout the periods referred to therein (except as expressly set forth in the notes thereto) and (ii) fairly present, in all material respects, the assets, liabilities, consolidated financial position, results of operations and cash flows of Vertex and its Subsidiaries as of their respective dates and for the periods covered by such financial statements, and there have been no changes in accounting methods, policies or practices of Vertex or any of its Subsidiaries during such periods (except, in each case, as expressly set forth in the notes to such financial statements). Vertex does not intend to correct or restate, nor is there any basis for any correction or restatement of, any aspect of Vertex's financial statements referred to in this Section 5.1(k).
- (j) **Auditors.** The auditors of Vertex are independent public accountants as required by applicable Laws and there has not been any reportable event (as defined in National Instrument 51-102 - *Continuous Disclosure Obligations*) with the present or any former auditor of Vertex.
- (k) **No Undisclosed Liabilities.** There are no liabilities or obligations of Vertex or any of its Subsidiaries of any nature, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations: (i) disclosed in the audited consolidated financial statements of Vertex as at and for the year ended December 31, 2020 (including any notes or schedules thereto and the related management's discussion and analysis) included in the Vertex Filings; (ii) incurred in the Ordinary Course since September 30, 2021; (iii) reasonably incurred after September 30, 2021 in connection with this Agreement or the transactions contemplated under this Agreement; or (iv) that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of Vertex or any of its Subsidiaries is a party to, or has any commitment to become a

party to, any joint venture, off- balance sheet Contract, arrangement or understanding (including any Contract, arrangement or understanding between Vertex or any of its Subsidiaries, on the one hand, and any unconsolidated entity, including any structured finance, special purpose or limited purpose entity or Person, on the other hand) or any other “off-balance sheet arrangements” (as defined in the instructions contained in Form 51-102F1 - *Management's Discussion & Analysis*).

- (l) **Absence of Certain Changes or Events.** Except for the Amalgamation or any action taken in accordance with this Agreement, since September 30, 2021:
- (i) Vertex and each of its Subsidiaries has conducted its business only in the Ordinary Course other than as disclosed in Vertex Filings;
 - (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Vertex has been incurred other than in the Ordinary Course or as disclosed in Vertex Filings;
 - (iii) there has been no Material Adverse Change in respect of Vertex; and
 - (iv) Vertex has not, and to the knowledge of Vertex, no director, officer, employee or auditor of any of Vertex ’s Subsidiaries, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of any member of Vertex or any of its Subsidiaries or its internal accounting controls.
- (m) **Books and Records.** The financial books, records and accounts of Vertex and each of its Subsidiaries: (i) have been maintained, in all material respects, in accordance with applicable Laws and IFRS; (ii) accurately and fairly reflect the material transactions, acquisitions and dispositions of Vertex and its Subsidiaries; and (iii) accurately and fairly reflect the basis of Vertex’s financial statements.
- (n) **Compliance with Law.** Vertex and each of its Subsidiaries is, and since December 31, 2019 has been, in compliance with Law in all material respects, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Vertex. None of Vertex or any of its Subsidiaries is under any investigation with respect to, has been convicted, charged or threatened to be charged with, or has received notice of, any violation or potential violation of any Law from any Governmental Entity, in each case, that could be expected to be material to Vertex and its Subsidiaries.
- (o) **Vertex Material Contracts.** Each of the Vertex Material Contracts constitutes a legally valid and binding agreement of each of Vertex and Subsidiaries that is party to such the Vertex Material Contract, enforceable in accordance with their respective terms and, to the knowledge of Vertex, no party thereto is in material default in the observance or performance of any term or obligation to be performed

by it under any such the Vertex Material Contract or agreement which is material to the business of Vertex and its Subsidiaries and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default, in any such case which default or event would reasonably be expected to have a Material Adverse Effect on Vertex.

(p) **Insurance.**

(i) Vertex and each of its Subsidiaries is insured by reputable third-party insurers with reasonable and prudent policies appropriate for the size and nature of the business of Vertex and its Subsidiaries and their respective assets, consistent with industry practice.

(ii) Each material insurance policy held by Vertex or any of its Subsidiaries is in full force and effect in accordance with its terms and none of Vertex or any of its Subsidiaries is in default under the terms of any such policy. To the knowledge of Vertex, there is no material claim pending under any insurance policy of Vertex or its Subsidiaries that has been denied, rejected, questioned or disputed by any insurer, or as to which any insurer has refused to cover all or any material portion of such claims. To the knowledge of Vertex, all material Proceedings covered by any insurance policy of Vertex or any of its Subsidiaries have been properly reported to and accepted by the applicable insurer.

(q) **Brokers.** No investment banker, broker, finder, financial advisor or other intermediary has been retained by or is authorized to act on behalf of Vertex or any of its Subsidiaries, or any of their respective officers, directors or employees, or is entitled to any fee, commission or other payment from Vertex or any of its Subsidiaries, or any of their respective directors, officers or employees, in connection with this Agreement or any other transaction contemplated by this Agreement.

(r) **Consents and Approval.** Other than the approval of the TSXV, Vertex or any of its Subsidiaries are not under any obligation, contractual or otherwise, to request or obtain the consent of any Person, an no permits certification, authorizations or approvals of, or notifications to, any Governmental Entities are required to be obtained by Vertex or any of its Subsidiaries in connection with the execution, delivery or performance of this Agreement or the completion of the transactions contemplated herein.

(s) **Litigation.**

(i) There are no material Proceedings in progress, pending or ongoing, or, to the knowledge of Vertex, threatened, against or affecting Vertex or any of its Subsidiaries, their respective properties or assets, or the business of Vertex or any of its Subsidiaries by or before any Governmental Entities,

and Vertex is not aware of any facts or circumstances that could give rise to any such Proceedings.

- (ii) None of Vertex or any of its Subsidiaries or any of their respective properties or assets is subject to any outstanding Order.
- (iii) There is no bankruptcy, liquidation, winding-up or other similar Proceeding pending or in progress, or, to the knowledge of Vertex, threatened against or relating to Vertex or any of its Subsidiaries before any Governmental Entity.
- (t) **Environmental Matters.**
 - (i) Vertex and each of its Subsidiaries are in compliance in all material respects with all applicable Environmental Laws.
 - (ii) None of Vertex or any of its Subsidiaries (A) is subject to any Proceeding or investigation under any Environmental Laws or (B) has received any written notice of any non-compliance in respect of, or any liability under, any Environmental Laws.
- (u) **Vertex Board Approval.** The Vertex Board has unanimously approved the Amalgamation and this Agreement.
- (v) **Subco Board Approval.** The Subco Board has unanimously approved the Amalgamation and this Agreement.
- (w) **Subco Shareholder Approval.** Vertex, as the sole shareholder of Subco, has approved the Amalgamation and this Agreement.

