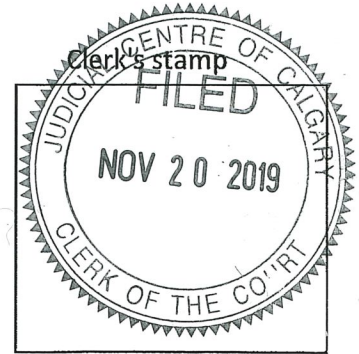


I hereby certify this to be a true copy of
the original ORDER.
dated this 20 day of Nov 2019
C. Neufeld
for Clerk of the Court



COURT FILE NUMBER 1501-05830

COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

PLAINTIFF DAVID STEVENS

DEFENDANTS ITHACA ENERGY INC. and LES THOMAS

DOCUMENT **Brought under the *Class Proceedings Act*
ORDER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT **JENSEN SHAWA SOLOMON DUGUID HAWKES
LLP/MORGANTI LEGAL
Barristers
800, 304 - 8 Avenue SW
Calgary, Alberta T2P 1C2**

Robert Hawkes, Q.C./
Gavin Price
Phone: 403 571 1520
Fax: 403 571 1528
File: 13234-001

Andrew J. Morganti/
Albert Pelletier
Phone: 647-344-1900

DATE ON WHICH ORDER WAS PRONOUNCED: October 24, 2019

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice R.A.
Neufeld

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

UPON the Application of the Plaintiff; **AND UPON** reviewing the written submissions of the Parties; **AND UPON** reviewing the Affidavits and Authorities submitted by the Parties; **AND UPON** hearing the submissions of Counsel for the Parties; **AND UPON** having issued Reasons for Judgment on June 24, 2019;

IT IS HEREBY ORDERED THAT:

1. Leave is granted for the Plaintiff to file the Amended Amended Amended Statement of Claim attached hereto and marked as **Schedule "A"** (the "Claim").
2. For the purposes of this Order, capitalized terms used but not defined herein shall have the meaning given to such terms in the Plaintiff's Claim.
3. This Action is certified as a class proceeding pursuant to section 5(1) of the *Class Proceedings Act*, SA 2003, c C-16.5.
4. The "Class" is defined as:

all persons, other than Excluded Persons, who acquired Ithaca Energy Inc.'s common shares during the Class Period and who held some or all of those securities, either beneficially or as the holder of record, at the close of trading on February 24, 2015
5. "Excluded Persons" is defined as:

Ithaca Energy Inc.'s subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns.
6. "Class Period" is defined as:

the period from and including October 7, 2014 to and including February 24, 2015.
7. David Stevens is appointed as the representative plaintiff for the Class.
8. The nature of the claims asserted on behalf of the Class is set out in the Claim and is reflected in the document attached hereto and marked as **Schedule "B"** to this Order.
9. The proceeding is certified on behalf of the Class in respect of the common issues set out in the list of common issues attached hereto and marked as **Schedule "C"** to this Order.
10. David Stevens, on his own behalf and in his capacity as the representative plaintiff on behalf of the Class, is hereby granted leave pursuant to section 211.08 of Part 17.01 of the *Securities Act*, RSA 2000, c S-4 (the "ASA").
11. The litigation plan, substantially in the form attached hereto and marked as **Schedule "D"** to this Order, is approved.

12. The Notice of Certification (the "Notice"), substantially in the form attached hereto and marked as **Schedule "E"** to this Order, and the proposed manner of dissemination of the Notice and the costs of disseminating the Notice are approved.
13. The opt-out form, substantially in the form attached hereto and marked as **Schedule "F"** to this Order, the proposed procedure whereby members of the Class may opt out of the class proceeding and the opt-out deadline are approved.
14. The Defendants shall file and serve Statements of Defence within 4 weeks of this Order being entered.
15. The Plaintiff is awarded costs of the Application fixed in the amount of \$10,000.




 JCQBA

November
 Approved as to form and content this 4th day of
~~October~~ 2019
 JENSEN SHAWA SOLOMON DUGUID HAWKES
 LLP



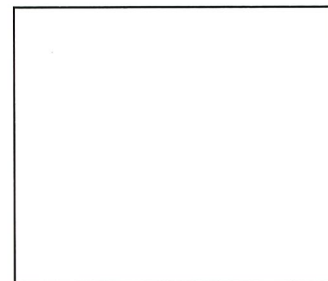
 GAVIN PRICE
 Counsel for Plaintiff, David Stevens

Approved as to form and content this 31st day of
 October 2019
 PEACOCK LINDER HALT & MACK LLP



 MATTHEW VERNON
 Counsel for Defendants, Ithaca Energy Inc. and
 Les Thomas

Clerk's stamp



SCHEDULE "A"

COURT FILE NUMBER 1501-05830

COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

PLAINTIFF ^DAVID STEVENS, ON HIS OWN BEHALF AND AS A
PROPOSED REPRESENTATIVE PLAINTIFF

DEFENDANTS ITHACA ENERGY INC., now known as ITHACA
ENERGY LIMITED, and LES THOMAS

DOCUMENT **Brought under the *Class Proceedings Act*
AMENDED AMENDED AMENDED STATEMENT OF
CLAIM**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT **JENSEN SHAWA SOLOMON DUGUID HAWKES
LLP/ MORGANTI LEGAL**
c/o JSS Barristers
800, 304 - 8 Avenue SW
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Robert Hawkes, Q.C./
Gavin Price
Phone: 403 571 1520
Fax: 403 571 1528
File: 13234-001

Andrew J. Morganti/
^Albert Pelletier
Phone: 647-344-1900

NOTICE TO DEFENDANTS

You are being sued. You are a defendant.
Go to the end of this document to see what you
can do and when you must do it.

DEFINED TERMS

1. In addition to the terms defined in ss. 1 and 211.01 of the *Securities Act*, R.S.A. 2000, c. S. 4, the following terms used throughout this Amended Amended Amended Statement of Claim have the meanings indicated below:
 - (a) “AIF” means Annual Information Form, as defined in NI 51-102;
 - (b) “ASA” means the Alberta *Securities Act*, R.S.A. 2000, c. S. 4;
 - (c) “boepd” means barrels of oil equivalent per day. This measure is derived by converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil;
 - (d) “Class” or “Class Members” means all persons, other than Excluded Persons, who acquired Ithaca’s common shares during the Class Period and who held some or all of those securities, either beneficially or as the holder of record, at the close of trading on February ^24, 2015;
 - (e) “Class Period” means the period from and including ^October 9, 2014 to and including February ^24, 2015;
 - (f) “Company” means Ithaca;
 - (g) “CPA” means the *Class Proceedings Act*, R.S.A. 2000, c. 16.5, as amended;
 - (h) “CSA” means the Canadian Securities Administrators;
 - (i) “Defendants” means Ithaca and Les Thomas;
 - (j) “Dyas” means Dyas UK Limited, a wholly owned subsidiary of SHV Holdings NV, the largest privately owned conglomerate in The Netherlands;
 - (k) “Equivalent Securities Acts” means, collectively, the *Securities Act*, R.S.O. 1990, c. S. 5, as amended; the *Securities Act*, R.S.B.C. 1996, c 418, as amended; *The Securities Act*, C.C.S.M. c. S50, as amended; the *Securities Act*, S.N.B. 2004, c. S-5.5, as amended; the *Securities Act*, R.S.N.L. 1990, c S-13, as amended; the *Securities Act*, S.N.W.T. 2008, c. 10, as amended; the *Securities Act*, R.S.N.S. 1989, c. 418, as amended; the *Securities Act*, S Nu 2008, c. 12, as amended; the *Securities Act*, R.S.P.E.I. 1988, c S-3.1, as amended; the *Securities Act*, R.S.Q. c V-1.1, as amended; *The Securities Act*, 1988, S.S. 1988-89, c. S-42.2, as amended; and the *Securities Act*, S.Y. 2007, c. 16, as amended;
 - (l) “Excluded Persons” means Ithaca’s subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns;

