

Clerk's Stamp:

ESTATE NUMBER 25-2332583
25-2332610
COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE CALGARY
PROCEEDING IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF MANITOK ENERGY INC.
IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF RAIMOUNT ENERGY CORP.
DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

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AFFIDAVIT OF MASSIMO GEREMIA

Sworn on January 11, 2018

I, Massimo Geremia, of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY
AS FOLLOWS:

1. I am the President and Chief Executive Officer of Manitok Energy Inc. ("**Manitok**" or the "**Applicant**") and as such I have personal knowledge of the matters hereinafter deposed to save and except where stated to be based upon information and belief, in which case I believe the same to be true.
2. Manitok and its wholly owned subsidiary Raimount Energy Corp. ("**Raimount**") filed a Notice of Intention (the "**NOI**") to make a Proposal (the "**Proposal**") under section 50.4 (1) of the *Bankruptcy*

and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA"), on January 10, 2018 (the "Filing Date"), at which time FTI Consulting Canada Inc. was named as proposal trustee in connection with the Proposal (in such capacity, the "Proposal Trustee").

3. This Affidavit is being filed in support of an Application by Manitok for an Order from the Alberta Court of Queen's Bench (the "Court") substantially in the form of the draft Order, attached as Schedule "A" to the Notice of Application filed on January 10, 2018 (the "Interim Financing Order"), for *inter alia* the following relief:

- (a) approving the terms of the DIP loan agreement dated January 11, 2018 (the "SCCC DIP Term Sheet") entered into between Manitok as borrower and SCCC Petroleum Corporation as lender ("SCCC Canada"), a true copy of which is attached hereto as Exhibit "A";
- (b) declaring that the directors and officers (the "D&Os") of Manitok shall be indemnified against obligations and liabilities that they may incur in their capacity as directors or officers after the commencement of these proceedings (the "Indemnity"); and
- (c) granting the following priority charges over all of Manitok's assets, rights, undertakings and property (collectively, the "Manitok Property"):
 - (i) a charge in favour of the Proposal Trustee and legal counsel for each of the Proposal Trustee and Manitok in the amount of \$500,000 (the "Administration Charge"), ranking in priority to all existing charges over the Manitok Property, including any security currently existing in favour of NBC (as defined below) (the "NBC Charge");
 - (ii) a charge in favour of SCCC Canada in respect of the DIP Term Sheet in the amount of \$3,000,000 (the "DIP Charge") over the Manitok Property ranking subordinate to the Priority Administration Charge, but in priority to all existing charges over the Manitok Property including the NBC Charge; and
 - (iii) a charge in favour of the D&Os in respect of the Indemnity in the amount of \$500,000 (the "D&O Charge") over the Manitok Property, ranking subordinate to the NBC Charge (subject to the Proposal Trustee's review and report on the security of NBC), the DIP Charge and the Administration Charge but in priority to all other existing charges over the Manitok Property.

Background

- 4. Manitok is a public company based in Calgary, Alberta, whose outstanding shares of common stock are listed on the TSX Venture Exchange under the symbol "MEI".
- 5. It is a junior oil and gas exploration and production company registered under the *Business Corporations Act* (Alberta) RSA 2000, c B-9 (the "ABCA") focusing in light crude oil and natural gas. Manitok's historic concentration has been on lower Mannville oil in southeast Alberta and

Cardium and Mannville plays in west central Alberta. Attached hereto and marked as **Exhibit "B"** is a true copy of an Alberta Corporate Registry Search for Manitek, dated January 4, 2018.

6. Raimount is a wholly owned subsidiary of Manitek and the guarantor of the NBC Indebtedness owed by Manitek.
7. Manitek produced an average of 5,410 barrels of oil equivalent per day (boe/d), of which 64% is natural gas in the third quarter of 2017, ending September 30, 2017.
8. Manitek employs approximately 45 employees on a full or part time basis. It additionally has a considerable number of independent contractors on retainer to perform drilling operations, well completions and other field service operations necessary to comply with license requirements and ensure continued safety. Manitek does not maintain or contribute to a pension plan for its employees.

Secured Creditors

9. As of January 10, 2018, Manitek's outstanding indebtedness on both a secured and unsecured basis is approximately \$123,343,699.30 in the aggregate.
10. Manitek's secured creditors are as follows:
 - (a) National Bank of Canada ("**NBC**");
 - (b) Computershare Trust Company of Canada, as collateral agent and trustee (in such capacity, the "**Indenture Trustee**") for the noteholders of the CEL Notes (as defined below) (the "**Noteholders**");
 - (c) Prairiesky Royalty Ltd. ("**Prairiesky**");
 - (d) Stream Asset Financial Manitek Corp. / Stream Asset Financial Manitek LP (collectively, "**Stream**");
 - (e) Evolve Surface Strategies Inc. ("**Evolve**");
 - (f) Prairie Provident Resources Canada Ltd. ("**Prairie Provident**"); and
 - (g) certain equipment lessors / financiers, including: (i.) Toyota Credit Canada Inc.; (ii.) Kennedy Rentals & Leasing Ltd.; (iii.) Rocky Mountain GTL Inc.; (iv.) Derrick Dodge (1980) Ltd.; and (v.) Ford Credit Canada Leasing.

A true copy of an Alberta Personal Property Search Report for Manitek is attached hereto and marked as **Exhibit "C"**.

Security Held by NBC / Computershare

11. NBC is Manitok's senior secured creditor and is owed approximately \$37,123,776.03 as of December 29, 2017 (the "**NBC Indebtedness**"). The credit facilities established by NBC in favor of Manitok (the "**Credit Facilities**") have been provided under a series of offering letters that have, as will be further described below, been amended and / or restated on a number of occasions.
12. More specifically, the Credit Facilities, have at one time or another been governed by the following documents (collectively the "**Offering Letter**"): (i.) an offering letter dated January 23, 2013 (the "**Initial Offering Letter**"); (ii.) an amendment and restatement to the Initial Offering Letter dated May 29, 2015 (the "**May 2015 Amended and Restated Offering Letter**"); (iii.) an amendment and restatement to the May 2015 Amended and Restated Offering Letter dated December 31, 2015 (the "**December 31 Amended and Restated Offering Letter**"); (iv.) a first amendment to the December 31 Amended and Restated Offering Letter; (v.) an amendment and restatement of the December 31 Amended and Restated Offering dated October 27, 2016 (the "**Existing Offering Letter**"); (vi.) a first amendment to the Existing Offering Letter dated December 21, 2016 (the "**1st Amendment to the Existing Offering Letter**"); (vii.) a second amendment to the Existing Offering Letter dated May 31, 2016; (viii.) a third amendment to the Existing Offering Letter dated July 20, 2017; (ix.) a fourth amendment to the Existing Offering Letter dated August 31, 2017; (x.) a fifth amendment to the Existing Offering Letter dated September 30, 2017 (the "**5th Amendment to the Existing Offering Letter**"); (xi.) a sixth amendment to the Existing Offering Letter dated November 1, 2017; and (xii.) a seventh amendment to the Existing Offering Letter dated November 27, 2017. Attached hereto and marked as **Exhibit "D"** is a true copy of the Offering Letter, including the amendments and / or restatements noted above in chronological order.
13. The credit facilities originally established under the Initial Offering Letter (the "**Initial Credit Facilities**"), were as follows:
 - (a) a revolving operating credit facility up to a maximum amount of \$70,000,000;
 - (b) an acquisition / development demand facility in the amount of \$20,000,000;
 - (c) a MasterCard credit card facility payable in full monthly up to a maximum amount of \$100,000; and
 - (d) a risk management facility, pursuant to which NBC or its affiliates had the ability to enter into one or more Financial Instruments (as defined in the Initial Offering Letter), subject to the provisions thereof and a cross default limit of \$1,000,000.
14. As security for the NBC Indebtedness, Manitok provided security to NBC (as amended, restated or replaced from time to time, the "**NBC Collateral Security**") usual and customary for credit facilities of this nature, including a demand debenture in the principal amount of \$200,000,000

dated February 4, 2013 over all of the Manitok Property (the “NBC Demand Debenture”). Attached hereto and marked as **Exhibit “E”** is a true copy of the NBC Demand Debenture.

15. On the same date that it entered into the Existing Offering Letter (October 27, 2016), Manitok closed an underwritten offering of collateralized exchange listed notes (the “CEL Notes”) and corresponding warrants generating gross aggregate proceeds of approximately \$21,200,000. The CEL Notes have a coupon of 10.5% per annum, payable quarterly in arrears with a maturity date of November 15, 2021. The CEL Notes are secured by a second priority lien over all of the Manitok Property pursuant to *inter alia*, a demand debenture in the principal amount of \$100,000,000 dated as of October 27, 2016 (the “CEL Note Demand Debenture”). Attached hereto and marked as **Exhibit “F”** is a true copy of the CEL Note Demand Debenture.
16. The respective rights, obligations and remedies of NBC and the Noteholders are set out in an inter-creditor and priority agreement dated as of October 27, 2016, between NBC, the Indenture Trustee and Manitok (the “**Inter-Creditor Agreement**”). Attached hereto and marked as **Exhibit “G”** is a true copy of the Inter-Creditor Agreement.

Remaining Security Held Against Manitok

17. Prairiesky holds security over Manitok’s interest in certain present petroleum and natural gas leases in relation to a lease issuance and drilling commitment agreement entered into between Prairiesky and Manitok dated as of April 30, 2015, as amended by agreement dated May 19, 2017 (the “**Prairiesky LIDCA**”). Prairiesky does not hold general security over other Manitok assets.
18. On January 9, 2018, Manitok received notice of default issued by Prairiesky under the Prairiesky LIDCA, a true copy of which is attached hereto and marked as **Exhibit “H”**.
19. Stream holds security over a variety of equipment and ground assets utilized by Manitok at a number of sites, including oil batteries in Stolberg, Wayne and Carseland, along with well site equipment on certain leases in Wayne. As well, Stream holds security in relation to Manitok’s assets for a joint venture agreement with Manitok and a sale and lease back transaction with Manitok involving certain personal property. Stream’s interests are junior to NBC.
20. To the best of my knowledge, the security interests claimed by the other secured creditors reflected on the PPSA search are limited and specific to particular collateral. In particular, I understand that Evolve claims security in respect of a lien for surface work and maintenance performed at certain sites and Prairie Provident claims security over lease interests in relation to certain farm-in arrangements.

21. The remaining security registrations registered against the Manitoak Property are maintained by certain equipment lessors / financiers in respect of equipment and vehicles leased / financed by these entities and used in Manitoak's oil and gas operations.

Unsecured Creditors

22. Manitoak's significant unsecured creditors include:
- (a) Chinook Energy Inc. - \$594,589.77
 - (b) Kneehill County - \$503,932.94;
 - (c) Clearwater County - \$500,859.72; and,
 - (d) Cardinal Energy Ltd. - \$462,520.04
23. As of the Filing Date, Manitoak's total indebtedness to unsecured trade creditors is approximately \$11,565,844. Manitoak's trade creditors are made up primarily of service providers and suppliers who work on specific sites or supply goods to support the operation of Manitoak's assets.

Development of Liquidity Issues

24. As a junior oil and gas exploration and production company, Manitoak's financial stability including its ability to access necessary capital markets is highly sensitive to the market prices, at any given time, of crude oil and natural gas. Crude oil and natural gas prices fluctuate in response to changes in the supply and demand for these commodities, market uncertainty and a variety of additional factors that are largely beyond Manitoak's control.
25. In recent years, in the face of lower than expected market prices for crude oil and natural gas, Manitoak has struggled to meet its capital expenditure commitments for drilling under various of its joint venture and lease issuance drilling commitment agreements. This has put pressure on all aspects of Manitoak's finances..
26. Further compounding Manitoak's financial pressures in the face of declining commodity prices, at NBC's request the Commitment Letter was amended (and in certain circumstances restated) on several occasions to reduce and / or restructure the Credit Facilities in accordance with periodic reviews performed by NBC.
27. By way of example, and in contrast to the Original Credit Facilities outlined above (which provided the possibility for facilities in excess of \$90,000,000) by the date of execution of the Existing

Offering Letter, the Credit Facilities had been restructured (and the availability in the aggregate thereunder reduced), such that the facilities available to ManitoK were as follows:

- (a) an uncommitted demand revolving credit facility up to a maximum amount of \$30,000,000;
- (b) an uncommitted single advance demand credit facility in the maximum amount of \$14,200,000 (the “**Non-Conforming Facility**”);
- (c) a MasterCard credit card facility payable in full monthly or on demand, up to a maximum amount of \$100,000; and
- (d) a risk management facility, pursuant to which NBC or its affiliates had the ability to enter into one of more Financial Instruments (as defined in the Existing Commitment Letter), subject to the provisions thereof and a cross default limit of \$1,000,000.