5.3 No Other Representations and Warranties.

The Parties agrees and acknowledges that, except for the representations and warranties set forth in this Agreement, neither Party nor any other Person on behalf of such Party has made or makes any other representation and warranty (written or oral, express or implied, or at Law or in equity) in respect of Cordy or Vertex, as the case may be.

5.4 Survival of Representations and Warranties.

The representations and warranties of Cordy and Vertex contained in this Agreement shall not survive the completion of the Amalgamation and shall expire and be terminated on the earlier of the Effective Date and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 6 CONDITIONS PRECEDENT

6.1 Mutual Conditions Precedent

The respective obligations of the Parties hereto to consummate the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, any of which may be waived by the mutual consent of the Parties without prejudice to their right to rely on any other of such conditions:

- (a) the Cordy Amalgamation Resolution shall have been passed by (i) not less than 66 2/3% of the votes cast by Cordy Shareholders present in person or represented by proxy at the Cordy Meeting and (ii) if required by MI 61-101, minority approval in accordance with Section 8.1 of MI 61-101.
- (b) the Articles of Amalgamation to be filed with the Registrar in accordance with the Amalgamation shall be in form and substance satisfactory to each of Vertex and Cordy, acting reasonably;
- (c) there shall be no action taken under any existing applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Entity, that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation; or
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the Amalgamation;
- (d) the Vertex Shares issuable pursuant to the Amalgamation have been approved for listing on the TSXV, subject to customary conditions; and
- (e) all other required domestic and foreign regulatory, governmental and third party approvals and consents in respect of the completion of the Amalgamation shall have been obtained on terms and conditions satisfactory to Vertex and Cordy, each acting reasonably, and all applicable domestic and foreign statutory and regulatory waiting periods shall have expired or have been terminated and no unresolved material objection or opposition shall have been filed, initiated or made during any applicable statutory regulatory period.

The conditions set out in this Section 6.1 are for the mutual benefit of the Parties and may be asserted by Vertex (on behalf of itself and on behalf of Subco) or Cordy regardless of the circumstances and may be waived by Vertex (on behalf of itself and on behalf of Subco) or Cordy in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Parties may have.

6.2 Conditions to Obligations of Cordy

The obligation of Cordy to consummate the Amalgamation, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) each of the material covenants, acts and undertakings of Vertex and Subco to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by Vertex;
- (b) Vertex shall have furnished Cordy with a certified copy of the resolutions duly passed by the Vertex Board approving this Agreement and the Amalgamation;
- (c) Subco shall have furnished Cordy with:
 - (i) a certified copy of the resolutions duly passed by the board of directors of Subco approving this Agreement and the Amalgamation; and
 - (ii) a certified copy of the resolution of the sole shareholder of Subco approving the Amalgamation;
- (d) the representations and warranties of Vertex and Subco contained in Section 5.2, shall be true as at the Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date or except as affected by transactions contemplated or permitted by this Agreement) and Vertex and Subco shall have complied with its covenants in this Agreement, except where the failure or failures of such representations and warranties to be so true and correct or the failure to perform such covenants would not, or would not reasonably be expected to have a Material Adverse Effect on Vertex, or to materially impede or reasonably be expected to materially impede the completion of the Amalgamation, and Cordy shall have received a certificate to that effect dated the Effective Date from an executive officer of each of Vertex and Subco acting solely on behalf of Vertex or Subco, as applicable, and not in their personal capacity, to the best of their information and belief having made reasonable inquiry, and Cordy will have no knowledge to the contrary;
- (e) Vertex and Cordy shall have entered into an amendment to the promissory note with 1279107 Alberta Ltd. providing for maturity date of December 31, 2022, with nine equal monthly payment of principal being made commencing on April 30, 2022;
- (f) Vertex shall have completed the Vertex Financing; and
- (g) there shall not have occurred any Material Adverse Change in respect of Vertex or Subco since September 30, 2021.

The conditions described in this Section 6.2 are for the exclusive benefit of Cordy and may be asserted by Cordy regardless of the circumstances or may be waived

by Cordy in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Cordy may have.

6.3 Conditions to Obligations of Vertex and Subco

The obligations of Vertex and Subco to consummate the Amalgamation, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) each of the material covenants, acts and undertakings of Cordy to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by Cordy;
- (b) Cordy shall have furnished Vertex with:
 - (i) a certified copy of the resolutions duly passed by the Cordy Board approving this Agreement and the Amalgamation and directing the submission of the Cordy Amalgamation Resolution for approval at the Cordy Meeting and recommending that Cordy Shareholders vote in favour of the Cordy Amalgamation Resolution; and
 - (ii) a certified copy of the Cordy Amalgamation Resolution, duly passed at the Cordy Meeting;
- (c) the representations and warranties of Cordy contained in Section 5.1 shall be true as at the Effective Date with the same effect as though such representations and warranties had been made at and as of such time (except to the extent such representations and warranties speak of an earlier date or except as affected by transactions contemplated or permitted by this Agreement) and Cordy shall have complied with its covenants in this Agreement, except where the failure or failures of such representations and warranties to be so true and correct or the failure to perform such covenants would not, or would not reasonably be expected to have a Material Adverse Effect on Cordy or to materially impede or reasonably be expected to materially impede the completion of the Amalgamation, and Vertex shall have received a certificate to that effect dated the Effective Date from an executive officer of Cordy acting solely on behalf of Cordy and not in their personal capacity, to the best of their information and belief having made reasonable inquiry, and Vertex will have no knowledge to the contrary;
- (d) the Cordy Board shall not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in Section 2.6 in a manner materially adverse to Vertex or the completion of the Amalgamation;
- (e) Executed customary resignations and mutual releases, in a form and substance satisfactory to Cordy and Vertex, each acting reasonably, shall have been received by Cordy effective as of the Effective Date from each Person who is an officer or employee of Cordy or its Subsidiaries and who has received or will receive a

severance amount or other payment as a consequence of the Amalgamation pursuant to an employment or change of control agreement and payments of all such amounts have been made;

- (f) Executed resignations and customary mutual releases, in form and substance satisfactory to Cordy and Vertex, each acting reasonably, shall have been received by Cordy from all of the directors of Cordy and its Subsidiaries (effective as of the Effective Time);
- (g) Not later than five (5) Business Days prior to the Effective Date, Cordy shall provide Vertex with a payout statement effective the Effective Date in respect of amount owed to Great West Truck Lease & Rentals Ltd. under the line of credit agreement entered into among Cordy, Cordy Environmental Inc., Cordy Construction Inc. and to Great West Truck Lease & Rentals Ltd.;
- (h) there shall not have occurred any Material Adverse Change in respect of Cordy since September 30, 2021;
- (i) Dissent Rights have not been exercised (or, if exercised, remain outstanding) with respect to more than 5% of the issued and outstanding Cordy Shares and Cordy shall have provided to Vertex a certificate of two senior officers of Cordy certifying the foregoing and dated the Effective Date; and
- (j) immediately prior to the Effective Date, Vertex shall be satisfied there shall be not more than 231,161,891 Cordy Shares outstanding and Vertex shall be satisfied that upon completion of the Amalgamation no person shall have any agreement, option or any right or privilege (whether by law, pre-emptive, by contract or otherwise) capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any issued or unissued securities of Cordy.