- (m) “FPF-1” means Ithaca’s floating production facility, which was to be deployed offshore for processing and exporting hydrocarbons from the North Sea seabed in the GSA between Scotland and Norway;
- (n) “GBX” means Pence Sterling;
- (o) “GSA” means the Greater Stella Area located in the Central Graben area of the Central North Sea, on the United Kingdom Continental Shelf Block 30/06a, and which contains the Stella and Harrier fields that contain natural gas and oil reserves;
- (p) “Ithaca” means Ithaca Energy Inc., a formerly public company which went private in 2018 and changed its name to Ithaca Energy Limited;
- (q) “LSE” means the London Stock Exchange;
- (r) “LSE-AIM” means the London Stock Exchange’s sub-market for smaller growth-stage companies;
- (s) “MD&A” means Management’s Discussion and Analysis, as defined in NI 51-102;
- (t) “MMBoe” means million barrels of oil equivalent;
- (u) “NI 51-101” means the CSA’s National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities, as amended;
- (v) “NI 51-102” means the CSA’s National Instrument 51-102 – Continuous Disclosure Obligations, as amended;
- (w) “NI 52-109” means the CSA’s National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings, as amended;
- (x) “Petrofac” means Petrofac Limited, an international service provider to the oil and gas production and processing industry. Petrofac is a public company. Its common shares are listed on the LSE;
- (y) “Plaintiff” means ^David Stevens;
- (z) “SEDAR” means the CSA’s System for Electronic Document Analysis and Retrieval;
- (aa) “Thomas” means Les Thomas, Ithaca’s Chief Executive Officer during the Class Period; and
- (bb) “TSX” means the Toronto Stock Exchange.

NATURE OF THE ACTION

2. This securities class action relates to the Defendants publishing core documents and making other statements containing misrepresentations about Ithaca's offshore oil and gas business and operations concerning: (1) material modifications to its FPF-1; and (2) corresponding 2015 pro forma production and revenue projections for the GSA.
3. The Plaintiff, and the other Class Members, acquired Ithaca's common shares during the Class Period without knowledge that those statements were misleading, and held those securities until the end of the Class Period, suffering damages as a result.
4. As particularized below, the modified FPF-1 was to be deployed in the GSA in the Central Graben area of the Central North Sea, on the United Kingdom Continental Shelf Block 30/06a. Prior to and during the Class Period, Ithaca represented that the modified FPF-1 would materially increase the Company's revenues and profits from the GSA, or, in other words, materially increase the Company's investment quality.
5. Ithaca represented that the modified FPF-1 would result in the production of approximately 16,000 additional boepd from the GSA during Q3 2015. It touted this as a "step change in production" for the Company, especially when compared to Ithaca's average pro-forma production of approximately 12,300 boepd, 95% oil, in 2014, and anticipated base production of approximately 12,000 boepd, 95% oil, in 2015.
6. Ithaca knew that publishing any material information about the status of the FPF-1 modification program would influence the price of its securities listed on the TSX and LSE-AIM.
7. Ithaca also knew that the completion of the FPF-1 modifications by Petrofac was a "critical path item" for delivering first hydrocarbons from the Stella field at the GSA. ^
8. During the Class Period, Ithaca recognized or negligently failed to recognize a trend of discrepancies between the actual status of the FPF-1 modification program and that represented to investors in the Company's press releases and MD&As dated January 12, 2015, November 13, 2014 ^ and October 9, 2014^. This failure resulted in the Defendants publishing misrepresentations by way of announcing 2015 pro forma hydrocarbon production and revenue projections for the GSA that they knew or ought to have known could not be achieved because the FPF-1 modification program was materially behind schedule.
9. On February 25, 2015, Ithaca issued a corrective statement that the modification program to the FPF-1 was materially behind schedule, and that as a consequence the Company would not be able to produce first hydrocarbons from the GSA until mid-2016.

10. That same day, Petrofac also announced that it had only completed 70% of the modifications to the FPF-1, which specifically contradicted earlier disclosures made by Ithaca.
11. As a result of these corrective disclosures, Ithaca's securities dropped precipitously in value:
 - (a) on the TSX from a price of \$1.32 per share on February 24, 2015 to \$0.88 on February 25, 2015, and
 - (b) on the LSE-AIM from 66.25 GBX on February 24, 2015 to 48.03 GBX on February 25, 2015.

THE PARTIES

12. The Plaintiff, David Stevens, is an individual who resides in Ontario. During October through December 2014, the Plaintiff purchased 5,100 Ithaca common shares and held those shares at the close of Class Period. ^
13. Ithaca is a public company based in Calgary, Alberta and Aberdeen Scotland. It is engaged in, amongst other activities, the development and operation of offshore oil and gas discoveries in the North Sea on the United Kingdom Continental Shelf.
14. Ithaca was incorporated under the Alberta *Business Corporations Act*, R.S.A. 2000, c. B-9, on April 27, 2004 and completed its initial public offering in June of 2006. It is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. The Alberta Securities Commission is Ithaca's principal securities regulator in Canada. Ithaca is also a "responsible issuer" as that term is defined in s. 211.01 of the ASA. Its common shares trade under the ticker symbol "IAE" on the TSX and LSE-AIM.
15. Pursuant to NI 51-102, as a reporting issuer in Ontario, Ithaca was required throughout the Class Period to, *inter alia*, issue and file with SEDAR:
 - (a) ^
 - (b) Within 45 days of the end of each quarter, quarterly interim financial statements prepared in accordance with GAAP;
 - (c) Within 90 days of the end of the fiscal year, annual financial statements prepared in accordance with GAAP;
 - (d) Contemporaneously with each of the above, a MD&A of each of the above financial statements; and

- (e) Within 90 days of the end of its fiscal year, an AIF, including material information about the company and its business at a point in time in the context of its historical and future operations.
- 16. As an oil and gas exploration and development company, Ithaca was also required to comply with the standards of disclosure set out in NI 51-101 in relation to the GSA and the FPF-1 modification program.
- 17. During the Class Period, Thomas was ^ Ithaca's Chief Executive Officer and a member of its board of directors. As a senior officer and director of Ithaca, Thomas had actual, implied or ostensible authority to act and speak on behalf of Ithaca in making, or authorizing the making of, the statements containing misrepresentations during the Class Period. Pursuant to NI 52-109, Thomas was also required to certify Ithaca's annual and interim filings.
- 18. The non-party, Petrofac, is an international oilfield service provider to the oil and gas production and processing industry. Petrofac is a public company. Its common shares are listed on the LSE.
- 19. The non-party, Dyas, is a wholly owned subsidiary of SHV Holdings NV, the largest privately owned conglomerate in the Netherlands.
- 20. As particularized below, Petrofac and Dyas were joint-venture partners with Ithaca in the development of the GSA.

SUBSTANTIVE ALLEGATIONS

- 21. The GSA development is located in the Central Graben area of the Central North Sea approximately 250 kilometres from the United Kingdom coastline, on the United Kingdom Continental Shelf Block 30/06a (between Scotland and Norway). Within the GSA are two oil and gas fields identified by Ithaca as the Stella and Harrier fields. It is believed that there are over 32 MMBoe proven and probable reserves in the GSA.
- 22. Ithaca and its joint venture partner, Dyas, acquired interests in the Stella and Harrier licenses through a series of transactions beginning in 2008.
- 23. In 2011, Petrofac became a strategic partner in the GSA, whereby the ownership interest in the FPF-1 was transferred to Ithaca and Dyas, while granting Petrofac a right to earn a 20% interest in the Stella and Harrier fields. In turn, Petrofac was awarded the contract to upgrade and modify the FPF-1 ahead of the vessel's deployment on the GSA.
- 24. During the Class Period, the development of the GSA was Ithaca's largest investment and the Company's greatest growth opportunity.