28. Starting with the 1st Amendment to the Existing Offering Letter, ManitoK’s availability under the Non-Conforming Facility was further reduced such that at the date of the Demand Letter (as defined below) its maximum total availability was only \$40.4 million..

29. ManitoK has accommodated the unilateral restructuring / reduction of its Credit Facilities by consummating a series of transactions, the net proceeds of which were used, generally speaking, to reduce the NBC Indebtedness from a high of approximately \$90 million in the fourth quarter of 2014 to the current amount of approximately \$37.1 million. These transactions include the following:

- (a) On December 30, 2014, ManitoK divested its interest in certain oil and gas infrastructure in the Carseland and Stolberg areas and closed a facilities financing agreement in the Stolberg area for total net cash proceeds of \$14,800,000;
- (b) On December 30, 2015, ManitoK closed the first tranche of a private placement equity financing (the “**December 2015 Equity Financing**”) for the issuance of 23,766,831 ManitoK shares yielding net proceeds of approximately \$2,700,000.
- (c) In the first quarter of 2016, ManitoK closed the final two tranches of the December 2015 Equity Financing for the issuance of 15,973,631 ManitoK shares and 1,170,000 ManitoK CEE flow-through shares for total net proceeds of approximately \$2,000,000;
- (d) In 2016, ManitoK monetized crude oil derivative financial instruments for a total cash receipt of \$12,300,000;
- (e) In May 2016, ManitoK closed an equity financing for the issuance of 8,435,945 ManitoK shares and 7,994,980 ManitoK CEE flow-through shares for net proceeds of approximately \$2,800,000;
- (f) In August 2016, ManitoK acquired Raimount which had \$5,300,000 of cash along with oil and gas assets and raised net proceed of approximately \$1,300,000 through the issuance of additional equity;

- (g) In October 2016, Manitok raised \$21,200,000 by issuance of the CEL Notes, out of which approximately \$5,600,000 was applied against the NBC Indebtedness, with the remainder going to an asset acquisition which increased Manitok's production;
- (h) On November 29, 2016, Manitok raised further monies by issuance of common shares, for net proceeds of approximately \$900,000 which was applied against the NBC Indebtedness.
- (i) In June 2017, Manitok acquired Craft Oil and Gas, which had positive net working capital which improved liquidity, helping support Manitok while NBC reduced the Credit Facilities; and,
- (j) In August 2017, Manitok acquired Corinthian Oil and Gas, which had cash of approximately \$2,000,000. This cash further supported Manitok's liquidity while NBC reduced the Credit Facilities.

Although raising equity and undertaking other transactions contributing to Manitok's financial resources has been difficult over the last 3 years, Manitok has been able to do so and has thereby reduced the NBC Indebtedness by approximately \$50,000,000 over the period.

Questfire Transaction and Credit Facility Amendments

- 30. In May 2017, Manitok advised NBC that it was unable to comply with its financial covenant under the Offering Letter to maintain an adjusted working capital ratio of not less than 1.00:1.00, in breach of the terms and conditions therein (the "**Q1 Financial Covenant Breach**"). NBC subsequently agreed to waive the Q1 Financial Covenant Breach under the terms of a waiver and amending letter dated as of May 29, 2017.
- 31. In approximately May of 2017, notwithstanding that Manitok was not in payment default under the Credit Facilities, NBC advised Manitok that it was no longer interested in continuing to provide the Credit Facilities and that Manitok should seek to obtain alternative financing sufficient to repay the NBC Indebtedness in full.
- 32. To this end, Manitok diligently and in good faith pursued a transaction centered on the acquisition by Manitok of all of the issued and outstanding shares of Questfire Energy Corp. ("**Questfire**") pursuant to a plan of arrangement under the ABCA (the "**QF Transaction**"). The QF Transaction contemplated that Manitok would obtain new multi-tranche first lien secured term loan facilities (the "**QF Replacement Facilities**") from Summit Financial Partners (the "**Summit**") in the approximate aggregate amount of \$132,000,000, on closing.
- 33. On July 5, 2017, Manitok and Questfire entered into a definitive arrangement agreement in respect of the QF Transaction.

34. In furtherance of pursuing the QF Transaction and ManitoK's ultimate goal of repaying the NBC Indebtedness, ManitoK and NBC entered into amendments to the Existing Offering Letter to *inter alia*, provide ManitoK with time to consummate the Questfire Transaction.
35. On July 19, 2017, in order to facilitate the QF Transaction, Questfire obtained an Initial Order under the ABCA from the Court.
36. In August / September of 2017, due to volatility in the crude oil and natural gas markets, the QF Transaction was delayed as Summit was unable to enter into a hedge agreement to reduce its exposure in providing the QF Replacement Facilities.
37. Subsequently, despite ManitoK's best efforts to consummate and close the Questfire Transaction, the Questfire Transaction suffered a further and even more significant setback, when on November 8 of 2017, Questfire's existing lenders (the "QF Lenders") issued a demand letter and a Notice of Intention to Enforce Security (the "Questfire NOIES") pursuant to section 244(1) of the BIA. At this time, the QF Lenders indicated that they intended to seek the appointment of a receiver and manager (a "Receiver") over all of Questfire's assets, rights, undertakings and property. Although overtures were subsequently made by ManitoK to Questfire's Receiver to continue progress with the Questfire Transaction, ultimately the transaction was abandoned.

Default Under the Trust Indenture and Securities Trading Halt

38. Following issuance of the Questfire NOIES, on November 10, 2017, NBC indicated to ManitoK that NBC would consider immediately demanding on the Credit Facilities if ManitoK made an upcoming scheduled interest payment due under the CEL Notes on November 15, 2017 in the approximate amount of \$560,000. ManitoK subsequently defaulted on its obligation (the "CEL Interest Payment Default") to make this scheduled interest payment, and failed to cure this default within the 30 day cure period provided for under the trust indenture executed in connection with the CEL Notes.
39. On December 15, 2017 (being the outside date for curing the Interest Payment Default), the Investment Industry Regulatory Organization of Canada at the request of ManitoK formally halted the trading of ManitoK's securities.
40. On January 10, 2018, ManitoK received notice that the Interest Payment had matured to become an Event of Default as defined under the trust indenture governing the issuance of the CEL Notes.

SCC SPA Transaction and the 8th Amendment

41. As an alternative to the Questfire Transaction, Manitoak sought to refinance the National Bank Indebtedness by pursuing a transaction (the "**SCCC Transaction**") centered around a share purchase agreement (the "**SCCC SPA**") entered into on December 13, 2017, between Manitoak, SCCC Petroleum Corporation Limited ("**HK Corp.**") and its wholly owned Canadian Subsidiary SCCC Canada.
42. As part of the SCCC Transaction, it was proposed that Manitoak would acquire the shares of SCCC Canada owned by HK Corp. and HK Corp. would deposit \$16,700,000 with SCCC Canada. The SCCC SPA, on closing would generate approximately \$13,000,000 of proceeds available to repay the NBC Indebtedness. HK Corp. and/or SCCC Canada was also to deposit \$8,000,000 with Manitoak to allow the company to meet its drilling commitments to Prairiesky by December 31, 2017 through a farm-in arrangement. It was contemplated that the balance of the NBC Indebtedness under the SCCC Transaction would be repaid by way of limited asset divestitures and a loan agreement to be entered into between Manitoak, as borrower and Stream, as lender, by no later than approximately February 8, 2018 (the "**SCCC Transaction Outside Date**").
43. In late December of 2017, NBC and Manitoak entered into negotiations surrounding the execution of an 8th amendment to the Existing Offering Letter (the "**8th Amendment to the Existing Offering Letter**") in order to facilitate the SCCC Transaction, pursuant to which NBC would agree not to demand payment of the NBC Indebtedness until the earlier of Manitoak failing to meet one of the milestones outlined therein (the "**8th Amendment Milestones**") and the SCCC Transaction Outside Date.
44. It was envisioned under the draft 8th Amendment to the Existing Offering Letter, that Manitoak would provide its consent to a form of receivership order (the "**CRO**"), to be held in escrow by NBC's counsel in the event that NBC failed to achieve any of the 8th Amendment Milestones.
45. On December 22, 2017, in the interest of advancing the timely drafting and finalization of the 8th Amendment, Manitoak instructed Gowling WLG to provide NBC's counsel McCarthy Tetrault LLP ("**McCarthys**") by email (the "**Gowling WLG December 22 Email**") with the executed CRO, to be held in trust, subject to the receipt of NBC's signature page to the 8th Amendment and the finalization of this agreement (collectively, the "**Trust Conditions**"). Attached hereto and marked as **Exhibit "I"** is a true copy of the Gowling WLG December 22 Email.
46. Ultimately, it became apparent to Manitoak that although HK Corp. was willing to move forward with the SCCC Transaction, it would not be able to meet certain time-sensitive conditions that NBC required to be implemented as part of the 8th Amendment to the Existing Offering Letter, due to,

among other things, the time it would take to process the transaction through HK Corp.'s internal credit department and the time required to complete due diligence and other requirements of the SCCC Transaction over the holiday period in December.

47. Accordingly, Manitok and NBC did not proceed with finalizing and executing the 8th Amendment, and NBC's counsel confirmed by email to Gowling WLG (the "**McCarthys December 27 Email**") that it would comply with the Trust Conditions and would destroy the executed CRO. Attached hereto and marked as **Exhibit "J"** is a true copy of the McCarthys December 27 Email.
48. Although the SCCC Transaction did not proceed in December, SCCC Canada continued to communicate frequently with Manitok regarding its interest in investing in Manitok and this ongoing interest has resulted in the SCCC DIP Term Sheet and the further support for Manitok's restructuring described below.

Development of the Proposal Framework and Issuance of the Demand Letter and NITES

49. On December 29, 2017 NBC delivered to Manitok and Raimount a formal demand for payment (the "**Demand Letter**") pursuant to the Commitment Letter and the NBC Collateral Security demanding payment of the NBC Indebtedness by no later than January 8, 2018 (the "**Statutory Outside Date**"). The Demand Letter enclosed a Notice of Intention to Enforce Security pursuant to section 244(1) of the BIA (the "**Section 244 Notice**"). Attached hereto and marked as **Exhibit "K"** are true copies of the Demand Letter and the Section 244 Notice.
50. In the Demand Letter, NBC also advised Manitok that it had canceled and terminated any and all availability under the Credit Facilities and the Offering Letter.
51. In response to receipt of the Demand Letter, Manitok with the assistance of its legal counsel, Gowling WLG, significantly accelerated its efforts to develop a viable strategy to repay the NBC Indebtedness and avoid the deleterious effects the appointment of a receiver and manager (a "**Receiver**") would have on its stakeholders. These efforts resulted in the development of the Proposal Framework (as defined below).
52. Despite subsequent discussions between Manitok, NBC, and their respective counsel and financial advisors, and notwithstanding Manitok having provided certain draft and / or executed documents pertaining to the Proposal Framework to NBC, on January 10, 2018, after NBC agreed to "toll" the Statutory Outside Date until 2pm on that day, discussions to enter into a consensual resolution for the restructuring of Manitok's capital structure and the repayment of NBC broke down and Manitok and Raimount filed their NOI's. Attached hereto as **Exhibit "L"** is a copy of the acknowledgement

from the Office of the Superintendent in Bankruptcy of the filing of the NOI's for Manitok and Raimount.

The Proposal Framework

53. As of the date hereof, Manitok has succeeded in locating financing partners, sufficient to allow it to restructure its affairs and refinance the NBC Indebtedness within the near term (the **'Proposal Framework'**) by way of the implementation of a proposal as part of these proceedings. The key preliminary aspects of the Proposal Framework are as follows:
- (a) Stream will enter into a credit agreement with Manitok, pursuant to which Stream will agree to provide a senior first ranking credit facility in the maximum amount of \$25,000,000 (the **"Stream Financing"**), conditional on the other components of the Proposal Framework being implemented;
 - (b) certain existing shareholders and stakeholders of the company (the **"Equity Investors"**) will agree to provide an equity injection through a subscription of common shares in an amount not less \$10,000,000.00 (the **"Equity Financing"**);
 - (c) as a condition of the Equity Financing (the **"CEL Restructuring CP"**) 25% of the principle amount of the CEL Notes will be forgiven and 37.5% of the principal amount of the CEL Notes will be converted into common shares of Manitok, such that immediately after the implementation of the proposal the Noteholders will hold 23 to 25% of the common shares of Manitok on a non-diluted basis (the **"CEL Note Restructuring"**); and,
 - (d) on closing of the Stream Financing and the Equity Financing, the NBC Indebtedness will be repaid in full.
54. Manitok believes that it can implement the Proposal Framework on an expeditious basis and intends to have all required approvals and orders in place to implement the transactions contemplated under the Proposal Framework by March 15, 2018. The steps involved would include:
- (a) Order under the *Business Corporations Act* (Alberta) (**"ABCA"**) to call meetings of the CEL Noteholders to consider the CEL Note Restructuring and required plan of arrangement;
 - (b) CEL Noteholder meeting under ABCA;
 - (c) Manitok creditors meeting under BIA; and,
 - (d) Orders under ABCA and BIA to approve plan of arrangement and BIA proposal.
55. Manitok has to date made significant progress in developing and working towards implementation of the Proposal Framework.
56. On January 8, 2018, Manitok reached an agreement in principle with Stream in respect of the Stream Financing as evidenced by the true copy of a commitment letter attached hereto and marked

as **Exhibit "M"** (the "**Stream Commitment Letter**") I am advised by Ryan Dunfield, the principal of Stream, that Stream is ready, willing and able to execute the Stream Commitment Letter substantially in the form attached if the Court continues the stay in these proceedings and authorizes the SCCC DIP Term Sheet.