The conditions described in this Section 6.3 are for the exclusive benefit of Vertex and Subco and may be asserted by Vertex (on behalf of itself and on behalf of Subco) regardless of the circumstances or may be waived by Vertex (on behalf of itself and on behalf of Subco) in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Vertex and Subco may have.

6.4 Satisfaction of Conditions

The conditions set out in this Article 6 are conclusively deemed to have been satisfied, waived or released when, with the agreement of Vertex and Cordy, Articles of Amalgamation are filed under the ABCA and the Certificate has been issued by the Registrar.

ARTICLE 7
TERM AND TERMINATION

7.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Effective Date and the termination of this Agreement in accordance with its terms.

7.2 Termination

(a) This Agreement may be terminated prior to the Effective Date by:

(i) the mutual written agreement of Cordy and Vertex;

(ii) either Cordy or Vertex if:

(A) the Cordy Amalgamation Resolution is not approved by Cordy Shareholders at the Cordy Meeting; provided that, a Party may not terminate this Agreement pursuant to this Section 7.2(a)(ii)(A) if the failure to obtain approval of the Cordy Amalgamation Resolution has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement;

(B) after the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Amalgamation illegal or otherwise permanently prohibits or enjoins Cordy or Vertex from consummating the Amalgamation and such Law has, if appealable, become final and non-appealable; provided that, a Party may not terminate this Agreement pursuant to this Section 7.2(a)(ii)(B) if the enactment, making, enforcement or amendment of such Law has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement; or

(C) the Effective Date does not occur on or prior to the Outside Date; provided that, a Party may not terminate this Agreement pursuant to this Section 7.2(a)(ii)(C) if the failure of the Effective Date to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement.

(iii) Cordy if:

(A) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Vertex under this Agreement occurs that would cause any condition in Section 6.2(a) or Section

- 6.2(d) not to be satisfied and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 3.6; provided that, Cordy is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.3(a) or Section 6.3(c) not to be satisfied;
- (B) prior to the approval of the Cordy Amalgamation Resolution by Cordy Shareholders, the Cordy Board authorizes Cordy to enter into a definitive written agreement (other than a confidentiality agreement permitted by and in accordance with Section 4.3(b)(iv)) with respect to a Superior Proposal in accordance with Section 4.4(a); provided that, Cordy is then in compliance with Article 4 and that prior to or concurrent with such termination Cordy pays the Termination Fee in accordance with Section 8.1; or
 - (C) there has occurred a Material Adverse Effect that is incapable of being cured on or before the Outside Date.
- (iv) Vertex if:
- (A) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Cordy under this Agreement occurs that would cause any condition in Section 6.3(a) or Section 6.3(c) not to be satisfied and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 3.6; provided that, Vertex is not then in breach of this Agreement so as to directly or indirectly cause any of the conditions in Section 6.2(a) or Section 6.2(d) not to be satisfied;
 - (B) prior to the approval of the Cordy Amalgamation Resolution by the Cordy Shareholders: (i) the Cordy Board fails to recommend or withdraws, amends, modifies or, in a manner adverse to Vertex, qualifies, or publicly proposes or states an intention to withdraw, amend, modify or, in a manner adverse to Vertex, qualify, the Cordy Board Recommendation; (ii) the Cordy Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or beyond the third Business Day prior to the date of Cordy Meeting, if sooner); (iii) the Cordy Board accepts, approves, endorses, recommends or authorizes Cordy or any of its Subsidiaries to execute or enter into any agreement, understanding or arrangement with respect to an Acquisition Proposal (other than a confidentiality agreement permitted by and in accordance with Section 4.3(b)(iv)); (iv) the Cordy Board fails to publicly recommend or reaffirm by news release the Cordy Board

Recommendation within five Business Days after having been requested in writing by Vertex to do so (or in the event that Cordy Meeting is scheduled to occur within such five Business Day period, prior to the Business Day prior to the date of the Cordy Meeting) (in each of the cases set forth in paragraphs (i), (ii), (iii) and (iv) of this Section 7.2(a)(iv)(B), a “**Change in Recommendation**”); or (v) Cordy breaches Article 4 in any material respect; or

- (C) there has occurred a Material Adverse Effect that is incapable of being cured on or before the Outside Date.
- (b) The Party desiring to terminate this Agreement pursuant to this Section 7.2 (other than pursuant to Section 7.2(a)(i)) shall deliver written notice of such termination to the other Party specifying in reasonable detail the basis for such Party's exercise of its termination right.

7.3 Effect of Termination/Survival

If this Agreement is terminated pursuant to Section 7.1 or Section 7.2, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder, Representative or consultant of such Party) except that: (a) if the Amalgamation is completed, Section 3.7 shall survive for a period of six years following such termination and (b) in the event of any termination under Section 7.2, this Section 7.3, Section 3.4, Article 8, Article 9 shall survive, and provided that no Party shall be relieved of any liability for any Willful Breach by it of this Agreement.

ARTICLE 8 TERMINATION FEE AND EXPENSES

8.1 Termination Fee.

- (a) If a Termination Fee Event occurs, Cordy shall pay Vertex the Termination Fee in accordance with Section 8.1(c).
- (b) For the purposes of this Agreement, “**Termination Fee**” means \$500,000 and “**Termination Fee Event**” means the termination of this Agreement:
 - (i) by Cordy pursuant to Section 7.2(a)(iii)(B);
 - (ii) by Vertex pursuant to Section 7.2(a)(iv)(B);
 - (iii) by Cordy or Vertex pursuant to Section 7.2(a)(ii)(A) or Section 7.2(a)(ii)(C) or by Vertex pursuant to Section 7.2(a)(iv)(A) if:
 - (A) prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed by any Person (other than Vertex or any of its Affiliates); and

- (B) within 12 months following the date of such termination (1) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (A) above) is consummated or effected or (2) Cordy and/or any of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a Contract (other than a confidentiality and standstill agreement permitted by and in accordance with Section 4.3(b)(iv)) in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (A) above) and such Acquisition Proposal is later consummated (whether or not within 12 months after such termination).