25. The ability to timely complete the FPF-1 refitting at the dry dock barge at the Remontowa shipyard was material to Ithaca, and a substantial delay or interruption with the process would [^] be material to the Company[^].
26. On March 31, 2014, Ithaca published its AIF and corresponding MD&A.
27. In its AIF, Ithaca reported that the GSA contained over 32.8 MMBoe in reserves as of December 31, 2013, which was over three times larger than any of the Company's other oil and gas interests.
28. In the MD&A, Ithaca reported that the FPF-1 modification program would be completed early enough during 2014 in order for the Company to enjoy first hydrocarbon production during the end of 2014, with sail away during Q3 and production during Q4.
29. On May 9, 2014, Ithaca announced that topside construction modifications to the FPF-1 were off-schedule, delaying the mechanical completion, i.e., the modifications being performed by Petrofac, from Q3 2014 to the spring of 2015. The Company also reported that the delay would result in an additional \$5 - \$10 million in project management costs. [^]
30. Also on May 9, 2014, Petrofac published an Interim Management Statement, announcing the same delay with the FPF-1 modification program. Petrofac also disclosed that there were changes with the scope of the engineering project (for example, from relying upon a pipeline to then changing the engineering plans to rely upon a cell system, a loading system). Petrofac reported that it would finish all the work at the Remontowa shipyard in Poland to better control the installation work. Petrofac, which only has a 20% interest in the GSA, also reported that this delay would result in approximately \$20 to \$30 million in lost revenue for annual 2015 (implying that Ithaca and Dyas, the other joint-venture partners in the GSA would lose substantially more).
31. On August 12, 2014, Ithaca published its Q2 2014 interim financial statements and MD&A, together with an associated press release. Ithaca announced that the FPF-1 modification program remained centered on the main deck of the vessel, that all key oil and gas processing plant packages were positioned on the deck, and that the installation of the associated pipework had commenced. Ithaca also reported that the completion of the FPF-1 modifications was the "key development activity dictating the overall schedule for first hydrocarbons from the GSA hub". Ithaca reiterated that the FPF-1 would be ready for sail-away from the Remontowa shipyard in Poland to the Stella field during the spring of 2015 with first hydrocarbons being produced during mid-2015. The Company stressed that Petrofac had made good progress in implementing changes to expedite completion of the remaining modification works, including managerial changes in the yard team and the deployment of increased manpower on the construction workscopes.

32. Contemporaneously with these disclosures, Thomas, as CEO of Ithaca, signed a Form 52-109F2 – Certificate of Interim Filings, declaring that the Company's Q2 2014 interim filings contained no misrepresentations.
33. These statements were misrepresentations because Ithaca knew or ought to have known, as a co-venturer in the GSA and future operator of the FPF-1, that the modification program being performed by Petrofac to the FPF-1 continued to fall materially behind schedule and would likely not be completed even within this revised timeline, as reflected in Petrofac's statements made during November, 2014.
34. The Defendants also failed to disclose material facts about why Ithaca and Petrofac had to make material engineering changes to the FPF-1 modification program, including changes to its project management in Poland.
35. On October 9, 2014, Ithaca published a Q3 2014 operations update, in which the Company reiterated the same representations made in its May 9, 2014 disclosures, namely that everything remained on schedule to achieve first-hydrocarbons production from the GSA during mid-2015.
36. On November 13, 2014, Ithaca published its Q3 2014 interim financial statements and MD&A, together with an associated press release. The Company reiterated the same representations made in its May 9, 2014 disclosures, namely that everything remained on schedule to achieve first-hydrocarbons production from the GSA during mid-2015, implying that: (1) Petrofac's modifications to the FPF-1 were close to being complete; (2) sail-away from the Remontowa shipyard would occur during Q1 2015; and (3) that Ithaca had continued to closely monitor the progress being made on completion of the required works being performed by Petrofac.
37. Contemporaneously with these disclosures, Thomas, as CEO of Ithaca, signed a Form 52-109F2 – Certificate of Interim Filings, declaring that the Company's Q3 2014 interim filings contained no misrepresentations.
38. Ithaca also published an investor presentation outlining its Q3 2014 financial and operational results, wherein the Company emphasized, *inter alia*, that:
 - (a) The GSA would deliver a "step change in free cashflow generation" for the Company;
 - (b) Completion of FPF-1 modifications was the "key work programme for path to Stella first hydrocarbons";
 - (c) There were 800 people per day working on the vessel during a 24 hour period over three shifts;
 - (d) That pre-commission activities were started with inspection and testing verifications;

- (e) Sail-away operational planning commenced; and
 - (f) Start-up of GSA hub scheduled for mid-2015.
39. The Plaintiff, and the other Class Members, understood these representations to mean that the modifications to the FPF-1 by Petrofac were close to being completed and that sail-away was on schedule, first hydrocarbon production to occur during the spring of 2015.
 40. These statements were misrepresentations because Ithaca knew or ought to have known, as a co-venturer in the GSA and future operator of the FPF-1, that the modification program was not even remotely nearing completion, as reflected by Petrofac's announcement during late February 2015 to the effect that the modification program was only approximately 70% complete.
 41. The Defendants also failed to disclose material facts about why Ithaca and Petrofac had to make material engineering changes to the FPF-1 modification program, including changes to its project management in Poland.
 42. On November 24, 2014, only weeks after Ithaca released its Q3 2014 MD&A, representing that all was well and on schedule, Petrofac announced that there were further material delays with the FPF-1 modification program, and, as a consequence, the anticipated date of first hydrocarbon production at the GSA was pushed back to late 2015. As a consequence, Petrofac revised their 2015 profitability projections.
 43. Despite Petrofac's disclosures, Ithaca failed to [^] confirm or deny Petrofac's statements. Nor did it explain how this materially negative development would impact the Company's 2015 pro-forma financial and operating results.
 44. On January 12, 2015, Ithaca published an operations update and its 2015 outlook. The Company announced that first hydrocarbons from the GSA would occur during the third-quarter of 2015. Ithaca also referred to Petrofac's November 24, 2015 disclosures, namely that modifications to the FPF-1 would be completed in time to enable first hydrocarbons production during the third-quarter of 2015.
 45. Ithaca did not make any [^] statements to confirm or deny Petrofac's statements, disclose material facts justifying the further delays, or how these developments would impact the Company's pro forma production numbers and corresponding revenue projections.
 46. On February 24, 2015, Ithaca's common shares closed at \$1.32 on the TSX and 66.25 GBX on the LSE-AIM.
 47. On February 25, 2015, before the stock market opened, Ithaca confirmed that the modification program to the FPF-1 was further behind schedule and that sail-away of the FPF-1 from the Remontowa shipyard in Poland would not happen during Q2 2015

but during late Q1 2016, with first hydrocarbons during the Q2 2016. The Company further reported that the delay would result in an incremental cost of \$10 million net. ^