57. Stream is a subsidiary of a reputable Calgary based private equity firm with considerable experience in providing capital solutions for oil and gas producers in Western Canada. Stream is an existing secured creditor of Manitok (both in its own capacity as outlined above and as a Noteholder) and accordingly is highly familiar with Manitok's operations and existing management.
58. The key terms and conditions of the Stream Commitment Letter are as follows:
- (a) Stream will provide Manitok with a non-revolving term loan in the amount of \$25,500,000, subject to an original issue discount of 1.96% for a maximum aggregate advance of \$25,000,000 (the "**Stream Term Facility**");
 - (b) the general interest rate for the Stream Term Facility will be 8% per annum; and
 - (c) subject to the occurrence of an event of default, the Stream Term Facility will be payable in full on the later of: (i) January 31, 2019; or (ii) the date that is twelve (12) months following the date of the initial advance under the Stream Commitment Letter.
59. The Stream Commitment Letter is subject to conditions precedent usual and customary for credit facilities of this nature in addition to a condition precedent requiring the successful completion of the Proposal Framework on terms satisfactory to Stream, in order to ensure that the initial amount advanced by Stream and the proceeds of the recapitalization are sufficient to repay the NBC Indebtedness in full.
60. Manitok has also obtained substantial support for the CEL Note Restructuring from the Noteholders. In this respect, 67% of the Noteholders by value have already agreed in principal to the CEL Note Restructuring and the Proposal Framework and have either provided confirmation by email (the "**Confirmation Emails**") of the same or have executed joinders (the "**Executed Joinder Signature Pages**") to a restructuring support agreement (the "**RSA**") drafted by Manitok and circulated to the Noteholders. True copies of the Confirmation Emails, the Executed Joinder Signature Pages and the form of RSA are attached hereto and marked as **Exhibit "N"**. Although compiled RSAs have not been attached to this my affidavit, such documents will be made available to the Court upon request.
61. Manitok has additionally engaged in highly developed negotiations with the Equity Investors in respect of the Equity Investment. Manitok has obtained fully executed subscription agreements,

representing in the aggregate an investment in the amount of \$9.1 million to date from certain of the Equity Investors (the “**Subscription Agreements**”). Manitok expects to get to \$10 million or more in subscriptions once the Proposal Framework is announced other investors can be contacted.

62. Under the Subscription Agreements, the Equity Investors party thereto have agreed to provide their individual equity investments to be held in escrow by no later than January 15, 2018. Attached hereto and marked as **Exhibit “O”** are copies of the Subscription Agreements.
63. As further support for the Proposal Framework and the repayment of the NBC Indebtedness, Manitok also plans to close certain sales of non-core assets which are already the subject of binding contracts that are ready to be closed.
64. Under a commitment between Manitok and Baserock Energy Inc. (“**Baserock**”), Baserock has agreed to pay the gross sale price of \$3,500,000 for certain assets. These proceeds are intended to be applied to reduce the NBC Indebtedness. Under a commitment between Manitok and Yangarra Resources Ltd. (“**Yangarra**”), Yangarra has agreed to pay the gross sale price of \$2,000,000 to Manitok for certain other assets. These proceeds are also intended to be applied to reduce the NBC Indebtedness. Attached hereto and marked as **Exhibit “P”** are copies of the asset purchase commitments from Baserock and Yangarra.
65. In connection with the discussions with NBC concerning a consensual approach to Manitok’s restructuring which are referenced above, Manitok sent NBC (through counsel) a high level description of the Proposal Framework and how it would lead to a payout of NBC and sent NBC copies of the Stream Commitment Letter, the Subscription Agreements and the Confirmation E-mails and Executed Joinder Signature Pages. Manitok also provided evidence of a DIP financing offer from Trapeze which is described in more detail below. As originally envisioned, the Proposal Framework was to be implemented without NOI filings and merely through an ABCA plan of arrangement and consensual forbearance arrangements with NBC.

DIP Financing and the Proposed DIP Charge

66. As of January 10, 2018, following the termination and cancellation of any and all availability under the Credit Facilities, Manitok has no material cash resources to support its operations.
67. With the assistance of the Proposal Trustee, Manitok has established a budget for the period ending March 31, 2018, pursuant to which, in accordance with its typical cash flow cycle and in light of NBC having terminated the Credit Facilities, Manitok will require \$3,000,000 in immediate short-term funding (the “**Interim Funding Requirement**”) to enable the company to maintain limited

essential operations during the course of the proposal proceedings and pursue implementation of the Proposal Framework. These amounts are reflected in Manitok's cash flow statement (the "**Cash Flow Statement**") filed as part of these proposal proceedings, a true copy of which is attached hereto and marked as **Exhibit "Q"**.

68. I understand from the Proposal Trustee, that in its first report to the Court (to be filed) (the "**First Report of the Proposal Trustee**") the Proposal Trustee intends to opine that the Cash Flow Statement is comparable to the cash flow that would be projected if a Receiver were appointed over the Manitok Property in order to commence a sales process and maintain limited essential operations while such sales process is implemented.
69. In order to satisfy the Interim Funding Requirement, Manitok received an offer for interim financing from Tamasa Inc. and certain other participants (together, "**Trapeze**") in the amount of \$2.5 million (the "**Trapeze Offer**"). Tamasa Inc. is an affiliate of Trapeze Asset Management Inc., which is a discretionary portfolio management firm based in Toronto, Ontario. Attached hereto and marked as **Exhibit "R"** is a copy of the Trapeze Offer.
70. In addition to the Trapeze Offer, Manitok also received the SCCC DIP Term Sheet. The SCCC DIP Term Sheet is for an amount of up to \$3 million and contemplates conversion of Manitok's BIA proposal proceedings into proceedings pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**").
71. Manitok has evaluated both the Trapeze DIP Offer and the SCCC DIP Term Sheet, with the assistance of its counsel and the Proposal Trustee, considering, among other things, the costs and fees associated with the proposal, the priority ranking of charges securing the proposed interim financing and Manitok's liquidity requirements during the proposal proceedings as outlined in the Cash Flow Statement.
72. Manitok has elected to proceed with the SCCC DIP Term Sheet at present in view of the fact that the Trapeze offer contemplates an ABCA plan of arrangement without a NOI filing, which is not at present possible. In contrast, the SCCC DIP Term sheet contemplates funding during Manitok's current BIA proceedings and during a CCAA proceeding if and when a conversion to the latter regime occurs. In addition, SCCC Canada has indicated that it is interested in providing support to Manitok's restructuring over and above the SCCC DIP Term Sheet, as described in more detail below.
73. If this Court sees fit to approve the SCCC DIP Term Sheet and provide the first priority charge requested by SCCC Canada, Manitok still intends to undertake further discussions with NBC,

Trapeze and SCCC Canada to ensure that it has the best possible DIP arrangements and to explore the potential for enhanced restructuring outcomes for all stakeholders, including in particular NBC.

74. The SCCC DIP Term Sheet has been modeled, to the extent possible (given the context that this funding is being provided in) to be similar to the terms and conditions governing the existing Credit Facilities provided by NBC. The key terms and conditions of the DIP Term Sheet include:

- (a) SCCC Canada will provide a facility up to \$3,000,000; and
- (b) SCCC Canada will be granted the DIP Charge in the amount of \$3,000,000, securing all amounts owed to Trapeze in priority all other security interests, charges and liens other than the Administration Charge.

SCCC Canada has advised that it is willing and able to invest up to a total of \$8,000,000 in DIP financing for Manitoak if the company needs it and the Court permits.

75. It is my view that the terms and conditions outlined in the SCCC DIP Term Sheet and the granting of the DIP Charge are fair and reasonable in the circumstances, for *inter alia*, the following reasons:

- (a) the DIP term sheet is the product of arms-length negotiation and compromise;
- (b) the Cash Flow Statement indicates that the DIP Financing will provide the company with sufficient liquidity to meet any critical expenses necessary to preserve Manitoak's business and pursue implementation of the Proposal Framework and repayment of NBC during the projected cash flow-period;
- (c) the DIP Financing is necessary to permit Manitoak to maintain limited essential operations during the projected cash flow-period and avoid an immediate liquidation;
- (d) in view of the Proposal Timetable the DIP Financing will only be required on a short term basis;
- (e) the Proposal Trustee has indicated that it is supportive of the DIP Term Sheet for the reasons to be outlined in the First Report of the Proposal Trustee;
- (f) by allowing Manitoak to avoid an immediate liquidation, the DIP Financing is in the best interest of the company's stakeholders broadly, and may avoid, among other things: (i.) certain creditors of Manitoak suffering a significant shortfall on recovery of their claims in a receivership; and (ii.) the loss of continued employment and / or future revenue for Manitoak's employees, independent contractors, suppliers and service providers; and

The Proposed Administration Charge

76. It is contemplated that the Proposal Trustee, counsel to the Proposal Trustee and counsel to ManitoK will be granted a first priority Court-ordered charge on the ManitoK Property up to a maximum amount of \$300,000 in respect of their fees and disbursements, incurred at their standard rates and charges.
77. The Proposal Trustee, the Proposal Trustee's legal counsel and ManitoK's legal counsel are essential to conclude a successful proposal and to implement the Proposal Framework, which involves the stewardship of complex court-supervised legal proceedings and transactional work. Each of the Proposal Trustee, the Proposal Trustee's legal counsel and ManitoK's legal counsel have advised that they are only prepared to provide or continue to provide services to ManitoK if they are protected with a priority charge over the ManitoK Property. Accordingly, ManitoK is seeking to establish the Administration Charge.
78. ManitoK has worked with the Proposal Trustee to estimate the proposed quantum of the Administration Charge and I believe it to be reasonable and appropriate in view of the services to be provided by the beneficiaries of the Administration Charge.

The Proposed D&O Charge

79. ManitoK's ability to make a successful proposal to its creditors will only be possible with the continued participation of the company's D&Os. These personnel are essential to the viability of ManitoK's continuing business and the implementation of the Proposal Framework. The D&O have in-depth knowledge of ManitoK's operations and the Proposed Framework, and maintain valuable experience and expertise.
80. I am advised by Gowling WLG, and believe that, in certain circumstances, directors can be held liable for certain obligations of a company owing to employees and government entities. ManitoK estimates with the assistance of the Proposal Trustee that as of January 10, 2018, the obligations of its D&Os for these liabilities may be in the approximate aggregate amount of \$500,000.
81. The D&Os have advised that in light of the uncertainty surrounding their personal liability for these amounts, their continued service and involvement in the proposal proceedings is conditional upon being provided the Indemnity by ManitoK and the Court granting the D&O Charge to secure the Indemnity. It is proposed that the D&O Charge would stand in priority to all security interests, charges and liens other than the Administration Charge, the DIP Charge, and the NBC Charge (subject to the Proposal's Trustee review and report on the security of NBC).

- 82. Manitok maintains directors' and officers' liability insurance (the "D&O Insurance") for the D&Os of Manitok. The current D&O Insurance provides for a total of \$20 million in coverage. While the D&O Insurance is available, the D&Os cannot be certain that coverage will not be denied on the basis that a particular claim is not covered or that coverage limits have been exhausted.
- 83. I have been advised by Gowling WLG that the benefit of the D&O Charge will only be available to the D&O to the extent that any given liability is not otherwise covered by the D&O Insurance.]

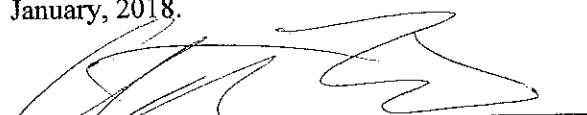
Further Support by SCCC Canada

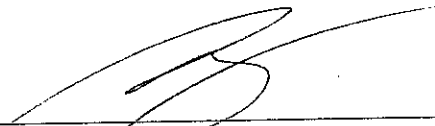
- 84. In addition to its offer of DIP financing, SCCC Canada has provided a detailed expression of interest in refinancing Manitok's indebtedness to NBC, on terms and conditions acceptable to SCCC Canada, including a satisfactory restructuring of Manitok's other indebtedness. Manitok understands that SCCC Canada will provide the Court with further information concerning its interest in supporting Manitok's overall restructuring.