For purposes of the foregoing, the term “**Acquisition Proposal**” shall have the meaning given to such term in Section 1.1 except that references to "20% or more" shall be deemed to be references to "50% or more".

- (c) If a Termination Fee Event occurs due to a termination of this Agreement by Cordy pursuant to Section 7.2(a)(iii)(B), the Termination Fee shall be paid prior to or simultaneously with the occurrence of such Termination Fee Event. If a Termination Fee Event occurs due to a termination of this Agreement by Vertex pursuant to Section 7.2(a)(iv)(B), the Termination Fee shall be paid within two Business Days following such Termination Fee Event. If a Termination Fee Event occurs in the circumstances set out in Section 8.1(b)(iii), the Termination Fee shall be paid prior to or simultaneously with the consummation of the Acquisition Proposal referred to therein. Any Termination Fee shall be paid by Cordy to Vertex (or as Vertex may direct by notice in writing) by wire transfer in immediately available funds to an account designated by Vertex. If Cordy does not have sufficient financial resources to pay the Termination Fee, then it shall be a condition of any Acquisition Proposal referred to in Section 8.1(b)(iii), where Cordy has entered into any agreement to support such share acquisition or to transfer such assets, as applicable, that the person making such Acquisition Proposal or acquisition, as applicable, shall advance or otherwise provide to Cordy the cash required for Cordy to pay the Termination Fee, which amount shall be so advanced or provided prior to the date on which Cordy is required to pay the Termination Fee.
- (d) Each Party acknowledges that the agreements contained in this Section 8.1 are an integral part of the transactions contemplated by this Agreement, that without these agreements the Parties would not enter into this Agreement and that the payment amounts set out in this Section 8.1 represent liquidated damages, which are a genuine pre-estimate of the damages, including opportunity costs, reputational damage and out-of-pocket expenditures that Vertex will suffer or incur as a result of the event giving rise to such damages and the resultant termination of this Agreement and is not a penalty. Cordy irrevocably waives any right that it may have to raise as a defence that any such liquidated damages are excessive or punitive. If Cordy fails to timely pay any amount due pursuant to this Section 8.1,

it shall also pay any costs and expenses incurred by Vertex in connection with a legal action to enforce this Agreement that results in a judgment against Cordy for the payment of the Termination Fee, together with interest on the amount of any unpaid fee, cost or expense at the prime rate of HSBC Bank of Canada from the date such fee, cost or expense was required to be paid to (but excluding) the payment date. In no event shall Cordy be obligated to pay the Termination Fee on more than one occasion whether or not the Termination Fee may be payable at different times or upon the occurrence of different events.

- (e) In the event that the Termination Fee is paid in full to Vertex (or as it directs) in the manner provided in this Section 8.1, no other amounts will be due and payable as damages or otherwise by Cordy and Vertex hereby accepts that such payment is the sole and exclusive remedy in connection with this Agreement (and the termination hereof), the transactions contemplated by this Agreement or any other matter forming the basis of such termination and is the maximum aggregate amount that Cordy shall be required to pay in lieu of any damages or any other payments or remedy that Vertex may be entitled to in connection with this Agreement (and the termination hereof), the transactions contemplated by this Agreement or any other matter forming the basis of such termination.

8.2 Expenses

Except as otherwise expressly provided in this Agreement, the Parties agree that all out-of-pocket expenses of the Parties relating to this Agreement or the transactions contemplated under this Agreement, including legal fees, accounting fees, financial advisory fees, regulatory filing fees, stock exchange fees, all disbursements of advisors, and printing and mailing costs, shall be paid by the Party incurring such expenses.

ARTICLE 9 NOTICES

9.1 Notices

All notices which may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally or sent by email and in the case of:

- (a) Vertex and Subco, addressed to:

#161, 2055 Premier Way
Sherwood Park, Alberta T8H 0G2
Attention: Terry Stephenson
Email: **[Redacted as personal information.]**

with a copy to:

MLT Aikins LLP
2100, 222 – 3rd Ave. SW
Calgary, AB T2P 0B4
Attention: Sean R. MacLachlan
Email: [Redacted as personal information.]

(b) Cordy, addressed to:

5366 55th St SE
Calgary, AB T2C 5G8
Attention: Darrick Evong
Email: [Redacted as personal information.]

with a copy to:

DLA Piper (Canada) LLP
Suite 1000, 250 – 2 Street SW
Calgary, AB T2P 0C1
Attention: Daniel Kenney
Email: [Redacted as personal information.]

or such other address as the Parties may, from time to time, advise to the other Parties hereto by notice in writing.

The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such telecopy is received.

ARTICLE 10 AMENDMENT

10.1 Amendment

- (a) This Agreement may, at any time and from time to time before or after the holding of the Cordy Meeting but not later than the Effective Date, be amended by mutual written agreement of the Parties, subject to applicable Laws.
- (b) Any Party may:
 - (i) change the time for performance of any of the obligations or acts of the other Party with consent of the other Party;
 - (ii) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

- (iii) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the other Party; and
- (iv) waive compliance with or modify any conditions precedent herein contained,

provided however that any such extension or waiver shall be valid only if set out in an instrument in writing signed on behalf of such Party and such waiver shall apply only to the specific matters identified in such instrument.

ARTICLE 11 GENERAL

11.1 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the Parties hereto.

11.2 Assignment

No Party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party.

11.3 Disclosure

The Parties require the prior consent (such consent not to be unreasonably withheld) of the other Party prior to issuing or permitting any director, officer, employee or agent to issue, any news release or other written statement with respect to this Agreement or the Amalgamation. Notwithstanding the foregoing, if any Party is required by law, administrative regulation or stock exchange rules to make any disclosure relating to this Agreement or Amalgamation, such disclosure may be made, but that Party will consult with the other Party as to the wording of such disclosure prior to its being made.

11.4 Costs

Except as contemplated herein, each Party hereto covenants and agrees to bear its own costs and expenses in connection with this Agreement and the Amalgamation.

11.5 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and

- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

11.6 Further Assurances

Each Party hereto shall, from time to time and at all times hereafter, without further consideration, do all such further acts, and execute and deliver all such further documents and instruments as the other Party may reasonably request in order to fully perform and carry out the terms and intent hereof.

11.7 Time of Essence

Time shall be of the essence of this Agreement.