48. Because the February 25, 2015, disclosures contradicted Ithaca's prior statements provided to investors about its business and operations of the FPF-1 modification program, scheduling, and projected date of hydrocarbons from the GSA, the perceived investment value of the Company was reduced, and the market reacted by selling-off Ithaca's common shares to new lows.
49. On February 25, 2015, the first day of trading after this corrective disclosure, the price of Ithaca's shares plummeted in value on abnormally high volume, closing at \$0.88 on the TSX, and 48.03 GBX, representing a decline of 33% on the TSX and 27.5% on the LSE-AIM.
50. On February 25, 2015, Petrofac also disclosed that the FPF-1's mechanical completion was expected in Q3 2015, sail-away in the end of 2015 or early 2016, first hydrocarbon production was to occur during mid-2016, and that it was taking an impairment charge of \$207 million. Petrofac's Chief Operating Officer acknowledged that:
 - (a) The FPF-1 modifications were only approximately 70% complete;
 - (b) Ithaca was the primary operator of the FPF-1 and responsible for its changes in scope;
 - (c) Ithaca did not want Petrofac involved other than as a non-operating co-venturer, implying that there had always been a disconnect between Ithaca and Petrofac;
 - (d) There were many material engineering changes to the FPF-1 modification program; and
 - (e) The delay was not weather-related but due to internal operational reasons.
51. By March 11, 2015, the tenth trading day after these corrective disclosures, Ithaca's common shares closed on the TSX at \$0.68, or nearly 50% below the closing price on February 24, 2015.

STATUTORY SECONDARY MARKET LIABILITY

52. The Plaintiff asserts the statutory causes of action found in Part 17.1 of the ASA and, if required, the similar provisions of the Equivalent Securities Acts.
53. Ithaca's disclosure documents and public statements contained one or more misrepresentations. Ithaca is a responsible issuer within the meaning of the ASA. It released disclosure documents and made public statements when it knew or ought to have known that they contained misrepresentations of material facts or failed to

disclose material facts that were required to be stated or that were necessary to make such statements not misleading in light of the circumstances in which they were made.

54. Ithaca knew, at the time the above referenced documents were released and the public oral statements were made, or the failure to make timely disclosure was made, that the documents and public statements contained misrepresentations or that there were undisclosed material facts[^], or in the alternative that they deliberately avoided acquiring such knowledge.

NO STATUTORY DEFENCE FOR FORWARD-LOOKING STATEMENTS

55. To the extent that any of the disclosure documents or public statements contained forward-looking information, same constituted misrepresentations because Ithaca had no reasonable basis for the underlying assumptions on which this forward-looking information was predicated for the reasons particularized above.
56. Further or in the alternative, to the extent that the statutory defences of section 211.04 do apply to any forward-looking statements pleaded herein, Ithaca is liable for those forward-looking statements because at the time each of those forward-looking statements was made, it knew or ought to have known that the particular forward-looking statements were misrepresentations for the reasons alleged herein.

THE RELATIONSHIP BETWEEN ITHACA'S DISCLOSURES AND THE PRICE OF ITS SECURITIES

57. Ithaca was aware at all material times of the effect of its disclosure documents and public statements on the price of its publicly traded securities. Ithaca intended that the Class Members, including the Plaintiff, would rely upon these disclosures, which they did to their detriment.
58. The disclosure documents referred to herein were filed with SEDAR and thereby became immediately available to and were reproduced for inspection for the benefits of the Plaintiff, the other Class Members, the public, financial analysts and the financial press through the Internet and financial publications.
59. The Company routinely transmitted the documents referred to herein to the financial press, financial analysts and certain prospective and existing shareholders of Ithaca.
60. Ithaca regularly communicated with public investors and financial analysts via established market communication mechanisms, including through regular dissemination of news releases on newswire services and through teleconferences with investors and analysts.
61. Ithaca was the subject of analysts' reports that incorporated the information in the disclosure documents and oral statements referred to herein, with the effect that any

recommendations in such reports during the Class Period were based, in whole or in part, upon the disclosure documents and oral statements referred to above.

62. Ithaca's common shares were and are traded on the LSE-AIM and the TSX, which are highly efficient and automated markets. The price at which the Company's common shares traded incorporated material information about the modification program to the FPF-1.

DAMAGES

63. As a result of the conduct alleged, the Plaintiff and the other Class Members suffered losses and damages as a result of acquiring Ithaca's common shares during the Class Period at artificially inflated prices and holding some or all of those securities after February 24, 2015. The Plaintiff and the other Class Members also suffered losses and damages as a result of acquiring Ithaca's securities prior to the Class Period and holding some or all of those securities after February 24, 2015. Therefore, Ithaca is liable to pay damages to the Plaintiff and the other Class Members, pursuant to the ASA and the Equivalent Securities Acts.
64. The Plaintiff and the other Class Members are also entitled to recover as damages, or costs in accordance with the CPA, the costs of administering the plan to distribute the recovery in this action.

RELEVANT LEGISLATION AND PLACE OF TRIAL

65. The Plaintiff pleads and relies upon the ASA, the CPA, NI 51-101, NI 51-102, NI 52-109, and the Equivalent Securities Acts, all regulations thereunder and all amendments thereto.
66. The Plaintiff proposes that the trial of the certified common issues take place in the City of Calgary, Alberta.

REMEDY SOUGHT

67. The Plaintiff, on his own behalf and on behalf of the Class, claims:
 - (a) An order certifying this action as a class proceeding and appointing him as the representative plaintiff for the Class, pursuant to s. 5 of the CPA;
 - (b) A declaration that during the Class Period Ithaca made misrepresentations in its continuous public disclosures concerning the Company's ability to timely complete its FPF-1 modification program and corresponding hydrocarbon production volume and revenue generation in the GSA;

- (c) A declaration that Ithaca failed to make timely disclosure of [^] material facts related to its FPF-1 modification program, even when possessed with information undermining the assumptions on which this schedule was based;
- (d) A declaration that Ithaca is vicariously liable for the acts and/or omissions of the individual Defendant and of its other officers, directors and employees;
- (e) An order granting leave to proceed with statutory claims for secondary market misrepresentation and failure to make timely disclosure of[^] material facts in its possession, pursuant to Part 17.1 of the ASA and the similar provisions of the Equivalent Securities Acts;
- (f) Damages pursuant to Part 17.1 of the ASA, or alternatively the similar provisions of the Equivalent Securities Acts, in an amount determined by reference to the statutory procedure set out in s. 211.07 of the ASA, or such other sum as this Honourable Court may find appropriate at the trial of the common issues;
- (g) An order directing a reference or giving such other directions as may be necessary to determine issues not determined during the trial of the common issues;
- (h) An order, pursuant to s. 32 of the CPA allowing for the use of standard claim forms or other documentary evidence or such other procedure as is warranted under the circumstances;
- (i) An order that the damages be paid by the Defendants into a common fund and distributed to the Class Members in an appropriate manner as directed by the Court;
- (j) An order directing a reference or giving such other directions as may be necessary to determine the issues, if any, not determined at the trial of the common issues;
- (k) Interest pursuant to the *Judgment Interest Act*, R.S.A. 2000, c. J-1;
- (l) Costs of this action on a substantial indemnity basis, or in an amount that provides full indemnity plus, pursuant to ss. 25 and 33 of the CPA, the costs of notice and of administering the plan of distribution of the recovery in this action, plus applicable taxes; and
- (m) Such further and other relief as this Honourable Court may deem just and appropriate, having regard to the circumstances.

NOTICE TO THE DEFENDANTS

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at CALGARY, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.

SCHEDULE "B"
NATURE OF THE CLAIM

The Nature of the Claim

1. The nature of the claim asserted on behalf of the Class is secondary market misrepresentation under Part 17.01 of the ASA and the equivalent sections of the Equivalent Securities Acts.