Conclusion

- 85. For the reasons set out above, I believe that it is in the best interest of Manitok and its stakeholders that the relief sought by Manitok in the Interim Financing Order be granted.

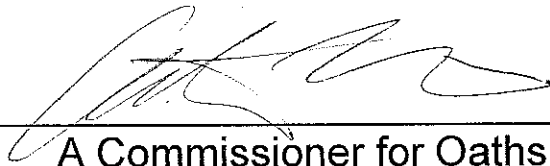
SWORN BEFORE ME at the City of Calgary, in)
the Province of Alberta this 11 day of)
January, 2018.)


A Commissioner for Oaths in and for the Province)
of Alberta)



MASSIMO GEREMIA

THIS IS EXHIBIT "A" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

**DIP FACILITY LOAN AGREEMENT
DATED AS OF JANUARY 8, 2018**

WHEREAS pursuant to an offering letter dated October 27, 2016 between the Borrower (as defined below) and National Bank of Canada ("National Bank"), as amended by a first amending agreement dated December 21, 2016, by a waiver and amending agreement dated as of May 29, 2017, by a second amending agreement dated as of May 31, 2017, by a third amending agreement dated as of July 20, 2017, by a fourth amending agreement dated as of August 31, 2017, by a fifth amending agreement dated as of September 30, 2017, by a sixth amending agreement dated as of November 1, 2017 and by a seventh amending agreement dated as of November 27, 2017 (collectively, and as so amended, the "Offering Letter"), National Bank provided certain credit facilities to the Borrower, the indebtedness (the "National Indebtedness") under which was secured by debentures and certain other security agreements (the "National Security");

AND WHEREAS on December 29, 2017, National Bank demanded repayment of the National Indebtedness and gave notice of its intention to enforce the National Security under section 244(1) of the *Bankruptcy and Insolvency Act* (the "BIA"). The amount of the National Indebtedness demanded by National Bank was CDN\$37,123,776.03 as at December 29, 2017;

AND WHEREAS the Borrower filed a notice of intention to make a proposal under section 50.6 of the BIA on January 8, 2018 and is intended to initiate the proceedings (the "CCAA Proceedings") under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") to be commenced before the Alberta Court of Queen's Bench (the "CCAA Court");

AND WHEREAS the Borrower has requested that the DIP Lender (as defined below) provide financing to fund certain of the Borrower's cash requirements during the pendency of the Borrower's CCAA Proceedings in accordance with the terms and conditions set out herein;

NOW THEREFORE the parties, in consideration of the foregoing and the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby irrevocably acknowledged, agree as follows:

Borrower: Manito Energy Inc.

DIP Lender: SCCC Petroleum Corporation ("DIP Lender") or another investment vehicle, owned by one or more affiliates of the DIP Lender to be designated prior to the Closing Date.

DIP Facility: The DIP Lender agrees to advance to the Borrower as a super-priority (debtor-in-possession) non-revolving credit facility (the "DIP Facility") up to CDN\$8 million.

The DIP Facility may be drawn in tranches of not less than CDN\$500,000 each (except for the final DIP Advance which may be in any amount or as otherwise agreed upon by the DIP Lender) by the Borrower providing not less than five (5) business days' written notice of each drawdown to the DIP Lender. All advances hereunder (each a "DIP Advance") are subject

to the conditions of drawdown set out below.

Each DIP Advance under the DIP Facility shall be deposited into a bank account to be designated by the Borrower at a financial institution approved by the DIP Lender (the "Borrower's Account") and utilized by the Borrower in accordance with the terms of this Agreement.

- Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrower in accordance with the 13-week cash-flow projections to be filed by the Borrower in the context of the CCAA Proceedings (the "Cash-Flow Projections") and may be used to pay interest, fees and expenses payable under the DIP Facility. No proceeds may be used for any other purpose except with the prior written approval of the DIP Lender. In particular, the DIP Facility may not be used in connection with any investigation (including discovery proceedings), initiation or prosecution of any claims, causes of action, adversarial proceedings or other litigation against the DIP Lender or its affiliates.
- Closing Date:** For the purpose of this DIP Facility Loan Agreement, the closing date shall be the date on which all of the conditions precedent to the first DIP Advance hereunder have been satisfied (the "Closing Date").
- Evidence of Indebtedness:** The DIP Lender shall open and maintain accounts and records evidencing advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Lender's accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the DIP Lender pursuant to the DIP Facility.
- Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of Canada.
- Interest Rate:** All amounts owing hereunder on account of the principal, overdue interest, fees and expenses shall bear interest at the rate of 8.0% per annum payable in cash monthly in arrears on the last day of each calendar month. To the extent permitted by law, upon the occurrence of an Event of Default (as defined below), interest shall accrue and be calculated at a rate of 11.0% per annum.
- Standby Fee:** The Borrower shall pay the DIP Lender a standby fee of 2.0% per annum on the undrawn portions of the DIP Facility. Such fee shall be calculated daily and payable monthly in arrears on the last day of each calendar month.
- Other Fees:**
- a) On the Closing Date, the Borrower shall pay to the DIP Lender a non-refundable commitment fee of CDN\$150,000 from the first DIP Advance under the DIP Facility.

- b) If any portion of the DIP Facility is repaid or prepaid prior to the Maturity Date, the Borrower will pay to the DIP Lender a prepayment fee equal to 2.0% of the principal amount repaid or prepaid.
- c) At such time as the entire DIP Facility has been repaid or cancelled, the Borrower will pay to the DIP Lender a fee of CDN\$150,000 as an exit fee.

Other Costs and Expenses:

The Borrower shall pay, on or before the Closing Date and monthly thereafter, all costs and expenses of the DIP Lender for all out-of-pocket due diligence and travel costs and all reasonable fees, expenses and disbursements of outside counsel, appraisers, field auditors, and any financial consultant in connection with the administration of the DIP Facility after the Closing Date, including any costs and expenses incurred by the DIP Lender in connection with the enforcement of any of the rights and remedies available hereunder or any related security. The DIP Lender will provide reasonably detailed invoices for all costs and expenses claimed hereunder in advance of requesting payment.

Repayment and Maturity Date:

All amounts owing to the DIP Lender under the DIP Facility shall be due and payable on the earliest of the occurrence of any of the following:

- a) six months following the Closing Date;
- b) the implementation of a plan of compromise or arrangement within the CCAA Proceedings (a "Plan") which has been approved by the requisite majorities of the Borrower's creditors and by order entered by the CCAA Court (the "Sanction Order") and by the DIP Lender;
- c) conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada) (the "BIA");
- d) the completion of the sale of more than 50% of the aggregate assets of the Borrower (unless the DIP Lender consents to such sale and agrees that the DIP Facility shall remain outstanding); and
- e) an Event of Default in respect of which the DIP Lender has elected in its sole discretion to accelerate all amounts owing and demand repayment;

(the earliest such date, the "Maturity Date").

The DIP Lender's commitment to make further advances under the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be permanently and indefeasibly repaid by the Borrower no later than the Maturity Date without the DIP Lender being required to make demand upon the Borrower or other parties or to give notice that the DIP Facility has expired and that the obligations thereunder

are due and payable. The DIP Lender shall be treated as unaffected in any Plan, and such Plan or the Sanction Order shall not discharge or otherwise affect in any way any of the obligations of the Borrower towards the DIP Lender under the DIP Facility other than after the permanent and indefeasible payment in cash to the DIP Lender of all obligations under the DIP Facility on or before the date that the Plan is implemented, including without limitation, the exit fee.

**Mandatory
Prepayments:**

Unless the DIP Lender consents otherwise, the Borrower is required to prepay amounts outstanding under the Facility:

- a) upon receipt of net cash proceeds from the sale of any of the Collateral (as defined below) except for sales of oil and gas in the ordinary course of business by the Borrower;
- b) upon receipt of any extraordinary payments such as tax refunds by the Borrower; or
- c) upon receipt of net cash proceeds from the sale of any equity interests in the Borrower or the receipt of capital contributions by the Borrower.

Any prepayment required hereunder shall be a permanent reduction of the DIP Facility and may not be reborrowed without the written consent of the DIP Lender in its sole discretion. Any prepayments prior to the Maturity Date will be subject to the prepayment fee of 2.0% referred to above.

**Optional
Prepayment:**

The DIP Facility may be repaid at any time, in whole or in part, prior to the Maturity Date on not less than two business days' notice to the DIP Lender provided that any such payment shall be subject to a *pro rata* share of the exit fee referred to above, the prepayment fee referred to above and the satisfaction of all accrued interest thereon.

**DIP Lender
Account:**

All payments to the DIP Lender shall be made by wire transfer to the account specified in writing to the Borrower from time to time.

Agreed Budgets:

Attached hereto are the Cash-Flow Projections which are in form and substance satisfactory to the DIP Lender. The DIP Lender may require changes to the format of the Cash-Flow Projections and the details provided therein including, without limitation, information on a line item basis as to (i) projected cash receipts and (ii) projected disbursements (including ordinary course operating expenses and restructuring expenses, including professional fees), capital and maintenance expenditures.

On the Thursday of each week, the Borrower shall provide to the DIP Lender a variance report (the "Weekly Budget Variance Report") showing on a line-by-line basis actual receipts and disbursements and the total available liquidity for the last day of the prior week for the cumulative

period since the commencement of the CCAA Proceedings and for a rolling cumulative four week period once the CCAA Proceedings have been pending for four weeks and noting therein all variances on a line-by-line basis from the amounts in the Cash-Flow Forecast and shall include explanations for all material variances and shall be certified by the Chief Financial Officer of the Borrower. The first Weekly Budget Variance Report shall be delivered on the Thursday of the week following the Closing Date.

The Borrower may from time to time present to the DIP Lender a revised and detailed 13 week cash flow forecast substantially in the form of the current Cash-Flow Forecast, which revised forecast shall be reviewed by the Monitor (as defined below). The DIP Lender may, in its discretion, acting reasonably, agree to substitute the revised forecast for the then current Cash-Flow Forecast in which case the revised forecast shall be thereafter be deemed to be the effective Cash-Flow Forecast for the purposes hereof.

**Conditions
Precedent to DIP
Advances:**

The DIP Lender's agreement to make DIP Advances to the Borrower is subject to the following conditions precedent (the "Funding Conditions") as determined by the DIP Lender in its sole discretion, acting reasonably:

- a) The Borrower's application materials in connection with the CCAA Proceedings shall be satisfactory to the DIP Lender and any such application shall be brought before the CCAA Court on notice to such parties as are acceptable to the DIP Lender, acting reasonably.
- b) The CCAA Court shall have issued an initial order (the "Initial Order"), which must be satisfactory to the DIP Lender, in its sole discretion, and the Initial Order shall not have been amended, restated or modified in a manner that adversely affects in any way the rights or interests of the DIP Lender without the consent of the DIP Lender. For greater certainty, such Initial Order shall approve this DIP Facility Agreement and shall confirm the charge in favour of the DIP Lender (the "DIP Lender's Charge") which ranks ahead of and shall remain to have priority over all liens, charges, mortgages, encumbrances, security interests of every kind and nature granted by the Borrower against any of the undertaking, property or assets of the Borrower (collectively, the "Liens"), subject in priority only to an administrative charge on the collateral of the Borrower in an aggregate amount not to exceed CDN\$500,000 (the "Administration Charge"), and the Initial Order, may not be rescinded, amended or revised without at least five business days' notice to the DIP Lender and its counsel and shall not stay the rights of the DIP Lender hereunder or under the DIP Facility Documents (as defined below). The DIP Lender's Charge shall apply to all of the property and assets of the Borrower (the "Collateral") and shall secure all obligations

owing by the Borrower to the DIP Lender under this DIP Loan Agreement and hereunder, including without limitation, all principal, interest, fees and amounts owing in respect of expenses (collectively the "DIP Obligations").