11.8 Specific Performance

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy in the event that any of the provisions of this Agreement were not performed by the other Party in accordance with their specific terms or were otherwise breached. It is accordingly agreed that each Party shall be entitled to an injunction or injunctions and other equitable relief to prevent breaches or threatened breaches of the provisions of this Agreement or to otherwise obtain specific performance of any such provisions, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived.

11.9 Third Party Beneficiaries

- (a) The provisions of subsections 2.5(a) and 2.5(b), Section 3.1(g) and Section 3.2(i) are: (a) intended for the benefit of all present and former directors and officers of Cordy and Vertex, as and to the extent applicable in accordance with their terms, and shall be enforceable by each of such persons and his or her heirs, executors administrators and other legal representatives (collectively, the “**Third Party Beneficiaries**”) and each of Cordy and Vertex, as the case may be, shall hold the rights and benefits of subsections 2.5(a) and 2.5(b), Section 3.1(g) and Section 3.2(i) in trust for and on behalf of the Third Party Beneficiaries and each of Cordy and Vertex hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Third Party Beneficiaries; and (b) are in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.
- (b) Except as provided in this Section 11.9, this Agreement shall not: (i) confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns; (ii) constitute or create an employment agreement with any employee, create any right to employment or continued employment or service, or to a particular term or condition of employment; or (iii) other than as

may be provided for herein, be construed to establish, amend, or modify any benefit or compensation plan, program, agreement or arrangement.

11.10 Privacy

- (a) For the purposes of this Section 11.10 the following definitions shall apply:
 - (i) “**applicable law**” means, in relation to any person, transaction or event, all applicable provisions of applicable Laws by which such person is bound or having application to the transaction or event in question, including applicable privacy laws;
 - (ii) “**applicable privacy laws**” means any and all applicable Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law including the *Personal Information Protection Act* (Alberta);
 - (iii) “**authorized authority**” means, in relation to any person, transaction or event, any federal, provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign, (b) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, and (d) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such person, transaction or event; and
 - (iv) “**Personal Information**” means information about an individual transferred to a Party by another Party in accordance with this Agreement and/or as a condition of the Amalgamation.
- (b) The Parties hereto acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use and disclosure of Personal Information acquired by or disclosed to either Party pursuant to or in connection with this Agreement (the “**Disclosed Personal Information**”).
- (c) No Party shall use the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Amalgamation.
- (d) Each Party acknowledges and confirms that the disclosure of Personal Information is necessary for the purposes of determining if the Parties shall proceed with the

Amalgamation, and that the disclosure of Personal Information relates solely to the carrying on of the business and the completion of the Amalgamation.

- (e) Each Party acknowledges and confirms that it has and shall continue to employ appropriate technology and procedures in accordance with applicable law to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.
- (f) Each Party shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties' obligations hereunder. Each Party shall ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective Party who have a bona fide need to access such information in order to complete the Amalgamation.
- (g) Each Party shall promptly notify the other Party to this Agreement of all inquiries, complaints, requests for access, and claims of which the Party is made aware in connection with the Disclosed Personal Information. The Parties shall fully cooperate with one another, with the persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, and claims.
- (h) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of either Party, the counterparty shall forthwith cease all use of the Personal Information acquired by the counterparty in connection with this Agreement and will return to the Party or, at the Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies).

11.11 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the Parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of Alberta in respect of all matters or disputes arising under or in relation to this Agreement.

11.12 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by email) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed PDF or similar executed electronic copy of this Agreement, and such PDF or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

SCHEDULE A
ARTICLES OF AMALGAMATION

SCHEDULE B
TERMS OF AMALCO SHARES

SCHEDULE OF SHARE CAPITAL

The Corporation is authorized to issue:

- (a) One class of shares, to be designated as “Common Shares”, in an unlimited number; and
- (b) One class of shares, to be designated as “Preferred Shares”, issuable in series, in an unlimited number; such shares having attached thereto the following rights, privileges, restrictions and conditions:

A. Common Shares

The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (a) the right to one vote at all meetings of shareholders of the Corporation, except meetings at which only holders of a specified class of shares are entitled to vote;
- (b) subject to the prior rights and privileges attaching to any other class of shares of the Corporation, the right to receive any dividend declared by the Corporation; and
- (c) subject to the prior rights and privileges attaching to any other class of shares of the Corporation, the right to receive the remaining property and assets of the Corporation upon dissolution.

B. Preferred Shares

The Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (a) the Preferred Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the directors of the Corporation; and
- (b) subject to the provisions of the *Business Corporations Act* (Alberta), the directors of the Corporation may by resolution fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to each series of the Preferred Shares.

SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS

The right to transfer shares of the Corporation is restricted in that no shareholder shall be entitled to transfer any share or shares in the capital of the Corporation to any person who is not a shareholder of the Corporation unless the transfer has been approved by the board of directors of the Corporation.

SCHEDULE OF OTHER PROVISIONS

1. The number of direct or indirect beneficial owners of securities of the Corporation will be limited to not more than 50, not including employees and former employees of the Corporation or any of its affiliates, provided that each person is counted as one beneficial owner unless the person is created or used solely to purchase or hold securities of the Corporation, in which case each beneficial owner or each beneficiary of the person, as the case may be, shall be counted as a separate beneficial owner. For purposes of this paragraph, the term “securities” does not include non-convertible debt securities of the Corporation.
2. Any invitation to the public to subscribe for securities of the Corporation is prohibited.
3. The Corporation has a lien on the shares of a shareholder or his legal representative for a debt of that shareholder to the Corporation.
4. The right to transfer securities of the Corporation, other than non-convertible debt securities, is restricted in that no securityholder shall be entitled to transfer any securities of the Corporation to any person who is not a securityholder of the Corporation unless the transfer has been approved by the board of directors of the Corporation.