Overview of the Claim

2. This securities class action relates to the Defendants publishing documents and making other statements containing misrepresentations about Ithaca's offshore oil and gas business and operations concerning: (1) material modifications to its FPF-1; and (2) corresponding 2015 pro forma production and revenue projections for the GSA.
3. The Plaintiff, and the other Class Members, acquired Ithaca's common shares during the Class Period without knowledge that those statements were misleading, and held those securities until the end of the Class Period, suffering damages as a result.
4. Petrofac was modifying the FPF-1.
5. The modified FPF-1 was to be deployed in the GSA in the Central Graben area of the Central North Sea, on the United Kingdom Continental Shelf Block 30/06a.
6. During the Class Period, Ithaca represented that the modified FPF-1 would materially increase the Company's revenues and profits from the GSA, or, in other words, materially increase the Company's investment quality.
7. Ithaca represented that the modified FPF-1 would result in the production of approximately 16,000 additional boepd from the GSA during Q3 2015. It touted this as a "step change in production" for the Company, especially when compared to Ithaca's average pro-forma production of approximately 12,300 boepd, 95% oil, in 2014, and anticipated base production of approximately 12,000 boepd, 95% oil, in 2015.
8. Ithaca knew that publishing any material information about the status of the FPF-1 modification program would influence the price of its securities listed on the TSX and LSE-AIM.
9. Ithaca also knew that the completion of the FPF-1 modifications was a "critical path item" for delivering first hydrocarbons from the Stella field at the GSA. As such, the Company knew or ought to have known that any material delay in the FPF-1 deployment would constitute a material change within the meaning of the ASA, necessitating the filing of a Material Change Report on Form 51-102F3.

10. During the Class Period, Ithaca failed to recognize a trend of discrepancies between the actual status of the FPF-1 modification program and that represented to investors in the Company's press releases and MD&As dated October 7, 2014, November 13, 2014 and January 12, 2015. This failure resulted in the Defendants publishing misrepresentations by way of announcing 2015 pro forma hydrocarbon production and revenue projections for the GSA that they knew or ought to have known could not be achieved because the FPF-1 modification program was materially behind schedule.
11. On February 25, 2015, Ithaca issued a corrective statement that the modification program to the FPF-1 was materially behind schedule, and that as a consequence the Company would not be able to produce first hydrocarbons from the GSA until mid-2016.
12. That same day, Petrofac also announced that it had only completed 70% of the modifications to the FPF-1, which specifically contradicted earlier disclosures made by Ithaca.
13. As a result of these corrective disclosures, Ithaca's securities dropped precipitously in value:
 - (a) On the TSX from a price of \$1.32 per share on February 24, 2015 to \$0.88 on February 25, 2015, and
 - (b) On the LSE-AIM from 66.25 GBX on February 24, 2015 to 48.03 GBX on February 25, 2015.
14. The proposed representative plaintiff, David Stevens, on behalf of the Class, seeks the following relief in the Action, as set out in the Amended Amended Amended Statement of Claim filed in this Action:
 - (a) A declaration that during the Class Period Ithaca made misrepresentations in its continuous public disclosures concerning the Company's ability to timely complete its FPF-1 modification program and corresponding hydrocarbon production volume and revenue generation in the GSA;
 - (b) A declaration that Ithaca failed to make timely disclosure of a material change in its business and operations related to its FPF-1 modification program, even when possessed with information undermining the assumptions on which this schedule was based;
 - (c) A declaration that Ithaca is vicariously liable for the acts and/or omissions of the individual Defendant and of its other officers, directors and employees;
 - (d) Damages pursuant to Part 17.1 of the ASA, or alternatively the similar provisions of the Equivalent Securities Acts, in an amount determined by reference to the statutory procedure set out in s. 211.07 of the ASA, or such other sum as this Honourable Court may find appropriate at the trial of the common issues;

- (e) An order directing a reference or giving such other directions as may be necessary to determine issues not determined during the trial of the common issues;
- (f) An order, pursuant to s. 32 of the *CPA* allowing for the use of standard claim forms or other documentary evidence or such other procedure as is warranted under the circumstances;
- (g) An order that the damages be paid by the Defendants into a common fund and distributed to the Class Members in an appropriate manner as directed by the Court;
- (h) An order directing a reference or giving such other directions as may be necessary to determine the issues, if any, not determined at the trial of the common issues;
- (i) Interest pursuant to the *Judgment Interest Act*, RSA 2000, c J-1;
- (j) Costs of this Action on a substantial indemnity basis, or in an amount that provides full indemnity plus, pursuant to ss. 25 and 33 of the *CPA*, the costs of notice and of administering the plan of distribution of the recovery in this Action, plus applicable taxes; and
- (k) Such further and other relief as this Honourable Court may deem just and appropriate having regard to the circumstances.

SCHEDULE "C"
COMMON ISSUES

1. Were the delays and/or cost overruns with the Modification Program material facts that were required to be disclosed by the Defendants?
2. Did the Defendants' failures to disclose the delays and/or cost overruns with the Modification Program constitute misrepresentations by omission?
3. If there were misrepresentations, do the misrepresentations give rise to liability under section 211.03 of the ASA, and/or under the Equivalent Securities Acts of the other provinces. If so, for which Defendants, for which misrepresentations for each Defendant, and for what time period(s)?
4. Did the Defendant Les Thomas, or someone under his authority, authorize, permit or acquiesce in the release of each of the documents containing such alleged misrepresentations?
5. Did Ithaca and/or Les Thomas know of each of the alleged misrepresentations at the time they were made? If not, were these Defendants wilfully blind to each of the misrepresentations at the time that they were made and does wilful blindness constitute knowledge for the purposes of section 211.07(2) of the ASA or the Equivalent Securities Acts of the other provinces?
6. Did the documents released by Ithaca and Petrofac on February 25, 2015 contain public corrections of previously-misrepresented material facts?
7. If leave is granted, are one or both of the Defendants liable to pay damages to the Class Members, pursuant to section 211.03 of the ASA or the provisions of the Equivalent Securities Acts in other provinces?
8. If so, what are the damages payable by each Defendant found liable under section 211.03 of the ASA or the provisions of the Equivalent Securities Acts in other provinces?
9. Did the price of Ithaca's securities incorporate and reflect any of the alleged misrepresentations made during the Class Period, and if so, what effect did any such misrepresentations have on the prices of Ithaca's securities during the Class Period?
10. Is Ithaca vicariously liable or otherwise responsible for the acts of its officers, directors and employees, including Les Thomas?
11. If the Court determines that the Defendants, or some of them, are liable to the Class Members, and if the Court considers that the participation of individual Class Members is required to determine individual issues:

- (a) Are directions necessary?
 - (b) Should any special procedural steps be authorized?
 - (c) Should any special rules relating to admission of evidence and means of proof be made?
 - (d) What directions, procedural steps or evidentiary rules ought to be given or authorized?
12. Should one or both of the Defendants pay prejudgment and/or post-judgment interest? If so, who should pay prejudgment and/or post-judgment interest and at what rate? Should the interest be simple or compounded?
13. Should one or both of the Defendants pay the costs of administering and distributing any monetary judgment and/or costs of determining eligibility and/or costs of determining any individual issues? If so, who and in what amount?

