

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) WEDNESDAY, THE 26th
JUSTICE DUNPHY)
DAY OF SEPTEMBER, 2018

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.
C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
DUNDEE OIL AND GAS LIMITED



KEY EMPLOYEE INCENTIVE PROGRAM AND STAY EXTENSION ORDER

THIS MOTION, made by Dundee Oil and Gas Limited (“**DOGL**”) on its behalf and as general partner on behalf of Dundee Energy Limited Partnership (“**DELP**” and together with DOGL, the “**Debtors**”): for an order (i) approving the key employee incentive program (the “**Key Employee Incentive Program**”) as described in the fourth report (the “**Fourth Report**”) of FTI Consulting Canada Inc., in its capacity as the Court-appointed monitor (the “**Monitor**”); (ii) extending the stay of proceedings; (iii) extending the outside date for Closing of the Transaction under the APA (as defined below) until October 10, 2018, and (iv) authorizing the Monitor to communicate with interested parties in connection with the possible sale or other transaction involving the Property in the event that the APA (as each term is defined below) is terminated, was heard this day at 330 University Avenue, Toronto, Ontario.

PD 12

ON READING the Fourth Report and on hearing the submissions of counsel for the Monitor, the Debtors, National Bank of Canada, Lagasco Inc., Ministry of Natural Resources of Forestry, Canadian

AND
ATD

Overseas Petroleum Limited, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Rachel Bengino sworn on September 25, 2018, filed:

1. **THIS COURT ORDERS AND DECLARES** that service of the Fourth Report and Motion Record is hereby validated and further service thereof is hereby dispensed with.
2. **THIS COURT ORDERS** that any capitalized terms not otherwise defined herein shall have the meaning set forth in the Approval and Vesting Order granted by the Court on June 11, 2018 (the “**Approval and Vesting Order**”) or the Asset Purchase Agreement dated April 4, 2018 between Lagasco Inc. (the “**Buyer**”) and the Debtors (as amended, the “**APA**”).

KEY EMPLOYEE INCENTIVE PROGRAM

3. **THIS COURT ORDERS** that the Key Employee Incentive Program, as described in the Fourth Report, is hereby approved and the Debtors are authorized and directed to make payments in accordance with the terms thereof.
4. **THIS COURT ORDERS** that payments made by the Debtors pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, or other challengeable or voidable transactions under any applicable law.
5. **THIS COURT ORDERS** that the unredacted version of Confidential Appendix “A” to the Fourth Report be sealed in its entirety, kept confidential and not form part of the public record, unless otherwise ordered by the Court.

until six months from the date of this order
A.P.D.

STAY EXTENSION

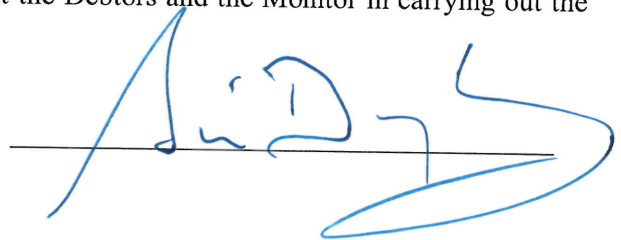
6. **THIS COURT ORDERS** that the Stay Period as ordered and defined in paragraph 17 of the Initial Order is hereby extended until and including November 30, 2018.

APA

7. **THIS COURT ORDERS** that the Debtors and the Monitor are hereby authorized to consent to a further extension of the outside date for Closing under the APA until October 10, 2018. ¹² DMD
8. **THIS COURT ORDERS** that in the event that, on or before October 10, 2018, the Buyer fails to pay the Purchase Price in accordance with the APA and the Approval and Vesting Order, the Debtors are authorized to terminate the APA without prejudice to any of the Debtors' rights and remedies thereunder and the Monitor shall retain the Deposit pending further order of the Court. ¹² ^{1 PD}

GENERAL

THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Debtors and the Monitor in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtors and the Monitor as may be necessary or desirable to give effect to this Order or to assist the Debtors and the Monitor in carrying out the terms of this Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

SEP 26 2018

PER / PAR:



**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DUNDEE OIL AND GAS LIMITED**

Court File No.: CV-18-591908-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**KEY EMPLOYEE INCENTIVE PROGRAM AND STAY
EXTENSION ORDER**

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