- c) All fees and expenses payable to the DIP Lender have been paid or will be paid from the proceeds of the requested DIP Advance within such time as is acceptable to the DIP Lender, in its sole discretion;
- d) There shall be no liens ranking in priority to the DIP Lender's charge other than the Administrative Charge, and any subordinate court-ordered charges or liens shall be acceptable to the DIP Lender;
- e) The DIP Facility Documents (as defined below) shall be satisfactory to the DIP Lender in its discretion, acting reasonably, and shall have been executed by the parties thereto and the DIP Lender;
- f) The DIP Lender shall be satisfied that the Borrower has complied with and is continuing to comply with in all material respects with all applicable laws, regulations, policies in relation to their property and business, other than as may be permitted under any order of the CCAA Court (each a "Court Order") which is satisfactory to the DIP Lender in its discretion, acting reasonably;
- g) The DIP Lender shall have received from the Borrower a written request for each DIP Advance not less than three business days prior to the date of the DIP Advance which shall be executed by an officer of the Borrower and which shall certify the amount requested and that the Borrower is in compliance with the DIP Facility Documents and the Court Orders;
- h) All amounts due and owing to the DIP Lender at such time shall have been paid or shall be paid from the requested DIP Advance;
- i) No Event of Default shall have occurred or will occur as a result of the requested DIP Advance;
- j) The DIP Lender shall have received satisfactory opinions of counsel to the Borrower relating to such matters as the DIP Lender may reasonably require;
- k) The DIP Lender shall have been satisfied that all motions, orders and other pleadings and related documents filed or submitted to the CCAA Court by the Borrower shall be consistent with the terms hereof and all orders entered by the CCAA Court shall not be inconsistent with or have an adverse impact on the terms of the DIP Facility;

- l) There are no Liens ranking in priority to the DIP Lender's Charge other than is permitted hereunder;
- m) No material portion of the Collateral shall have been lost or stolen; and
- n) The Borrower shall be in compliance with all covenants and obligations contained in this Agreement.

As soon as practical the DIP Lender's Charge shall be registered against title to all of the assets of the Borrower.

**DIP Facility
Security and
Documentation:**

All of the obligations of the Borrower under or in connection with the DIP Facility, this Agreement and any other documentation in respect of the DIP Facility that is requested by the DIP Lender (which shall be in form and substance satisfactory to the DIP Lender in its sole discretion, acting reasonably) (collectively, the "DIP Facility Documents") shall be secured by the DIP Lender's Charge granted by the CCAA Court.

The DIP Obligations shall be secured by the DIP Lender's Charge granted by the CCAA Court.

The DIP Lender's Charge shall be a perfected first priority and not subject to subordination other than in respect of the Administrative Charge granted by the CCAA Court.

**Deposit
Accounts:**

The Borrower shall maintain all cash in accounts maintained with depository banks designated by the DIP Lender ("Approved Depository Banks").

Monitor:

The court-appointed Monitor shall be FTI Consulting Canada Inc. (the "Monitor"). The DIP Lender shall be authorized by the Initial Order to have direct discussions with the Monitor and to receive information from the Monitor as requested by the DIP Lender from time to time.

**Release and
Indemnity:**

The Borrower, on its own behalf and on behalf of its agents, representatives, officers, directors, advisors, employees, subsidiaries, affiliates, successors, heirs and assigns (collectively, the "Releasers"), hereby absolutely and irrevocably release, remise, acquit and forever discharge the DIP Lender, its employees, agents, representatives, consultants, counsel, fiduciaries, servants, officers, directors, partners, predecessors, successors and assigns, subsidiary corporations, parent corporations, shareholders, and related corporate divisions and the successors and assigns of each of the foregoing (all of the foregoing hereinafter called the "Released Parties"), from any and all actions and causes of action, judgments, executions, suits, debts, claims, demands, liabilities, obligations, damages and expenses of any and every character,

known or unknown, direct or indirect, at law or in equity, of whatsoever kind or nature, whether heretofore or hereafter arising ("Claims"), for or because of any matter or things done or omitted by any of the Released Parties prior to and including the date of this DIP Facility Loan Agreement, and none of the aforementioned Claims has been transferred, assigned by the Releasers to any persons.

The Borrower also agrees to indemnify and hold harmless the DIP Lender and its affiliates and their respective officers, directors, partners, employees, representatives, advisors, solicitors and agents (collectively, the "Indemnified Persons") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or suited against or involve any of the Indemnified Persons as a result of, in connection with or in any way related to the DIP Facility, the proposed or actual use of the proceeds of the DIP Facility, this Agreement, the CCAA Proceedings or the DIP Facility Documents. Notwithstanding the foregoing, the Borrower shall have no obligation to indemnify any Indemnified Person against such loss, liability, cost or expense to the extent that such Indemnified Person is found by final judgment of a court of competent jurisdiction to arise from the gross negligence or willful misconduct of such Indemnified Person or to the extent of any disputes solely among Indemnified Persons other than claims arising out of any act or omission on the part of the Borrower. The DIP Lender shall not be responsible or liable to the Borrower or any other person for any consequential or punitive damages.

Representations and Warranties:

At the Closing Date and each time a DIP Advance is made hereunder, the Borrower represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this Agreement and the other DIP Facility Documents, that:

- a) The transactions contemplated by this Agreement and the other DIP Facility Documents:
 - (i) upon the granting of the Initial Order are within the powers of the Borrower;
 - (ii) have been duly authorized, executed and delivered by or on behalf of the Borrower;
 - (iii) upon the granting of the Initial Order constitute legal, valid and binding obligations of the Borrower;
 - (iv) upon the granting of the Initial Order do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the DIP Lender's Charge;

- b) The business operations of the Borrower have been and will continue to be conducted in material compliance with all applicable laws of each jurisdiction in which each such business has been or is being carried on;
- c) The Borrower has obtained all material licences and permits required for the operation of its business, which licences and permits remain, and after the DIP Financing, will remain in full force and effect. No proceedings have been commenced to revoke or amend any of such licences or permits;
- d) The Borrower has paid where due its obligations for Crown royalty, payroll, employee source deductions, sales tax and other value added taxes and is not in arrears in respect of these obligations;
- e) The Borrower does not have any defined benefit pension plans or similar plans;
- f) All factual information provided by or on behalf of the Borrower to the DIP Lender for the purposes of or in connection with this Agreement or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided. In particular, and without limiting the generality of the foregoing, all information regarding the Borrower's corporate structure is true and complete, all public filings and financial reports are complete and true in all material respects.

**Affirmative
Covenants:**

In addition to all other covenants and obligations contained herein, the Borrower agrees and covenants to perform and do each of the following until the DIP Facility is permanently and indefeasibly repaid and cancelled:

- a) Comply with the provisions of the Court Orders made in the CCAA Proceedings including, without limitation, the Initial Order;
- b) Use all DIP Advances made under the DIP Facility and other cash on hand only for the purposes of the Borrower's short-term liquidity needs and in a manner that is consistent with the Cash-Flow Forecast in all material respects;
- c) Allow the DIP Lender, its designated representatives and consultants full access to the books and records and personnel of the Borrower on one business days' notice and during normal business hours and

cause management thereof to fully cooperate with any advisors to the DIP Lender;

- d) Provide the DIP Lender with draft copies of all motions, applications, proposed orders or other material or documents that any of them intend to file within the CCAA Proceedings at least three (3) days prior to any such filing or, where it is not practically possible to do so, as soon as reasonably possible;
- e) The Initial Order and any other Court Orders which are being sought by the Borrower shall be submitted to the CCAA Court in a form confirmed in advance to be satisfactory to the DIP Lender, acting reasonably, subject to any amendments that are required by the CCAA Court or the Borrower that are acceptable to the DIP Lender;
- f) Any and all materials of the Borrower in respect of a proposed Plan or any other transaction involving the refinancing of the Borrower, the sale of all or substantially all of the assets of the Borrower or any other restructuring of the Borrower's businesses and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of the Borrower (a "Restructuring Option") shall only be submitted to the CCAA Court in a form confirmed in advance to be satisfactory to the DIP Lender unless such Restructuring Option provides for the indefeasible payment in full in cash of all amounts owing to the DIP Lender under the DIP Facility at or prior to the implementation date of such Restructuring Option;
- g) The Borrower shall not provide or seek or support a motion by another party to provide to a third party a charge upon the Borrower's assets (including, without limitation, a critical supplier's charge) without the prior consent of the DIP Lender;
- h) The Borrower shall promptly advise the DIP Lender of, and provide copies of, any proposal received from a third party in respect of a Restructuring Option or any other transaction to be carried out pursuant to or as part of a Plan and, thereafter, shall advise the DIP Lender of the status of any such proposal as well as any material amendments to the terms thereof;
- i) The Borrower shall not carry out any changes to the composition (including the addition, removal or replacement of directors or officers) of the board of directors or the officers (including any chief restructuring officer) of the Borrower without first consulting with the DIP Lender;
- j) Unless such payments are first approved by the DIP Lender, the Borrower shall not increase any termination or severance entitlements

7
10

or pay any termination or severance payments or modify any compensation or benefit plans whatsoever.

- k) Provide to the DIP Lender a weekly status update regarding the status of the CCAA Proceedings and the restructuring process including, without limitation, reports on the progress of any Plan or Restructuring Option, and any information which may otherwise be confidential subject to same being maintained as confidential by the DIP Lender. Notwithstanding the foregoing disclosure obligation or any other term of this Agreement, the Borrower shall not be obligated to disclose to the DIP Lender any information regarding the details of bids received by the Borrower or the Monitor unless such information is otherwise disclosed to other stakeholders in the CCAA Proceedings or unless the DIP Lender waives its right to credit bid;
- l) Use all reasonable efforts to keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower, the development of a Plan and/or a Restructuring Option;
- m) Deliver to DIP Lender any updated Weekly Budget Variance Reports and such other reporting and other information from time to time as is reasonably requested by the DIP Lender in form and substance satisfactory to the DIP Lender;
- n) The Borrower shall deliver to the DIP Lender: (i) within one (1) business day of delivery thereof to the Monitor, copies of all financial reporting provided to the Monitor; and (ii) within one (1) business day of receipt from the Monitor any reports or other commentary or analysis received by the Borrower from the Monitor regarding the financial position of the Borrower or otherwise;
- o) The Borrower shall provide to the DIP Lender copies of all proposed general communications to be given to customers, suppliers, employees and other stakeholders simultaneously with the distribution thereof to such persons;
- p) The Borrower shall also provide the DIP Lender, upon request, all title information and opinions and environmental reports affecting or relating to the property of the Borrower;
- q) Preserve, renew, maintain and keep in full force its corporate existence and its material licenses, permits, approvals, etc. required in respect of its business, properties, assets or any activities or operations carried out therein and maintain its properties and asset in good working order;

- r) Maintain all insurance with respect to the Collateral in existence as of the date hereof;
- s) Forthwith notify the DIP Lender of the occurrence of any Event of Default, or of any event or circumstance that, with the passage of time, may constitute an Event of Default;
- t) Execute and deliver the DIP Facility Documents, including such financing statements, opinions or other documents and information, as may be reasonably requested by the DIP Lender in connection with the DIP Facility, which documentation shall be in form and substance satisfactory to the DIP Lender;
- u) Subject to the "Other Costs and Expenses" provisions of this Agreement, pay upon request by the DIP Lender all of its documented fees and expenses, provided, however, that if any such fees and expenses incurred after the date of this Agreement are not paid by the Borrower, the DIP Lender may in its discretion pay all such fees and expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility; and
- v) Pay when due all principal, interest, fees and other amounts payable by the Borrower under this Agreement and under any other DIP Facility Documents on the dates, at the places and in the amounts and manner set forth herein.

**Negative
Covenants:**

The Borrower covenants and agrees not to do the following, other than with the prior written consent of the DIP Lender, from and after the date hereof:

- a) Except as contemplated by this Agreement or any Court Order, make any payment, without consent of the DIP Lender, of any debt or obligation existing as at the date of filing of the CCAA Proceedings (the "Pre-Filing Debts");
- b) Make any payments outside the ordinary course of business consistent with past practices, subject always to the obligation to comply with the Cash-Flow Forecast in all material respects to the extent reasonably practicable in the circumstances;
- c) Sell, assign, lease, convey or otherwise dispose of any of the Collateral except for sales of oil and gas in ordinary course of business consistent with past practices or sell any securities of the Borrower;
- d) Except for as contemplated herein or as otherwise consented to by the

DIP Lender, permit any new Liens to exist on any of the properties or assets or the Borrower other than the Liens in favour of the DIP Lender as contemplated by this Agreement;

- e) Create or permit to exist any other Lien which is senior to or *pari passu* with the DIP Lender's Charge except as contemplated herein;
- f) Make any investments in or loans to or guarantee the debts or obligations of any other person or entity;
- g) Enter any restrictive covenants or agreements which might affect the value or liquidity of any Collateral;
- h) Change its name, fiscal year end or accounting policies or amalgamate, consolidate with, merge into, dissolve or enter into any similar transaction with any other entity without the consent of the DIP Lender; or
- i) Terminate any key employees of the Borrower, including those involved in maintaining the Collateral, without the consent of the DIP Lender acting reasonably.