SCHEDULE "D"
LITIGATION PLAN

ARTICLE ONE
DEFINITIONS

1.01 The capitalized terms throughout this Plan have the meanings indicated below:

- (a) **"Action"** means the within action;
- (b) **"ASA"** means the *Alberta Securities Act*, RSA 2000, c S-4, as amended;
- (c) **"Administrator"** means a person appointed by the Court to carry out the functions described in the Plan;
- (d) **"CI Notice"** means the notice of the resolution of the common issues;
- (e) **"Claim Form"** means the claim form to be approved by the Court, to be completed by the Class Members and submitted to the Administrator in order for the Class Members to participate in the procedure described herein;
- (f) **"Claims Deadline"** means the date by which each Class Member must file a Claim Form;
- (g) **"Class Counsel"** means Morganti & Co. and Jensen Shawa Solomon Duguid Hawkes LLP;
- (h) **"Class"** and **"Class Members"** means all investors, other than Excluded Persons, who acquired equity securities of Ithaca during the Class Period and who held some or all of those securities at the close of trading on February 24, 2015;
- (i) **"Class Period"** means the period from October 7, 2014, to and including February 24, 2015;
- (j) **"Court"** means the Court of Queen's Bench of Alberta;
- (k) **"CPA"** means the Class Proceedings Act, SA 2003, c C-16.5, as amended;
- (l) **"Defendants"** means Ithaca and Les Thomas;
- (m) **"Equivalent Securities Acts"** means Securities Act, RSA 2000, c S-4, s. 211.03; Securities Act, SNB 2004, c S-5, s. 161.2; Securities Act; CCSM c S50, s. 176; Securities Act RSBC 1996, c 418, s. 140.3; Securities Act, 1988, SS 1988-89, c S-42.2, s. 136.11; Securities Act RSNS 1989, c 418, s. 146C; Securities Act, RSNL 1990, c S-13, s. 38.3; Securities Act, RSPEI 1988, c S-3.1, s. 124; Securities Act, RSQ c V-1.1, ss. 225.8, 225.9, 225.10, and 225.11; Securities Act, SNWT 2008, c

10, s. 124; Consolidation of Securities Act, SNU 2008, c 12, s. 124; Securities Act, SY 2007, c 16, s. 124; and the Ontario Securities Act, Part XXIII.1;

- (n) **"Excluded Persons"** means Ithaca's subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns, and any member of Les Thomas' family and any entity in which any of them has or had an interest during the Class Period;
- (o) **"Ithaca"** means Ithaca Energy Inc.
- (p) **"LSE-AIM"** means the London Stock Exchange submarket for small growth companies;
- (q) **"Notice"** means the notice of certification;
- (r) **"Notice Program"** means the method of distributing the Notice described in paragraph 4.04 herein;
- (s) **"Plaintiff"** means David Stevens;
- (t) **"Plan"** means this litigation plan;
- (u) **"Referee"** means a person or persons appointed by the Court to carry out the functions described in the Plan;
- (v) **"SEDAR"** means the system for electronic document analysis and retrieval of the Canadian Securities Administrators;
- (w) **"Questioning"** means questioning as provided for in the *Alberta Rules of Court*;
- (x) **"TSX"** means the Toronto Stock Exchange; and
- (y) **"Website"** means the website that will be located at www.ithacainvestorclassaction.com.

ARTICLE TWO

SCOPE AND STATUS OF THE ACTION

- 2.01 The Plaintiff is not aware of any other individual or putative class proceedings in Canada or the United Kingdom against Ithaca and relating to the allegations in the Amended Amended Statement of Claim.
- 2.02 The Defendants have not delivered a Statement of Defence.

**ARTICLE THREE
REPORTING TO AND COMMUNICATING
WITH PUTATIVE CLASS MEMBERS**

- 3.01 Class Counsel will report to the Class Members through the Website and direct mail once Ithaca produces its shareholder list. Information on the status of the Action will be posted on the Website and will be updated regularly. Copies of some of the publicly filed Court documents, Court decisions, notices, documentation and other information relating to the Action will be posted on or accessible from the Website. This will allow the Class Members, wherever they reside, to be kept informed of the status of the Action.
- 3.02 The Website will also:
- (a) contain a communication webpage, a feature that will permit Class Members to submit inquiries to Class Counsel which will be sent directly to a designated member of Class Counsel who will respond; and
 - (b) list a direct-dial, toll-free telephone number permitting Class Members to make inquiries to Class Counsel.

**ARTICLE FOUR
LITIGATION SCHEDULE PRIOR TO
THE COMMON ISSUES TRIAL**

Case Management Conferences

- 4.01 The Plaintiff will ask the case management judge to set a schedule for the Defendants to deliver their Statement of Defence, their records, and to schedule dates for interlocutory applications (if any) and to schedule dates for Questioning.
- 4.02 The parties may ask the Court to schedule other case management conferences as necessary.
- 4.03 The Plaintiff has been granted permission by the Court to assert the causes of action contained in Section 211.08(1) of the ASA.

Notice of Certification of the Action as a Class Proceeding and the Opt-Out Procedure

- 4.04 Notice is to be distributed and published in the following manner (the "Notice Program"):
- (a) Posted by Class Counsel, in English and in French, on the Website;
 - (b) Provided by Class Counsel to any person who requests it;

- (c) Published once in the following publications:
 - (i) The national edition of The Globe and Mail or National Post, Report on Business section, in English, in one quarter page size;
 - (ii) La Presse, in French, online; and
 - (iii) The Financial Times (UK Edition);
- (d) Sent electronically, in English and in French, by Class Counsel to broker / dealers in Canada asking them to bring the Notice to the attention of their clients who purchased Ithaca's securities during the Class Period; and
- (e) Disseminated by Class Counsel by publication on www.newswire.ca.

Opting Out

- 4.05 The Plaintiff will ask the Court to fix a date and method by which putative Class Members may exclude themselves from the Class and to appoint an independent third-party accountant residing in Calgary, to receive the opt-out notices and report the names and addresses of all persons who opted out to the Court, Class Counsel and counsel for the Defendants.

Post Certification

- 4.06 The Plaintiff will ask the Court to set a schedule for the remaining steps in the litigation to include those set out below.

Statements of Defence

- 4.07 The Plaintiff will ask the Court to set a schedule for the Defendants to deliver their Statements of Defence.

Document Exchange and Management

- 4.08 Documentary production will take place in accordance with the *Alberta Rules of Court*, or at such earlier date as established by the Court.
- 4.09 Class Counsel will use data management systems to organize, code and manage the documents produced by the Defendants, all documents in the possession of the Plaintiff, and those obtained from the Class Members.

Questioning

- 4.10 The Plaintiff intends to conduct Questioning of Les Thomas and a representative from Ithaca but cannot, until the production of documents has been completed, estimate the

time required for each Questioning, including Questioning on undertakings and any motions regarding refusals.

- 4.11 The Plaintiff may ask the Court for an order to conduct Questioning of more than one representative of Ithaca, if necessary.
- 4.12 The Plaintiff will request that the Defendants conduct Questioning of himself in Toronto, Ontario.
- 4.13 Questioning of individual Class Members is unnecessary.

Expert Reports

- 4.14 Class Counsel anticipate delivering expert reports from at least the following:
 - (a) Accountant/data information systems analyst for the calculation of damages for each Class Member;
 - (b) An accountant on the issue of efficient markets and aggregate damages; and
 - (c) An offshore oil production facility operations consultant for the analysis of Ithaca's disclosures.
- 4.15 All expert reports will be exchanged in accordance with the *Alberta Rules of Court*, unless the Court orders otherwise.

Clarification of the Common Issues

- 4.16 Before the trial of the common issues, the Plaintiff may ask the Court for an order to clarify and/or redefine the common issues.

Motions

- 4.17 Although no motions, other than those indicated in this Plan, are currently anticipated by the Plaintiff, additional motions may be required and will be scheduled as the Action progresses.

Mediation

- 4.18 The Plaintiff will participate in mediation if the Defendants are prepared to do so.