APPENDIX “B”

AMALGAMATION RESOLUTION

“BE IT RESOLVED THAT:

1. the amalgamation (the “**Amalgamation**”) under section 181 of the *Business Corporations Act* (Alberta) (the “**ABCA**”) between Cordy Oilfield Services Inc. (“**Cordy**”) and Vertex Energy Services Ltd. (“**Vertex Subco**”), a wholly owned subsidiary of Vertex Resource Group Ltd. (“**Vertex**”), to form a new amalgamated company (“**Amalco**”) pursuant to which, among other things, Shareholders (except a registered Shareholder who exercises the right to dissent from this special resolution) will receive 0.081818 of a common share of Vertex for every one Cordy common share, all as set forth in the amalgamation agreement dated as of February 25, 2022, as may be amended from time to time, among Cordy, Vertex and Vertex Subco (the “**Amalgamation Agreement**”) is hereby authorized, approved and adopted;
2. the Amalgamation Agreement, the actions of the directors in approving the Amalgamation and the actions of the directors and officers of Cordy in executing and delivering the Amalgamation Agreement are hereby confirmed, ratified and approved;
3. notwithstanding that this special resolution has been passed (and the Amalgamation approved) by the shareholders of Cordy, the directors of Cordy are hereby authorized and empowered, without further notice to or approval of the shareholders of Cordy, not to proceed with the Amalgamation at any time prior to the issue of a certificate giving effect to the Amalgamation;
4. any officer or director of Cordy is hereby authorized, acting for, in the name of and on behalf of Cordy, to execute, under the seal of Cordy or otherwise, and to deliver for filing Articles of Amalgamation and such other documents as are necessary or desirable to the Director under the ABCA in accordance with the Amalgamation Agreement; and
5. any one or more directors or officers of Cordy is hereby authorized, for and on behalf and in the name of Cordy, to execute and deliver, whether under corporate seal of Cordy or otherwise, all such other agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments, and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, and the completion of the Amalgamation in accordance with the terms of the Amalgamation Agreement, including:
 - a. all actions required to be taken by or on behalf of Cordy, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities;
 - b. the signing of the certificates, consents and other documents or declarations required under the Amalgamation Agreement or otherwise to be entered into by Cordy; and
 - c. such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

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APPENDIX “C”

SECTION 191 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

Pursuant to the ABCA, Registered Shareholders have the right to dissent in respect of the Amalgamation. Such right of dissent is described in the Information Circular. The full text of section 191 of the ABCA is set forth below.

Shareholder’s right to dissent

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
- (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
 - (b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),
- (c) amalgamate with another corporation, otherwise than under section 184 or 187,
- (d) be continued under the laws of another jurisdiction under section 189, or
- (e) sell, lease or exchange all or substantially all its property under section 191.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
- b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder’s right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder’s right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

- (a) by the corporation, or
- (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or

(b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms, and

(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6), and

(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,

(b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the Alberta Rules of Court,

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,

(d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them,

(f) the service of documents, and

(g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
- (c) fixing the time within which the corporation must pay that amount to a shareholder, and
- (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On

- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
- (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
- (c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

- (a) the shareholder may withdraw the shareholder's dissent, or
- (b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

- (a) the pronouncement of an order under subsection (13), or
- (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
- (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

APPENDIX “D”

INFORMATION CONCERNING VERTEX

NOTICE TO READER

The information concerning Vertex contained in this Information Circular has been provided by Vertex. Although Cordy has no knowledge that would indicate that any of such information is untrue or incomplete, Cordy does not assume any responsibility for the accuracy or completeness of such information or the failure by Vertex to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to Cordy.

Unless the context indicates otherwise, capitalized terms which are used in this Appendix “D” and not otherwise defined in this Appendix “D” have the meanings given to such terms under the heading “*Glossary of Terms*” in the Information Circular.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

Certain statements contained in this Appendix D and in certain documents incorporated by reference in this Appendix D constitute forward-looking statements within the meaning of Canadian Securities Laws. These forward-looking statements related to future events or Vertex’s future performance. See “*Information Circular – Forward-Looking Statements*” in the Information Circular. Readers should also carefully consider the matters and cautionary statements discussed under the heading “*Risk Factors*” in the Information Circular and this Appendix D.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in the Information Circular from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from Vertex at 161, 2055 Premier Way, Sherwood Park, Alberta, T8H 0G2, Telephone: 780.499.6427, and are electronically available through the SEDAR website at www.sedar.com.

The following documents of Vertex, filed with the various securities commissions or similar authorities in each of the provinces of Canada where Vertex is a reporting issuer, are specifically incorporated by reference into and form an integral part of this Information Circular:

- (a) the annual information form of Vertex for the year ended December 31, 2021 (the “**Vertex AIF**”);
- (b) the audited and consolidated financial statements of Vertex as at and for the years ended December 31, 2021 and 2020, together with the notes thereto and the auditor’s report thereon (the “**Vertex Annual Financial Statements**”);
- (c) the management discussion and analysis of Vertex as at and for the years ended December 31, 2021 and 2020 (the “**Vertex Annual MD&A**”);
- (d) the management proxy circular dated April 6, 2021 in respect of the annual meeting of the shareholders of Vertex held on May 12, 2021 (the “**Vertex 2021 AGM Circular**”);
- (e) the material change report of Vertex dated March 7, 2022; and
- (f) the material change report of Vertex dated March 10, 2022.

Any material change reports (excluding confidential material change reports), unaudited interim financial statements, annual financial statements and the auditor’s report thereon, management’s discussion and analysis, information circulars (excluding those portions that are not required pursuant to National Instrument 44-101 – *Short*

Form Prospectus Distributions of the Canadian Securities Authorities to be incorporated by reference herein) and business acquisitions reports filed by Vertex with the securities commissions or similar authorities in the provinces of Canada subsequent to the date of the Information Circular and prior to the Effective Date shall be deemed to be incorporated by reference herein.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of the Information Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set out in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Information Circular.

CORPORATE STRUCTURE

Name The name of the corporation is: Vertex Resource Group Ltd.

Address Head office: 161, 2055 Premier Way, Sherwood Park, Alberta T2H 0G2

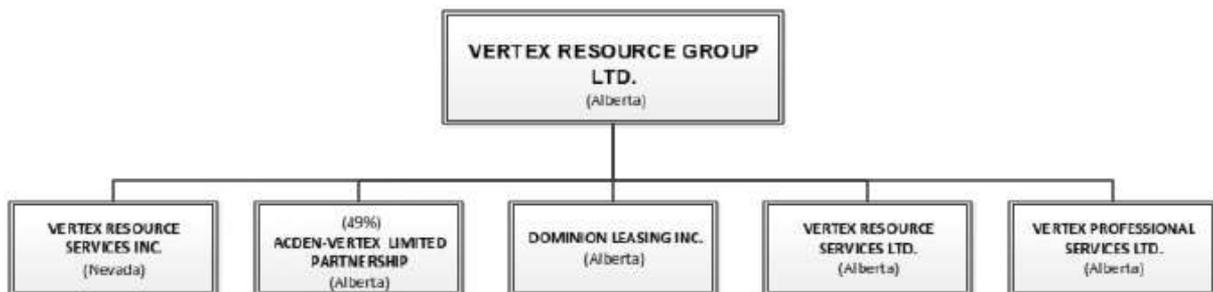
Registered Office: 2200, 10235 – 101 Street NW, Edmonton, Alberta T5J 3G1

Incorporation

Vertex was amalgamated on May 25, 2005 pursuant to the ABCA under the name “TWT Vegetation Management Ltd.”. On June 26, 2012, Vertex changed its name to “Vertex Resource Group Ltd.” and on July 1, 2015, Vertex amalgamated with Blackjack Investments Ltd. On October 16, 2017, the Company completed a qualifying transaction (the “**Transaction**”) with VIER Capital Corp., a Capital Pool Corporation as defined in Policy 2.4 of the TSXV Corporate Finance Manual. On October 18, 2017, following the issuance by the TSXV of its final bulletin in respect of the Transaction, the company began trading on the TSXV under the symbol “VTX”.