Events of Default:

The occurrence of any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement if such event of default is not cured within two business days of the Borrower receiving notice of the event of default (to the extent such event of default is capable of being cured):

- a) Any Court Order is dismissed, stayed, reversed, vacated, amended or restated and such dismissal, stay, reversal, vacating, amendment or restatement adversely affects or would reasonably be expected to adversely affect the interests of the DIP Lender in a material manner, unless the DIP Lender has consented thereto;
- b) Any Court Order is issued which adversely affects or would reasonably be expected to adversely affect the interests of the DIP Lender in a material manner, unless the DIP Lender has consented thereto including, without limitation:
 - (i) the issuance of an order dismissing the CCAA Proceedings or lifting the stay imposed within the CCAA Proceedings to permit the enforcement of any security or claim against the Borrower or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against the Borrower;
 - (ii) the issuance of an order granting any other claim or a Lien of

equal or prior status to that of the DIP Lender's Charge except as permitted hereunder;

- (iii) the issuance of an order staying, reversing, vacating or otherwise modifying the DIP Facility Documents or the provisions of the Court Order affecting the DIP Lender or the Collateral, or the issuance of an order adversely impacting the rights and interests of the DIP Lender, in each case without the consent of the DIP Lender; or
- (iv) the failure of the Borrower to diligently oppose any party that brings an application or motion for the relief set out in (a) through (c) above and/or the Borrower fails to secure the dismissal of such motion or application within a reasonable delay, subject to court availability, from the date that such application or motion is brought;
- c) The sales or investor solicitation process proposed to the CCAA Court by the Borrower is not acceptable to the DIP Lender in its discretion, acting reasonably;
- d) Failure of the Borrower to pay any amounts when due and owing hereunder;
- e) The Borrower ceases to carry on business or operate or maintain its properties in the ordinary course as it is carried on as of the date hereof, except where such cessation is consented to by the DIP Lender;
- f) Any representation or warranty by the Borrower herein or in any DIP Facility Documents shall be incorrect or misleading in any material respect when made; any Court Order is rendered, a liability arises or an event occurs, including any change in the business, assets, or conditions, financial or otherwise that will in the DIP Lender's judgment, acting reasonably, materially further impair the Borrower's financial condition, operations or ability to comply with its obligations under this Agreement, any DIP Facility Documents or any Court Order or carry out a Plan or a Restructuring Option reasonably acceptable to the DIP Lender;
- g) Any material violation or breach of any Court Order by the Borrower;
- h) Failure of the Borrower to perform or comply with any term or covenant of this Agreement or any other DIP Facility Documents;
- i) The occurrence, at any time, of a negative aggregate variance of more than 10% with the Cash-Flow Forecast (unless such variance is

reasonably expected to be corrected in an ensuing period), such variance to be calculated weekly and on an aggregate basis, and failure to provide a projected weekly budget approved by the DIP Lender, acting reasonably, which shows sufficient liquidity, including availability under the DIP Facility, to meet all of the Borrower's projected cash requirements until the Maturity Date;

- j) If Massimo Geremia ceases to be the Chief Executive Officer of the Borrower;
- k) Any proceeding, motion or application is commenced or filed by the Borrower, or if commenced by another party, supported or otherwise consented to by the Borrower, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP Lender's Charge, this Agreement, or any of the other DIP Facility Documents or approval of any Plan or Restructuring Option which does not have the prior consent of the DIP Lender;
- l) The Borrower becomes subject to a material environmental liability arising after the commencement of the CCAA Proceedings; or
- m) Any Plan is sanctioned or any Restructuring Option is consummated by the Borrower that is not consistent with or contravenes any provision of this Agreement or the other DIP Facility Documents in a manner that is adverse to the interests of the DIP Lender or would reasonably be expected to adversely affect the interests of the DIP Lender unless the DIP Lender has consented thereto or unless it provides for repayment in full of all DIP Obligations to the DIP Lenders under this Agreement.

Remedies:

Upon the occurrence of an Event of Default, the DIP Lender may, in its sole discretion, elect to terminate the DIP Lender's commitment to make further DIP Advances to the Borrower and accelerate all amounts outstanding under the DIP Facility and declare such amounts to be immediately due and payable without any periods of grace. Upon the occurrence of an Event of Default, the DIP Lender may apply to the CCAA Court:

- a) for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral, or for the appointment of a trustee in bankruptcy of the Borrower;
- b) for an order, on terms satisfactory to the Monitor and the DIP Lender, providing the Monitor with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the CCAA Proceedings to realize on the Collateral;
- c) for leave to exercise the powers and rights of a secured party under

applicable legislation; and

- d) for leave to exercise all such other rights and remedies available to the DIP Lender under the DIP Facility Documents, the Court Orders and applicable law.

DIP Lender Approvals:

All consents of the DIP Lender hereunder shall be in writing. Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by any written instrument, including by way of electronic mail.

Taxes:

All payments by the Borrower under this Agreement and the other DIP Facility Documents, including any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively, "Taxes"); provided, however, that if any Taxes are required by applicable law to be withheld ("Withholding Taxes") from any amount payable to the DIP Lender under this Agreement or under any DIP Facility Documents, the amounts so payable to the DIP Lender shall be increased to the extent necessary to yield to the DIP Lender on a net basis after payment of all Withholding Taxes, the amount payable under such DIP Facility Documents at the rate, or in the amount specified in such DIP Facility Documents and the Borrower shall provide evidence satisfactory to the DIP Lender that the Taxes have been so withheld and remitted.

Further Assurances:

The Borrower shall, at its own expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lender may reasonably request for the purpose of giving effect to this Agreement.

Entire Agreement:

This Agreement and the DIP Facility Documents together constitute the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any of the other DIP Facility Documents, this Agreement shall prevail.

Credit Bidding:

Nothing herein shall preclude the DIP Lender from credit bidding for the assets of the Borrower in a sales process.

Business Days:

If any payment is due on a day which is not a business day in Calgary and New York City, such payment shall be due on the next following business day.



Amendments and Waivers:

No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder or under any other DIP Facility Documents will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

Assignment:

The DIP Lender may assign this Agreement and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights and obligations hereunder to any party acceptable to the DIP Lender in its sole and absolute discretion (subject to providing the Borrower and the Monitor with reasonable evidence that such assignee has the financial capacity to fulfill the obligations of the DIP Lender hereunder). Neither this Agreement nor any right and obligation hereunder may be assigned by the Borrower.

Severability:

Any provision in this Agreement or in any DIP Facility Documents which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or effecting the validity of enforceability of such provision in any other jurisdiction.

No Third Party Beneficiary:

No person, other than the Borrower, the DIP Lender or the Indemnified Persons, is entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.

Press Releases:

The Borrower shall not issue any press releases naming the DIP Lender without its prior approval, acting reasonably, unless the Borrower is required to do so by applicable securities laws or other applicable law.

Counter Parts and Facsimile Signatures:

This Agreement may be executed in any number of counterparts and by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

Notices:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

In the case of the DIP Lender:
SCCC Petroleum Corporation
1520, 555 4th Avenue SW
Calgary, Alberta
T2P 3E7

Attention: Jiajun Hu

Email: jerry_hjj@126.com

With a copy to:

Stikeman Elliott LLP
4300 Bankers Hall West
888 - 3rd Street S.W.
Calgary, Alberta
T2P 5C5

Attention: Ben Hudy / Guy P. Martel
Email: bhudy@stikeman.com / gmartel@stikeman.com

In the case of the Borrower:

Manitok Energy Inc.
Suite 2600, 585- 8th Avenue S.W.
Calgary, Alberta
T5N 2M5

Attention: Massimo M. Geremia
Email: mass@manitok.com

With a copy to:

Gowling WLG (Canada) LLP
Suite 1600, 421 7th Avenue SW
Calgary, Alberta
T2P 4K9

Attention: Frank Sur
Email: Frank.Sur@gowlingwlg.com

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.
Ernst & Young Tower
440 2nd Avenue SW, Suite 720
Calgary AB T2P 5E9

Attention: Derek Helkaa
E-mail: deryck.helkaa@fticonsulting.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 PM local time or on a day other than a business day, in which case the notice shall be deemed to be received the next business day.

**Governing Law
and Jurisdiction:**

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

[Signature pages follow]



AS DIP LENDER:


SCCC PETROLEUM CORPORATION

by _____

AS BORROWER:

MANITOK ENERGY INC.

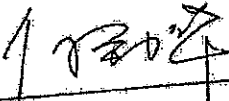
by _____



Massimo M. Geremia
President & CEO

AS DIP LENDER:

SCCC PETROLEUM CORPORATION

by 

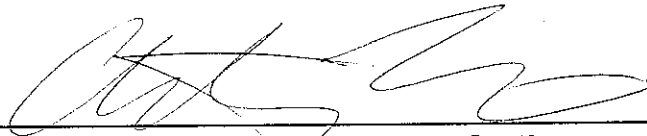
AS BORROWER:

MANITOK ENERGY INC

by _____



THIS IS EXHIBIT "B" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018

A handwritten signature in black ink, appearing to read 'Anthony Mersich', is written over a horizontal line.

A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2018/01/04
Time of Search: 11:48 AM

Service Request Number: 28259489
Customer Reference Number: 01903957-EDD3_5_111657

Corporate Access Number: 2015468149
Legal Entity Name: MANITOK ENERGY INC.
Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2010/07/08 YYYY/MM/DD

Registered Office:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 4K9

Records Address:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 4K9

Directors:

Last Name: GEREMIA
First Name: BRUNO
Middle Name: P.
Street/Box Number: C/O SUITE 500, 630 - 4TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0J9

Last Name: GEREMIA
First Name: MASSIMO
Middle Name: M.
Street/Box Number: SUITE 700, 444 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0X8

Last Name: MULLEN
First Name: KENNETH
Middle Name: B.
Street/Box Number: 22 STRATHRIDGE GROVE SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H 4M1

Last Name: NERLAND
First Name: DENNIS
Middle Name: L.
Street/Box Number: 2800, 715 - 5TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 2X6

Last Name: PETERSON
First Name: GREGORY
Middle Name: E.
Street/Box Number: 1600, 421- 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 4K9

Last Name: SPOLETINI
First Name: TOM
Street/Box Number: 211 HERITAGE PLACE
City: CALGARY
Province: ALBERTA
Postal Code: T3Z 3P3

Last Name: VOURI
First Name: CAMERON
Middle Name: G.
Street/Box Number: SUITE 700, 112 - 4TH AVENUE SW
City: CALGARY

Province: ALBERTA
Postal Code: T2P 0H3

Transfer Agents:

Legal Entity Name: VALIANT TRUST COMPANY
Corporate Access Number: 308507359
Street: SUITE 310, 606 - 4TH STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 1T1

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO AND FORMING A PART
HEREOF.
**Share Transfers
Restrictions:** NONE.
Min Number Of Directors: 3
Max Number Of Directors: 15
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE SCHEDULE "B" ATTACHED HERETO AND FORMING A PART
HEREOF.

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2014787499	DESCO RESOURCES INC.
2011656044	MANITOK EXPLORATION INC.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2017	2017/08/30

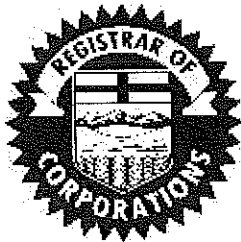
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2010/07/08	Amalgamate Alberta Corporation
2013/11/24	Change Address
2017/08/21	Change Director / Shareholder
2017/08/30	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Amalgamation Agreement	10000103000367954	2010/07/08
Statutory Declaration	10000803000367955	2010/07/08
Share Structure	ELECTRONIC	2010/07/08
Other Rules or Provisions	ELECTRONIC	2010/07/08

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



THIS IS EXHIBIT "C" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Search ID#: Z09848422

Transmitting Party

WEST-END REGISTRATIONS LICENSING & SEARCHES LTD.
(P158)

10011 170 STREET
EDMONTON, AB T5P 4R5

Party Code: 50076967
Phone #: 780 483 8211
Reference #: 01903958-EDD3 5 1116

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Business Debtor Search For:

MANITOK ENERGY INC.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID#: Z09848422

Business Debtor Search For:

MANITOK.ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 12060714643

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Jun-07

Registration Status: Current

Expiry Date: 2018-Jun-07 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

12060725576	Amendment	2012-Jun-07
12112719377	Amendment	2012-Nov-27
13043036029	Amendment	2013-Apr-30
13073124099	Amendment	2013-Jul-31
13090626668	Amendment	2013-Sep-06
14011615881	Amendment	2014-Jan-16
14052856801	Amendment And Renewal	2014-May-28
14121125170	Amendment	2014-Dec-11
15011332588	Amendment	2015-Jan-13
15031808583	Amendment	2015-Mar-18
16053108854	Renewal	2016-May-31
16060913867	Amendment	2016-Jun-09
16083140223	Amendment	2016-Aug-31
16102635063	Amendment	2016-Oct-26
16110219574	Amendment	2016-Nov-02
17022316498	Amendment	2017-Feb-23
17072740789	Amendment	2017-Jul-27
17072740863	Amendment	2017-Jul-27

Debtor(s)