**ARTICLE FIVE
TRIAL OF THE COMMON ISSUES**

5.01 The common issues trial will determine:

- (a) Whether one or both of the Defendants are liable to the Class Members;
- (b) Whether an aggregate assessment of damages, in whole or in part, is appropriate and, if so, the amount of the aggregate damages; and
- (c) Whether, after judgment on the common issues, any individual issues need to be resolved.

**ARTICLE SIX
LITIGATION STEPS FOLLOWING THE COMMON ISSUES TRIAL**

Class Counsel Representative

6.01 The Class Counsel representative will oversee the claims procedure described herein, liaise with the Administrator and the Referee as required and, when necessary, report to the Court. The Class Counsel representative will be paid for these services in a manner to be approved by the Court.

Individual Class Member Participation After the Trial Of The Common Issues

6.02 Assuming that the common issues, or some of them, are resolved in favour of the Plaintiff, it will be necessary for the Court to supervise a claims procedure. In order to participate in the claims process, claimants will be required to complete the Claim Form and submit it to the Administrator. The structure and content of the Claim Form will depend upon the findings of the judge at the common issues trial.

6.03 The Plaintiff will ask the Court to:

- (a) Settle the form and content of the CI Notice;
- (b) Order that the CI Notice be distributed substantially in accordance with the procedure set out in paragraph 4.04;
- (c) Determine the information and documentation required to be submitted with the Claim Form;
- (d) Set the Claims Deadline;
- (e) Appoint the Administrator;

- (f) Appoint the Referee(s); and
 - (g) Appoint Class Counsel representative to oversee and assist in the procedures contemplated herein.
- 6.04 The Administrator will have such rights, powers and duties as the Court directs. The Administrator will receive the Claim Forms and determine eligibility in accordance with this Plan and the protocols approved by the Court pursuant to the *CPA*.
- 6.05 The Referee will have such rights, powers and duties as set out in this Plan and as the Court directs.
- 6.06 In order to simplify the claims process, the Administrator will, wherever practical, utilize:
- (a) A paperless, electronic, web-based technology system which will include a secure database that is incorporated into the Website ("Database");
 - (b) Standardized Claims Forms and filing procedures; and
 - (c) Summary methods of introducing documentary evidence.
- 6.07 Any person who opts out will not be eligible to participate in the claims process. Any person who does not opt out and does not file a completed Claim Form with the Administrator before the Claims Deadline will not be eligible to participate in the claims process and will not be entitled to recover any damages without leave of the Court.
- 6.08 In order to file a claim, a person must, on or before the Claims Deadline:
1. Register on the Database, or by mail or by fax, with the Administrator;
 2. Complete the Claim Form;
 3. Submit proof of all purchases of Ithaca's securities during the Class Period and proof that some or all of those securities were held on February 24, 2015;
 4. If applicable, proof of sale of some or all of Ithaca's securities; and
 5. Submit such other documentation to the Administrator as required by the Court in support of the claim.
- 6.09 The name, address, and amount claimed by each person who files a claim with the Administrator on or before the Claim Deadline shall be added to the Database. Each claimant will be provided with an identification name and a password by the Administrator to permit the person to access and update her/his/its claims information in the Database.

- 6.10 Each claimant will be required to provide, with the completed Claim Form, full particulars of each trade in Ithaca's securities during the Class Period.
- 6.11 The types of records which shall constitute sufficient proof of a claim shall be specified in a protocol to be approved by the Court and may include trading account statements, trade confirmation slips or other evidence confirming acquisition of Ithaca's securities during the Class Period, evidence confirming that some or all of those securities continued to be held at the close of trading on February 24, 2015, and, if applicable, evidence confirming the selling of Ithaca's securities.
- 6.12 The Claim Form must be signed by each claimant as if under oath and will be treated as evidence pursuant to the *CPA*. The Claim Form will contain an authorization to permit the Administrator to obtain information from each claimant's broker(s). This will permit the Administrator to carry out an audit function.

The Claims Process

- 6.13 The structure of the claims process will depend upon the findings of the common issues trial judge.
- 6.14 If the Court finds that some or all of the Defendants are liable to the Class Members based on Section 211.03 of the *ASA* and/or the analogous provisions in the Equivalent Securities Acts, the Plaintiff will argue that the Court, and this Plan, need only deal with the calculation of the quantum of individual damages for those persons.

The Claims Procedure to Determine Eligibility and the Amount of the Loss

- 6.15 This part of the Plan presupposes that some or all of the Defendants are found to be liable to the Class Members after the trial of the common issues.
- 6.16 Section 211.05 of the *ASA*, and the analogous provisions in the Equivalent Securities Acts, provides a formula for the calculation of damages. The Plaintiff will ask the Court at the conclusion of the common issues trial to establish the appropriate procedure for the calculation of damages for the Class.
- 6.17 The Administrator will determine whether each Class Member who makes a claim is entitled to participate in the process and calculate her/his/its damages.
- 6.18 The Plaintiff will seek an order pursuant to the *CPA* that the completed and timely submitted Claim Form, with supporting documents, be treated as *prima facie* evidence of each claimant's eligibility and damages if accepted by the Administrator.
- 6.19 Each Claim Form, with the supporting documents, shall be uploaded to the Database.

- 6.20 As described above, each claimant may access the portion of the Database that contains their Claim Form and their supporting documentation by inputting their secure identification name and password into the Database.
- 6.21 After reviewing the Claim Form and supporting documentation, the Administrator shall make a decision, and promptly notify the claimant of the following:
- (a) Whether the person is an eligible claimant; and
 - (b) The amount of the person's damages.
- 6.22 The Administrator shall post its decisions on the Database and/or communicate them electronically or in writing by mail or by fax to the persons affected as the case may be in accordance with a protocol to be approved by the Court.
- 6.23 After the claimant and each Defendant have reviewed the Administrator's decision concerning eligibility and the damage calculation, the claimant or the Defendants can advise the Administrator, within a time period fixed by the Court, of any disagreement.
- 6.24 After being advised of a disagreement by the claimant within the period fixed by the Court, the Administrator shall consider any information provided and determine whether to revise its decision on eligibility and/or the damages calculation.
- 6.25 If any claimant disagrees with the Administrator's decision, she/he/it may elect to have the Administrator's decision reviewed by the Referee. A claimant seeking the review of a decision of the Administrator shall be required to make a deposit of \$150, which shall be refunded only in the event that the appeal is determined in the claimant's favour.
- 6.26 The Referee will carry out the review of the Administrator's decision in the least expensive, most summary manner possible in accordance with a protocol to be approved by the Court and shall give all necessary procedural directions.
- 6.27 The Referee will deliver a written decision. There shall be no right of appeal from the Referee's decision.

The Reports from the Administrator to the Court

- 6.28 The Administrator shall deliver reports to the Court as required. The subject matter of the reports will depend on the findings of the common issues trial judge.
- 6.29 Copies of the Administrator's reports shall be served on the Defendants and the Class Counsel representative. The Administrator shall also report on a regular basis on the accumulating cost of administration.
- 6.30 After the claims procedure is completed, the Court will decide the amount the Defendants must pay to the Administrator.

- 6.31 The Administrator shall hold all amounts received from the Defendants in trust, in a manner to be approved by the Court, until an order of the Court authorizes distribution in whole or in part.

Distribution to Eligible Class Members

- 6.32 As soon as practicable after the completion of the claims procedure, the Administrator will, by motion, report to the Court the name and address of each Class Member entitled to receive a distribution, the amount of their share of the monies on hand, including their share of prejudgment interest (the "Distribution List").
- 6.33 The Distribution List shall be distributed and/or made accessible in accordance with the Court's direction.
- 6.34 Each Class Member whose name appears on the Distribution List shall comply with any condition(s) precedent to distribution that the Court may impose.
- 6.35 The Court will authorize payments to those Class Members whose names are on the Distribution List. The Court may authorize interim distributions.
- 6.36 If at the end of the distribution process there remain monies in the hands of the Administrator that have not been claimed, the Court may order that this money be distributed *cy près* to organizations relating to investors' rights or investor education.