Intercorporate Relationships

The following table sets forth the material direct subsidiaries of Vertex as at December 21, 2021 and their related jurisdiction of incorporation:



Unless stated otherwise, the above legal organizational chart reflects 100% of voting securities owned directly by Vertex.

SUMMARY DESCRIPTION OF THE BUSINESS OF VERTEX

Vertex has grown to become a leading provider of environmental, consulting and engineering services through acquisitions and organic growth, including advisory services for new capital expenditure and asset development, environmental consulting and monitoring on existing assets, emissions management solutions, sub-surface engineering, facility engineering, asset retirement and land reclamation services, fluid management and logistics, waste and recycling, industrial cleaning and maintenance, hydro-excavating, site services, and manufacturing solutions.

Vertex is headquartered near Edmonton in Sherwood Park, Alberta. The Company serves a diverse customer base operating in industries including energy, mining, utilities, private development, public infrastructure, telecommunications, forestry, agriculture and government. Vertex operates principally in Canada (Alberta, British Columbia, Saskatchewan, Manitoba, and Ontario) and has operations in select United States markets (Minnesota, Montana, North Dakota, New Mexico, and Texas).

The Vertex Shares are listed and traded under the symbol “VTX” on the TSXV.

For further information regarding Vertex and its business activities, operating segments and three year history, see the Vertex AIF and the other documents incorporated by reference herein.

RECENT DEVELOPMENTS

On February 25, 2022, Vertex entered into the Amalgamation Agreement with Cordy and Vertex Subco, pursuant to which Vertex purposes to indirectly acquire all of the issued and outstanding Cordy Shares by way of a three-cornered amalgamation under the ABCA. For a full description of the Amalgamation and the Amalgamation Agreement, see “*The Amalgamation*” in the Information Circular. See also “*The Amalgamation –Background to the Amalgamation*” in the Information Circular.

On March 7, 2022, Vertex announced that it completed a non-brokered private placement (the “**Private Placement**”) of a \$15,000,000 principal amount secured subordinated convertible debenture (the “**Convertible Debenture**”). The completion of the Private Placement is a condition precedent to the completion of the Amalgamation. The Convertible Debenture has a five (5) year term from the date of the issue and bears interest at 8% per annum from the date of issue, payable monthly in arrears in cash. The holders of the Convertible Debenture may elect, at any time, to convert the outstanding net principal amount, or any portion thereof, into Vertex Shares at a conversion price of \$0.65 per share. See Vertex’s news releases dated February 25, 2022 and March 7, 2022 and the Material Change Report of Vertex dated March 7, 2022 for more information regarding the Private Placement.

DESCRIPTION OF SHARE CAPITAL

Vertex is authorized to issue an unlimited number of common shares (“**Common Shares**”) and an unlimited number of preferred shares (“**Preferred Shares**”). As of March 22, 2022, 91,253,115 Vertex Shares were issued and outstanding.

The holders of Common Shares are entitled to one vote in respect of each Common Share held at any meetings of the shareholders of Vertex. The holders of Common Shares are entitled to receive, and Vertex shall pay out of funds of Vertex properly applicable to the payment of dividends, only those dividends in such amounts as may be declared in the absolute discretion of the Board of Directors from time to time in respect of the Common Shares. In the event of dissolution of Vertex, each of the holders of the Common Shares shall be entitled to receive the remaining property of the Company in equal rank with the holders of all other Common Shares of the Company. Common Shares do not provide the holders thereof with any special rights, privileges restrictions or conditions other than as set out above or otherwise provided by statute.

The Preferred Shares may be issued from time to time in one or more series, each consisting of a number of Preferred Shares as determined by the board of directors of Vertex which also may fix the designation, rights, privileges, restrictions and conditions attaching to the shares of each series of Preferred Shares including, without

limitation, any voting rights, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion if any, and any sinking fund or other provisions. The Preferred Shares of each series shall, with respect to payment of dividends and distributions of assets in the event of liquidation, dissolution or winding-up of Vertex or any other return of capital or distribution of the assets of Vertex among its shareholders for the purpose of winding-up its affairs, shall be entitled to preference over the Common Shares and the shares of any other class ranking junior to the Preferred Shares. If any cumulative dividends or amounts payable on return of capital in respect of a series of Preferred Shares are not paid in full, all series of Preferred Shares shall participate rateably in respect of accumulated dividends and return of capital.

Other than the rights and restrictions noted above, and in the Vertex AIF and other documents incorporated by reference herein, and the applicable provisions of the ABCA, the securities of Vertex do not provide for any conversion or exchange rights; redemption, retraction, purchase for cancellation or surrender provisions; sinking or purchase fund provisions; provisions permitting or restricting the issuance of additional securities or any other material restrictions; nor do they require shareholders to contribute additional capital.

CONSOLIDATED CAPITALIZATION

The following table sets out information concerning the consolidated capitalization of Vertex: (a) as at December 31, 2022; and (b) as at December 31, 2021 assuming the completion of the Amalgamation. This information should be read in conjunction with the Vertex Interim Financial Statements and Vertex Interim MD&A incorporated by reference herein.

	<u>As at December 31, 2021</u>	
	<u>(\$ thousands)</u>	
	Reported	As adjusted after giving effect to the Amalgamation
Debt due within one year	\$12,901	\$ 12,901
Long-term debt	\$66,617	\$66,617
Total short-term and long-term debt	\$79,518	\$79,518
Lease liabilities due within one year	\$7,096	\$9,596
Lease liabilities	\$13,262	\$22,262
Total lease liabilities	\$20,358	\$31,858
Equity attributable to shareholders of Vertex:		
Vertex Shares	\$81,071	\$91,473
Contributed Surplus	\$3,621	\$3,621
Convertible debenture	\$ -	\$15,000
Retained Earnings	\$(34,992)	\$(34,992)

PRICE RANGE AND VOLUME OF TRADING OF VERTEX SHARES

The issued and outstanding Vertex Shares trade on the TSXV under the trading symbol “VTX”. The following table sets out the high and low trading prices and aggregate volume of trading of the Vertex Shares for the periods noted below.

Year	Period	High	Low	Volume
2021	March	0.450	0.320	489,900
2021	April	0.440	0.360	284,900
2021	May	0.380	0.275	359,00
2021	June	0.410	0.350	166,500
2021	July	0.400	0.300	317,100
2021	August	0.405	0.290	260,200
2021	September	0.400	0.355	259,100
2021	October	0.420	0.365	172,000
2021	November	0.620	0.400	293,400
2021	December	0.590	0.440	119,600
2022	January	0.610	0.440	188,900
2022	February	0.600	0.460	84,700
2022	March 1 - 22	0.570	0.450	352,139

On March 21, 2022, the last trading day prior to the date of the Information Circular, closing price of the Vertex Shares was \$0.50.

PRIOR SALES

The following table summarizes the issuances of Vertex Shares or securities convertible into Vertex Shares in the 12 month period prior to the date hereof.

Date of Issuance	Nature of Issuance	Type of Security Issued	Number of Securities Issued	Issue Price per Security
March 7, 2022	Private Placement	Convertible Debenture	Up to 23,076,923 Common Shares	\$0.65 ⁽¹⁾

Note:

(1) Based on the conversion price pursuant to the terms of the Convertible Debenture.

PRINCIPAL SECURITYHOLDERS AND SELLING SECURITIES HOLDERS

As at the date hereof, the principal security holders of Vertex are:

Name of Principal Securityholder	Vertex Shares Owned, Beneficially Held, or Controlled Immediately Before the Amalgamation	Vertex Shares Owned, Beneficially Held, or Controlled Immediately After the Amalgamation
Brian Butlin	10,512,879 (11.52%)	10,512,8795 (9.54%)
Terry Stephenson	14,409,909 (15.79%)	14,409,9096 (13.08%)
32 Degrees Capital Advisor Ltd.	17,014,561 (18.65%)	17,014,5617 (15.44%)
Clemett Capital Corp.	15,388,205 (16.86%)	15,388,2058 (13.97%)

The information contained within this table with respect to the Vertex Shares owned, beneficially held, or controlled by a Principal Securityholder was retrieved from the System for Electronic Disclosure by Insiders (“SEDI”) on March 24, 2022.

DIRECTORS AND EXECUTIVE OFFICERS

The directors and senior officers of Vertex as stated in the Vertex AIF are current as of the date of this Information Circular. For further information regarding the directors and senior officers see the Vertex AIF under the heading “*Directors and Officers*”.

DIVIDENDS

As of the date of this Information Circular, Vertex does not intend on paying dividends until the underlying business generates sufficient cash flow to fund Vertex’s growth strategy. Dividends and the dividend policy of Vertex will be reviewed by the board of directors of Vertex and adjusted from time to time to reflect the current business conditions. See the Vertex AIF for a discussion of various risk factors that may impact the ability of Vertex to pay dividends.

In addition to the dividend policy of Vertex, Vertex is subject to certain restrictions on the declaration and payment of dividends as set out in the ABCA. In particular, the ABCA provides that a corporation shall not declare or pay a dividend if there are reasonable grounds for believing that: (a) the corporation is, or would after the payment of the dividend be, unable to pay its liabilities as they become due; or (b) the realizable value of the corporation’s assets would thereby be less than the aggregate of its liabilities and the stated capital of all classes of its shares.

Notwithstanding the foregoing, the amount and timing of any dividends declared by Vertex are at the discretion of the board of directors of Vertex. The amount of any future dividends may vary depending on, among other things, the consolidated earnings of Vertex, financial requirements associated with the operation of the business of Vertex and Vertex’s subsidiaries, the satisfaction of the statutory test imposed by the ABCA in relation to the declaration and payment of dividends (described above) and other conditions that may exist from time to time. In addition, the board of directors of Vertex may alter the timing for the declaring and payment of dividends in its discretion. No assurance can be given that Vertex will pay dividends in the future.

RISK FACTORS

Investments in the Cordy Shares and the Vertex Shares are subject to certain risks. The shareholders of Cordy should carefully consider the risk factors described under the heading “*Risk Factors*” in the Information Circular. The shareholders of Cordy should also carefully consider the risk factors set out in the documents incorporated by reference herein, including under the heading “*Risk Factors*” in the Vertex AIF and the risk factors set out in the Vertex Annual MD&A and the Vertex Interim MD&A.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director or employee of Vertex, or former executive officer, director or employee of Vertex or any of its subsidiaries were indebted to Vertex at any point within thirty days before the date of the Information Circular.

No current director or executive officer of Vertex, or any director or executive officer of Vertex during the most recently completed financial year, or any associate of such director or executive officer (a) is, or at any time during the most recently completed financial year, was indebted to Vertex; or (b) has had indebtedness to another entity that is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided Vertex.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Neither Vertex nor any of its subsidiaries is a party to, nor the subject matter of, any significant legal proceedings or regulatory actions, nor are any such proceedings or actions known to Vertex to be contemplated. In the ordinary course of business activities, Vertex may be contingently liable for litigation and claims with employees, customers, suppliers and other third parties. Vertex’s management believes that adequate provisions have been made for potential claims in Vertex’s accounts. Although it is not possible to estimate the extent of potential costs and losses,

if any, management believes, but can provide no assurance, that the ultimate resolution of such contingencies would not have a material adverse effect on the consolidated financial position of Vertex.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of Vertex, no: (i) director or executive officer of the Corporation; (ii) person that is the beneficial owner of, or who exercises direct or indirect control or direction over, more than 10% of the outstanding common shares of Vertex; or (iii) any associate or Affiliate of any person referred to in (i) or (ii) above has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect Vertex, other than as disclosed elsewhere in the Information Circular or the Vertex AIF.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar is TSX Trust Company and its principal office in Calgary, Alberta.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the Convertible Debenture and the Arrangement Agreement, there are no material contracts that Vertex has entered into within the last financial year, or before the last financial year which are still in effect, which can reasonably be regarded as presently material.

ADDITIONAL INFORMATION

Additional information relating to Vertex, including the documents noted below, may be found on SEDAR at www.sedar.com and on Vertex's website at www.vertex.ca. For additional information, including directors' and officers' remuneration and indebtedness, principal holders of Vertex's securities and securities authorized for issuance under equity compensation plans see the Vertex AIF and the Vertex 2021 AGM Circular. For additional financial information, see the Vertex AIF, Vertex Annual Financial Statements, Vertex unaudited Interim Financial Statements and the Vertex MD&A and Vertex Interim MD&A. Information contained in or otherwise accessible through Vertex's website does not form part of this Appendix D, and is not incorporated into this Appendix D by reference.