Search ID#: Z09848422

Block

1 MANITOK ENERGY INC.
2500, 639 - 5TH AVENUE SW
CALGARY, AB T2P 0M9

Status

Current

Secured Party / Parties

Block

1 BULL MOOSE CAPITAL LP.
500, 505 - 8TH AVENUE SW
CALGARY, AB T2P 1G2

Status

Current

Block

2 BULL MOOSE CAPITAL LTD.
500, 505 - 8TH AVENUE S.W.
CALGARY, AB T2P 1G2

Status

Current by
16083140223

Collateral: General

Block

Description

1	1667 - 188 HP Reciprocating Compressor
2	16770 - 188 HP Reciprocating Compressor
3	31608-1085 HP Reciprocating Compressor
4	03-260-1005 HP reciprocating compressor
5	04-312 1280 HP reciprocating compressor
6	948196 200 HP reciprocating compressor
7	445-605 HP Reciprocating Compressor
8	1210 - 215 HP reciprocating compressor
9	10829 - 1480 HP Compressor Package LSD 13-15-042-15 W5M
10	FH-311 - 738 HP Compressor Package LSD 15-02-042-15 W5M
11	C399-99 HP Compressor

Status

Deleted By 12060725576
Deleted By 13073124099
Deleted By 16060913867
Deleted By 16083140223
Deleted By 16083140223
Deleted By 15011332588
Deleted By 16083140223
Deleted By 15011332588
Deleted By 16083140223
Deleted By 16083140223
Deleted By 16083140223

Search ID#: Z09848422

- | | | |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 12 | One (1) fully constructed 1004 HP natural gas compressor package having Unit #03-260 designed for sweet gas service including: Caterpillar G3512 LE natural gas engine, Ariel JGE-4 reciprocating compressor frame c/w two (2) 13.50", one (1) 9.250" and one (1) 6.00" cylinders. | Current By
16083140223 |
| 13 | One (1) fully constructed 1280 HP natural gas compressor package having Unit #04-312 designed for sweet gas service including: Waukesha L5774LT, Ariel JGK/4 c/w two (2) 14.125", one (1) 10.50" and one (1) 6.25" cylinders. Options include auto suction, bypass and blowdown valves, lights, fire and gas detection, 3 ton bridge crane and glycol transfer pump. | Current By
16083140223 |
| 14 | One (1) fully constructed 607 HP natural gas compressor package having Unit #445 designed for sweet gas service including: Waukesha F2895 natural gas engine, Ariel JGK/2 reciprocating compressor frame, one (1) 13.625" and one (1) 5.875" cylinders. Options include: auto suction, auto bypass, 2 ton crane, and 24 volt lighting. | Deleted By
17022316498 |
| 15 | One (1) fully constructed 1480 HP natural gas compressor package having Unit #10829 designed for sweet gas service including: Waukesha L7042GL natural gas engine, Ariel JGK/4 reciprocating compressor frame, two (2) 14.125", one (1) 9.125" and one (1) 6.25" cylinders. Options include: auto suction control, auto bypass control, auto blowdown, fire and gas detection and 3 ton crane. | Current By
16083140223 |
| 16 | One (1) fully constructed 99 HP natural gas compressor package having Unit #C399 designed for sweet gas service including: Cummins G8.3 natural gas engine, Gardner Denver SSM rotary screw compressor frame, Murphy Panel, control valves, walk-in building with heaters, vessels and blowcase. | Deleted By
17072740789 |
| 17 | One (1) fully constructed 738 HP natural gas compressor package having Unit #FH-311 designed for sweet gas service including: Waukesha F3521GSI natural gas engine, Ariel JGK/2 reciprocating compressor frame, one (1) 11.00" and one (1) 6.25" cylinders, RemVue 500S control panel. Options include auto suction control valve, auto bypass control, auto blowdown, 3 ton bridge crane, fire and gas detection, lights, 24 volt generator battery pack, glycol transfer pump and blowcase with slug catcher. | Deleted By
16102635063 |
| 18 | Proceeds: goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds. | Current By
16083140223 |
| 19 | One natural gas reciprocating compressor (and all related parts and accessories) having unit #14-835 | Current By
16110219574 |
| 20 | One (1) fully constructed 99 HP natural gas compressor package having Unit #C399 designed for sweet gas service including: Cummins G8.3 natural gas engine, Gardner Denver SSM rotary screw compressor frame, Murphy Panel, control valves, walk-in building with heaters, vessels and blowcase. | Deleted By
17072740863 |

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 12081030727

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Aug-10

Registration Status: Current

Expiry Date: 2022-Aug-10 23:59:59

Inexact Match on: Debtor

No: 1

Amendments to Registration

14062036908

Amendment

2014-Jun-20

15062925946

Amendment

2015-Jun-29

17020333548

Amendment

2017-Feb-03

17071721467

Renewal

2017-Jul-17

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
GENERAL DELIVERY
IRON RIVER, AB T0A 2A0

Current

Secured Party / Parties

Block

Status

1 CANADIAN WESTERN BANK LEASING INC.
251 PALISADES WAY
SHERWOOD PARK, AB T8H 0N3

Deleted by
17020333548

Phone #: 780 449 6699

Fax #: 780 449 0009

Block

Status

2 CANADIAN WESTERN BANK
17603 100 AVENUE
EDMONTON, AB T5S 2M1

Current by
17020333548

Phone #: 780 484 7407

Fax #: 780 489 8228

Search ID#: Z09848422

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	5KKPALCK59PAH2856	2009	WESTERN STAR 4900SA TRI-D	MV - Motor Vehicle	Deleted By 14062036908
2	WT0507265	2009	WESTECH WT92 COMBO VAC	TR - Trailer	Deleted By 14062036908
3	1NKDL09XX9R939480	2009	KENWORTH T800 TRUCK	MV - Motor Vehicle	Deleted By 14062036908
4	42ANM062M91924589	2009	HAMMS PRESSURE TANK	TR - Trailer	Deleted By 14062036908
5	5KKPALDR29PAH2857	2009	WESTERN STAR 4900SA TRIDR	MV - Motor Vehicle	Deleted By 15062925946
6	1XKWD40X69R938519	2009	KENWORTH W900B	MV - Motor Vehicle	Deleted By 15062925946
7	1G9HT39239A116001	2009	ARCO 03-RN-12-7150	TR - Trailer	Deleted By 15062925946
8	1G9HT4829AA116001	2010	ARCO MODEL 8450 US GAL	TR - Trailer	Deleted By 17020333548
9	WT1110484	2011	WESTECH MODEL WT197	TR - Trailer	Deleted By 17020333548

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY THAT RESULTS FROM THE SALE, DISPOSITION OR OTHER DEALINGS WITH THE COLLATERAL DESCRIBED HEREIN OR THE PROCEEDS THEREFOR, INCLUDING ALL ADDITIONS, SUBSTITUTIONS AND REPLACEMENTS AND AMOUNTS OWING THEREUNDER.	Current
2	BLOCK 5 2009 WESTERN STAR 4900SA TRI DRIVE SERIAL NUMBER 5KKPALDR29PAH2857 COMPLTE WITH 2009 WESTECH WT-92 COMBO VAC UNIT.	Deleted By 15062925946
3	BLOCK 9 2011 WESTECH MODEL WT 197SEMI VAC TRAILER COMPLETE WITH WESTECH VAC RIG UP SERIAL NUMBER WT1110484	Deleted By 17020333548

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 12081031162

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Aug-10

Registration Status: Current

Expiry Date: 2022-Aug-10 23:59:59

Inexact Match on: Debtor

No: 1

Amendments to Registration

12102211126	Amendment	2012-Oct-22
12112218459	Amendment	2012-Nov-22
12121212526	Amendment	2012-Dec-12
13020631807	Amendment	2013-Feb-06
13021220564	Amendment	2013-Feb-12
13030719171	Amendment	2013-Mar-07
13052143419	Amendment	2013-May-21
13052924854	Amendment	2013-May-29
13061230839	Amendment	2013-Jun-12
13061231437	Amendment	2013-Jun-12
13061232493	Amendment	2013-Jun-12
13100230218	Amendment	2013-Oct-02
13120932570	Amendment	2013-Dec-09
14011607328	Amendment	2014-Jan-16
14011721794	Amendment	2014-Jan-17
15071010941	Amendment	2015-Jul-10
17052345955	Amendment	2017-May-23
17071721688	Renewal	2017-Jul-17
17101713986	Amendment	2017-Oct-17
17121221781	Amendment	2017-Dec-12
17122015047	Amendment	2017-Dec-20

Search ID#: Z09848422

Debtor(s)

Block

1 MANATOKAN OILFIELD SERVICES INC.
GENERAL DELIVERY
IRON RIVER, AB T0A 2A0

Status

Current

Secured Party / Parties

Block

1 CANADIAN WESTERN BANK
251 PALISADES WAY
SHERWOOD PARK, AB T8H 0H3

Phone #: 780 449 6699 Fax #: 780 449 0009

Status

Current

Block

2 CANADIAN WESTERN BANK
17603 100 AVENUE
EDMONTON, AB T5S 2M1

Phone #: 780 484 7407 Fax #: 780 489 8228

Status

Current by
17052345955

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	5KKPALCV19PAK9985	2009	WESTERN STAR 4900SA	MV - Motor Vehicle	Deleted By 15071010941
2	1NKDXBEX56R988104	2006	KENWORTH T800 HYDRO VAC	MV - Motor Vehicle	Deleted By 13052143419
3	1HTXY5JT5CJ629864	2012	INTERNATIONAL 5900 PRESSU	MV - Motor Vehicle	Deleted By 15071010941
4	1NPTX4TX7CD154784	2012	PETERBILT 367 TRI DRIVE	MV - Motor Vehicle	Deleted By 15071010941
5	CVVAC1640911	2012	CUSTOM VAC 17 CUBE TC407	MV - Motor Vehicle	Deleted By 15071010941
6	1NKDL40XXDJ960017	2013	KENWORTH T800	MV - Motor Vehicle	Deleted By 17052345955
7	425NM062MC1426587	2012	PRESSURE TANK	TR - Trailer	Deleted By 17101713986
8	1XKDP4TXXDR958680	2013	KENWORTH T800 TRUCK	MV - Motor Vehicle	Deleted By 17101713986
9	2AEFSYKH6CE000128	2012	WESTECH 197 TRIDEM	TR - Trailer	Deleted By 17101713986
10	1XPWD49X6DD174674	2013	PETERBILT 388 TRACTOR	MV - Motor Vehicle	Deleted By 17121221781

Search ID#: Z09848422

11	1XPWD49X4DD174673	2013	PETERBILT 388 TRACTOR	MV - Motor Vehicle	Deleted By 17121221781
12	5HTDL403XD5G25300	2013	Heli Super B DOT407 Lead	TR - Trailer	Deleted By 17122015047
13	5HTDL292505F25331	2013	Heli Super B DOT407 Pup	TR - Trailer	Deleted By 17122015047
14	5HTDL4031D5G25301	2013	Heli Super B DOT407 Lead	TR - Trailer	Deleted By 17122015047
15	5HTDL2927D5F25332	2013	Heli Super B DOT407 Pup	TR - Trailer	Deleted By 17122015047
16	1XPTP4EX0DD178865	2013	Peterbilt 367	MV - Motor Vehicle	Deleted By 17122015047
17	1NPTX4TX4DD186822	2013	Peterbilt 367	MV - Motor Vehicle	Deleted By 17122015047
18	1NKDX4TX3DR963066	2013	Kenworth T800 Pressure	MV - Motor Vehicle	Current By 13020631807
19	1PMS34538D1040638	2013	Polar Tridem DOT407	TR - Trailer	Current By 13020631807
20	1XPTP4EX8DD210235	2013	Peterbilt 367 Truck	MV - Motor Vehicle	Current By 13021220564
21	2EAFSYKH6CE000193	2013	Westech 197 Tridem Vacuum	TR - Trailer	Current By 13021220564
22	1XPTP4EX6DD210234	2013	Peterbilt 367 Truck	MV - Motor Vehicle	Current By 13021220564
23	2AEFSYKH4CE000192	2013	Westech 197 Tridem Vacuum	TR - Trailer	Current By 13021220564
24	1NKDX4TX2DR963222	2013	KENWORTH T800 VAC TRUCK	MV - Motor Vehicle	Current By 13030719171
25	WT11121410	2013	WESTECH VAC UNIT	TR - Trailer	Current By 13030719171
26	1NKDX4TX4DR963223	2013	KENWORTH T800 VAC TRUCK	MV - Motor Vehicle	Current By 13030719171
27	WT12121411	2013	WESTECH VAC UNIT	TR - Trailer	Current By 13030719171
28	1NPTX4TX1ED218482	2014	PETERBILT 367 WATER TRUCK	MV - Motor Vehicle	Current By 13052924854
29	1NKDLP9X0CR955803	2012	KENWORTH PRESSURE TRUCK	MV - Motor Vehicle	Current By 13052924854
30	425NM061MD1427627	2013	HAMMS TC 412 11 CUBE TANK	MV - Motor Vehicle	Current By 13052924854
31	2TLBL4039DB005112	2013	Tremcar 407 Lead Trailer	TR - Trailer	Current By 13061230839