Administrator's Final Report to the Court

- 6.37 After the Administrator completes the administration, it shall report to the Court and be discharged as the Administrator.

Motion for Directions

- 6.38 Class Counsel, the Defendants and/or the Administrator may apply at any time to the Court for directions.

Orders Relating to Class Counsel's Fees and the Costs of Administration

- 6.39 After the trial of the common issues, the Plaintiff will ask the Court to approve an agreement respecting fees and disbursements between them and Class Counsel. To the extent that the approved Class Counsel's fees, disbursements and applicable taxes are not completely paid by the costs recovered from the Defendants, the Plaintiff will ask the Court to order that the unpaid balance be a first charge on any recovery either by way of aggregate or individual assessment.
- 6.40 If the Court awards damages in the aggregate, Class Counsel will ask the Court to order payment of their fees, disbursements and applicable taxes as a first charge on the aggregate amount.

- 6.41 If the Court does not award damages in the aggregate and requires the Class Members to prove their damages through individual assessments, Class Counsel will ask the Court to order payment of their fees, disbursements and applicable taxes as a first charge on the awards made at individual assessments.
- 6.42 The Plaintiff will ask the Court to order that the Defendants pay all administration costs, including the costs of the procedures described herein and the fees, disbursements and taxes of the Administrator, the Referee and the Class Counsel representative as these costs are incurred.

Further Orders Concerning This Plan

- 6.43 This Plan may be amended from time-to-time by directions given at case management conferences or by further order of the Court.

Effect of This Plan

- 6.44 This Plan shall be binding on all Class Members who do not opt out in accordance with the procedure directed by the Court whether or not they make a claim under the Plan.

SCHEDULE "E"
CLASS ACTION REGARDING ITHACA ENERGY INC. AND LES THOMAS
NOTICE OF CERTIFICATION

What is the Class Action about?

A lawsuit has been certified as a Class Action against Ithaca Energy Inc. and Les Thomas. The Claim alleges that Ithaca Energy Inc. published core documents and made other statements containing misrepresentations about Ithaca Energy Inc.'s offshore oil and gas business and operations concerning: (1) the progress of material modifications to a floating production facility; and (2) corresponding 2015 pro forma production and revenue projections for the Greater Stella Area of the North Sea, and that Les Thomas as Ithaca's then CEO certified those statements as not containing any misrepresentations.

The Claim alleges that Class Members acquired Ithaca Energy Inc.'s common shares between and including October 7, 2014 and February 24, 2015 without knowledge that the statements were misleading, and held those securities until close of trading on February 24, 2015, and suffered losses as a result of holding those securities until at least February 25, 2015.

The Claim seeks damages for losses suffered by investors, plus other relief including costs and interest.

The Representative Plaintiff is David Stevens. In this lawsuit, the Representative Plaintiff is seeking damages on his own behalf and on behalf of everyone who invested in Ithaca Energy Inc. between and including October 7, 2014 and February 24, 2015.

How do I know if I am a member of the Class?

The Class has been defined by the Court as follows:

... all persons, other than Excluded Persons, who acquired Ithaca's common shares during the Class Period and who held some or all of those securities at the close of trading on February 24, 2015;

The "Class Period" has been defined by the Court as being the period from and including October 7, 2014 to and including February 24, 2015.

"Excluded Persons" has been defined by the Court to mean Ithaca's subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns.

If you had shares in Ithaca Energy Inc. between October 7, 2014 and the market close on February 24, 2015, and you are not an Excluded Person, then it is likely that you are a member of the Class. If you are not sure whether or not you are a member of the Class, you should speak to Class Counsel, whose address is outlined below.

What if I do not want to participate in this Class Action?

Class Members who wish to participate in the Class Action do not need to do anything at this time. They are automatically included in the Class Action.

Any Class Member who wishes to opt out of the Class Action must do so by sending a written opt out form, signed by the Class Member, stating that he or she opts out of the Class Action. The written opt out form can be obtained from Class Counsel, must be sent by pre-paid mail, courier or by e-mail to Class Counsel at the following address:

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Toronto, Ontario M4T 1L0
647-344-1900, Ext: 9
iliterovich@morgantilegal.com

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800, 304 – 8 Avenue SW
Calgary, Alberta T2P 1C3
(403) 571-0747
priceg@jssbarristers.ca

The written opt out form must be received by Class Counsel no later than January 30, 2020.

No Class Member will be permitted to opt out of the Class Action after January 30, 2020. If you opt out of the Class Action, you will take full responsibility for initiating your own lawsuit against the Defendants and for taking all legal steps necessary to protect your claim, if you wish to proceed with a claim.

What are the costs to me?

Class Members will not be personally liable to pay any legal fees or disbursements to Class Counsel.

If the Class Action is successful in establishing that the Defendants are liable to pay money to the Class Members, the Court will then proceed to determine which Class Members may be entitled to that money, and how such amounts should be distributed to those Class Members.

If the Class Action is successful, legal costs will be deducted from the amounts recovered on behalf of the Class Members. All legal costs must be approved by the Court.

The Representative Plaintiff has retained Class Counsel to represent him and the Class in this lawsuit. Class Counsel will only be paid legal fees if the lawsuit is successful. If the lawsuit is successful, Class Counsel will request that legal fees be set by the Court.

How do I find out more about this Class Action?

Questions about the matters in this Notice must not be directed to the Court. The Certification Order and other information with respect to the Class Action can be obtained at the following websites: http://morgantilegal.com/current_litigation/ and
<http://www.jssbarristers.ca/pages/class-actions/class-actions.cfm> and
www.ithacainvestorclassaction.com

In addition, questions for Class Counsel may be directed by e-mail or telephone to:

Ian Literovich
 Morganti & Co.
 21 St. Clair Avenue East, Suite 1102
 Toronto, Ontario M4T 1L0
 647-344-1900, Ext: 9
iliterovich@morgantilegal.com

Gavin Price
 Jensen Shawa Solomon Duguid Hawkes LLP
 #800, 304 – 8th Avenue SW
 Calgary, Alberta T2P 1C2
 (403)571-0747
priceg@jssbarristers.ca

SCHEDULE "F"
OPT OUT FORM

TO: JENSEN SHAWA SOLOMON DUGUID HAWKES LLP ("JSS BARRISTERS")

I, _____ (insert full name), have received notice of the Class Action claim commenced against Ithaca Energy Inc. and Les Thomas (collectively, the "**Defendants**").

I believe that I am a Class Member. I was an investor and/or Shareholder with Ithaca Energy Inc. between October 7, 2014 and February 24, 2015.

I understand that the Class Action relates to allegations that Ithaca Energy Inc. made misrepresentations in core documents and/or other statements. I further understand that the Class Action alleges that corrective disclosure was made on February 25, 2015 and that Ithaca Energy Inc.'s securities dropped precipitously after the corrective disclosure.

I do **NOT** wish to participate in the Class Action.

I understand that by opting out of this Class Action, I will not be eligible for any benefit that may be available to the Class upon resolution of this matter.

I understand that, if I wish to pursue any remedy with respect to my investment in Ithaca Energy Inc. during the Class Period of October 7, 2014 to and including February 24, 2015, I must do so on my own.

I further understand that my rights to pursue any remedy may be limited by statutory or common law limitation periods in my jurisdiction of residence.

Dated the _____ day of _____, 20__

(signature)

(witness)

Insert Mailing Address:

Telephone Number:

Email Address:
