

KOSKIE MINSKY

November 21, 2019

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Putative Class Members - Apache Canada Ltd. Class Action

Dear Sirs/Mesdames:

Re: *Flesch et. al. v. Apache Corporation, et al.*
Our File No.: 181910

Koskie Minsky LLP along with the law firm Koskie Glavin Gordon act as counsel to the plaintiffs ("Class Counsel") in the class action against Paramount Resources Ltd. ("Paramount"), Apache Corporation, and members of its board of directors seeking compensation for the deferred compensation owed to the employees of Apache Canada Ltd. when Paramount purchased it from Apache Corporation in 2017.

We write to you now as we understand that some of you may be concerned about recent comments made by the President and CEO of Paramount, Mr. Jim Riddell, at a recent all-employee meeting on November 8, 2019 and a posting of information by Paramount about the class action on November 20, 2019 ("Paramount Information Document").

We were advised that, at the November 8, 2019 meeting, Mr. Riddell identified the existence of the class proceeding, that legacy Apache Canada Ltd. employees would be named in the case, that Paramount would vigorously defend the case, and that Alberta is an opt-out regime for class actions. At the same meeting Mr. Riddell discussed staffing cuts. Mr. Riddell did not refer you to Class Counsel for any questions or concerns you may have about the case.

Paramount also delivered to all employees a copy of the Paramount Information Document on November 20, 2019 providing information about the class proceeding and misinformation about the impacts of the class proceeding on you. Again, the Paramount Information Document did not refer you to Class Counsel for any questions you might have about the class action.

We understand that some of you may be concerned about Mr. Riddell's comments, the Paramount Information Document, and Paramount's approach to communications with you about the case. We understand that, as a result, some of you are concerned about possible impact the proposed class action might have on your employment.

The proposed class action should have no impact on your employment. The class action seeks recovery for the restricted share units and other deferred compensation owed to you at the time that Paramount purchased Apache Canada Ltd. The class action has nothing to do with your current active employment. If Paramount were to take any adverse steps against employees connected to the class action, such action would be improper and actionable. We, as Class Counsel, would defend against any such action.

The proposed class action is seeking recovery from Paramount and/or Apache Corporation and members of its board of directors based on the terms of the compensation plan and grant

agreements. The plaintiffs believe that Paramount and/or Apache Corporation and members of its board of directors have responsibility for the deferred compensation at issue. For more information about this case and a copy of the Statement of Claim, please visit our website at <https://kmlaw.ca/cases/apache-canada-ltd-class-action/> .

The proposed class action is only at the early stages. The named plaintiffs are former employees of Paramount. Contrary to the misinformation in the Paramount Information Document, none of you are named or will be named as a party in the case. We will not disclose the names of anyone who has provided support for the plaintiffs nor can we be compelled to do so.

Should the court determine that this case can continue as a class action, then all those employed by Apache Canada Ltd. as of July 7, 2017 would be automatically included in the case unless they took a step to remove themselves (opt out) from the proceeding. There is no need to "join" the class action, you are automatically included if our clients succeed. Those who remove themselves will not be able to participate in any judgment or resolution to the case, including any judgement against or resolution with Apache Corporation or members of its board of directors. It is not expected that a determination of whether this case can proceed as a class action to represent all employees of Apache Canada Ltd. will be provided for another 6 months to 1 year from now.

In our view, as the class action does not impact your current active employer, there is no valid reason for Paramount to comment to you about the proposed class action, to ask you whether you are participating in the class action, whether you intend to stay in the case if it is certified, or anything else about the case. There is no requirement to tell Paramount or anyone else whether you support the class action or whether you intend to opt out or not.

We will be contacting Paramount to address the concerns raised about the November 8, 2019 meeting, the Paramount Information Document and generally about communications with you. We also intend on raising this issue with the Court to seek restrictions on Paramount's communications with you.

Should any of you feel concerned, threatened or intimidated a by any further communication or discussion with Paramount about this case, please contact us so we may act accordingly.

Should you have any questions or concerns, please do not hesitate to contact us or Koskie Galvin Gordon. Your communications with us are privileged and will not be disclosed to Paramount.

Yours truly,

KOSKIE MINSKY LLP

David Rosenfeld

DR:ls

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