Search ID#: Z09848422

32	2TLBL3120DB005113	2013	Tremcar 407 Pup Trailer	TR - Trailer	Current By 13061230839
33	1NPTX4TX1ED218482	2014	Peterbilt 367 Water Truck	MV - Motor Vehicle	Deleted By 13061232493
34	1NKDLP9X0CR955803	2012	Kenworth Pressure Truck	MV - Motor Vehicle	Deleted By 13061232493
35	425NM061MD1427627	2013	Hamms TC 412 11 Cube Tank	MV - Motor Vehicle	Deleted By 13061232493
36	1XPTP4EX0ED233445	2013	PETERBILT 367 TRI-D TRUCK	MV - Motor Vehicle	Current By 13100230218
37	1XPTP4EX2ED233446	2014	PETERBILT 367 TRI-D TRUCK	MV - Motor Vehicle	Current By 13100230218
38	1XKDP4EX1ER967881	2014	KENWORTH T800 TRI-D TRUCK	MV - Motor Vehicle	Current By 13100230218
39	425NM061MC1427047	2014	HAMMS 15CUBE 2COMPT TANK	MV - Motor Vehicle	Current By 13100230218
40	1NKDX4TX7DR964799	2013	KENWORTH T800 TRI-D TRUCK	MV - Motor Vehicle	Current By 13100230218
41	2AEFSYKHXC000245	2013	WT197 VACUUM TRAILER	TR - Trailer	Current By 13100230218
42	2AEFSYKH9DE000139	2013	WT197 VACUUM TRAILER	TR - Trailer	Current By 13100230218
43	1XPTP4EX4ED233447	2014	PETERBILT 367 TRUCK	MV - Motor Vehicle	Current By 13120932570
44	2AEFSYKH3DE000198	2013	ADVANCE TRIDEM VAC TR	TR - Trailer	Current By 13120932570
45	WT01131513	2013	WESTECH WT197 TC407 TANK	MV - Motor Vehicle	Current By 13120932570
46	1XKDD40X2EJ965863	2014	KENWORTH T800 T/A TRUCK	MV - Motor Vehicle	Deleted By 14011721794
47	2AEFSWKH2DE000133	2013	ADVANCE TRIDEM VAC TR	TR - Trailer	Deleted By 14011721794
48	WT11131537	2014	WESTECH TC407 VAC TANK	MV - Motor Vehicle	Deleted By 14011721794
49	1XKDD40X4EJ965864	2014	KENWORTH T800 T/A TRUCK	MV - Motor Vehicle	Deleted By 14011721794

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	INCLUDING ALL ADDITIONS, SUBSTITUTIONS AND REPLACEMENTS AND AMOUNTS OWING THEREUNDER AND PROCEEDS THEREFROM.	Current

Search ID#: Z09848422

2	Block 0012 2013 Heli Super B DOT407 Lead Trailer s/n 5HTDL403XD5G25300	Deleted By 17122015047
3	Block 0013 2013 Heli Super B DOT407 Pup Trailer s/n 5HTDL292505F25331	Deleted By 17122015047
4	Block 0014 2013 Heli Super B DOT407 Lead Trailer s/n 5HTDL4031D5G25301	Deleted By 17122015047
5	Block 0015 2013 Heli Super B DOT407 Pup Trailer s/n 5HTDL2927D5F25332	Deleted By 17122015047
6	Block 0018 2013 Kenworth T800 Pressure Truck s/n 1NKDX4TX3DR963066 C/W 2013 Hamans Pressure Tank s/n 425NM062MC2046914	Current By 13020631807
7	Block 0019 2013 Polar Tridem DOT407 Tank and Trailer s/n 1PMS34538D1040638 C/W 2013 Westech WT92 TC407 Combination Vacuum Unit Pump s/n WT08121375	Current By 13020631807
8	Block 0021 2013 Westech 197 Tridem Vacuum Trailer s/n 2EAFSYKH6CE000193 C/W 2013 Westech Tank s/n WT01131361	Current By 13021220564
9	Block 0023 2013 Westech 197 Tridem Vacuum Trailer s/n 2AEFSYKH4CE000192 C/W 2013 Westech Tank s/n WT01131360	Current By 13021220564
10	BLOCK 0024 2013 KENWORTH T800 VAC TRUCK S/N 1NKDX4TX2DR963222 C/W 2013 WESTECH VAC UNIT S/N WT11121410	Current By 13030719171
11	BLOCK 0026 2013 KENWORTH T800 VAC TRUCK S/N 1NKDX4TX4DR963223 C/W 2013 WESTECH VAC UNIT S/N WT12121411	Current By 13030719171
12	BLOCK 0028 2014 PETERBILT 367 WATER TRUCK s/n 1NPTX4TX1ED218482 c/w TREMCAR STAINLESS STEEL 22 CUBE TANK	Current By 13052924854
13	BLOCK 0029 2012 KENWORTH T800 PRESSURE TRUCK s/n 1NKDLP9X0CR955803 c/w BLOCK 0030 2013 HAMMS TC 412 11 CUBE TANK s/n 425NM061MD1427627	Current By 13052924854
14	BLOCK 0031 2013 Tremcar 407 Super B Train 32,000L Lead Tanker Trailer s/n 2TLBL4039DB005112	Current By 13061230839
15	BLOCK 0032 2013 Tremcar 407 Super B Train 32,000L Pup Tanker Trailer s/n 2TLBL3120DB005113	Current By 13061230839
16	BLOCK 0033 2014 Peterbilt 367 Water Truck s/n 1NPTX4TX1ED218482 c/w Tremcar Stainless Steel 22 Cube Tank	Deleted By 13061232493
17	Block 0034 2012 Kenworth T800 Pressure Truck s/n 1NKDLP9X0CR955803 c/w BLOCK 0035 2013 Hamms TC 412 11 Cube Tank s/n 425NM061MD1427627	Deleted By 13061232493

Search ID#: Z09848422

- | | | |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 18 | BLOCK 0038 2014 KENWORTH T800 TRI-DRIVE PRESSURE TRUCK s/n
1XKDP4EX1ER967881 c/w BLOCK 0039 HAMM'S 15 CUBE 2-COMPT. TANK s/n
425NM061MC1427047 | Current By
13100230218 |
| 19 | BLOCK 0044 2013 ADVANCE TRIDEM VAC TRAILER s/n 2AEFSYKH3DE000198 e/w
BLOCK 0045 2013 WESTECH WT197 TC407 TANK s/n WT01131513 | Current By
13120932570 |
| 20 | BLOCK 0047 2013 ADVANCE TRIDEM VAC TRAILER s/n 2AEFSWKH2DE000133 e/w
BLOCK 0048 2014 WESTECH WT160 TC407 VAC TANK s/n WT11131537 | Deleted By
14011721794 |

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 13013125180

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Jan-31

Registration Status: Current

Expiry Date: 2023-Jan-31 23:59:59

Exact Match on: Debtor

No: 2

Amendments to Registration

16113013337

Amendment

2016-Nov-30

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
639 - 5TH AVENUE SW, SUITE 2500
CALGARY, AB T2P 0M9

Deleted by
16113013337

Block

Status

2 MANITOK ENERGY INC.
700, 444 - 7 AVENUE SW
CALGARY, AB T2P 0X8

Current by
16113013337

Secured Party / Parties

Block

Status

1 NATIONAL BANK OF CANADA
311 - 6TH AVENUE SW, SUITE 1800
CALGARY, AB T2P 3H2

Current

Collateral: General

Block

Description

Status

1 All of the Debtor's present and after-acquired personal property.

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 13013125196

Registration Type: LAND CHARGE

Registration Date: 2013-Jan-31

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 2

Amendments to Registration

16113013359

Amendment

2016-Nov-30

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
639 - 5TH AVENUE SW, SUITE 2500
CALGARY, AB T2P 0M9

Deleted by
16113013359

Block

Status

2 MANITOK ENERGY INC.
700, 444 - 7 AVENUE SW
CALGARY, AB T2P 0X8

Current by
16113013359

Secured Party / Parties

Block

Status

1 NATIONAL BANK OF CANADA
311 - 6TH AVENUE SW, SUITE 1800
CALGARY, AB T2P 3H2

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 13032221497

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Mar-22

Registration Status: Current

Expiry Date: 2018-Mar-22 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
NW 18-63-6W4
IRON RIVER, AB T0A2A0

Current

Secured Party / Parties

Block

Status

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Current

Phone #: 204 954 9000

Fax #: 204 954 9099

Collateral: General

Block

Description

Status

1 ALL PHOTOCOPIERS OF EVERY NATURE OR KIND DESCRIBED IN LEASE NUMBER
2616566 BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR AS
LESSEE, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS,
ACCESSORIES AND SUBSTITUTIONS.

Current

Particulars

Block

Additional Information

Status

1 PURCHASE MONEY SECURITY INTEREST

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 14123032735

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Dec-30

Registration Status: Current

Expiry Date: 2034-Dec-30 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

1 All petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing that are processed or transported through the Stolberg oil battery located at or around 042-15-W5M.

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 14123032786

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Dec-30

Registration Status: Current

Expiry Date: 2034-Dec-30 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

1 All goods comprising or comprised within the Stolberg oil battery at or around 042-15-W5M.

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 14123032818

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Dec-30

Registration Status: Current

Expiry Date: 2022-Dec-30 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

1 All petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing that are processed or transported through the Stolberg oil battery located at or around 042-15-W5M and the Entice area battery and infrastructure at or around 022-25-W4M.

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 14123032840

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Dec-30

Registration Status: Current

Expiry Date: 2022-Dec-30 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

1 All goods comprising or comprised within the Stolberg oil battery located at or around 042-15-W5M and the Entice area battery and infrastructure at or around 022-25-W4M.

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061211057

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-12

Registration Status: Current

Expiry Date: 2035-Jun-12 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

Search ID#: Z09848422

- 1 All petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing that are processed or transported through the single well oil battery's located at or around 01-04-026-21W4, 01-14-028-21W4, 01-19-025-21W4, 01-33-025-21W4, 02-02-024-24W4, 02-07-028-20W4, 02-20-028-21W4, 02-28-024-21W4, 04-12-028-20W4, 05-02-028-22W4, 05-10-028-22W4, 05-12-028-22W4, 05-13-028-21W4, 05-18-028-20W4, 05-30-025-21W4, 05-30-027-22W4, 06-09-029-21W4, 06-16-024-22W4, 06-19-025-21W4, 06-28-027-21W4, 06-32-025-23W4, 06-35-027-23W4, 07-02-028-22W4, 07-09-029-21W4, 07-16-028-22W4, 07-19-025-21W4, 08-02-028-22W4, 08-03-028-21W4, 08-18-025-21W4, 08-20-028-21W4, 08-23-028-21W4, 08-32-023-21W4, 09-02-028-22W4, 09-07-028-20W4, 09-14-028-21W4, 10-06-028-20W4, 10-10-028-22W4, 10-13-028-22W4, 10-25-028-22W4, 10-33-025-21W4, 10-35-027-23W4, 11-07-028-20W4, 11-12-028-21W4, 11-24-028-22W4, 11-27-027-22W4, 12-07-028-20W4, 12-34-028-21W4, 12-35-027-23W4, 13-01-028-22W4, 13-19-025-21W4, 13-35-027-22W4, 14-06-028-20W4, 14-09-026-21W4, 14-14-028-21W4, 14-20-027-22W4, 14-22-028-21W4, 14-24-028-22W4, 14-27-027-22W4, 14-35-027-22W4, 15-02-028-21W4, 15-12-028-21W4, 15-19-025-21W4, 15-24-027-22W4, 15-27-027-22W4, 15-33-025-21W4, 15-36-027-22W4, 16-11-028-21W4, 16-12-028-21W4, 16-17-023-23W4, 16-28-027-22W4.

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061211094

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-12

Registration Status: Current

Expiry Date: 2035-Jun-12 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

Search ID#: Z09848422

- 1 All goods comprising or comprised within the single well oil battery's located at or around 01-04-026-21W4, 01-14-028-21W4, 01-19-025-21W4, 01-33-025-21W4, 02-02-024-24W4, 02-07-028-20W4, 02-20-028-21W4, 02-28-024-21W4, 04-12-028-20W4, 05-02-028-22W4, 05-10-028-22W4, 05-12-028-22W4, 05-13-028-21W4, 05-18-028-20W4, 05-30-025-21W4, 05-30-027-22W4, 06-09-029-21W4, 06-16-024-22W4, 06-19-025-21W4, 06-28-027-21W4, 06-32-025-23W4, 06-35-027-23W4, 07-02-028-22W4, 07-09-029-21W4, 07-16-028-22W4, 07-19-025-21W4, 08-02-028-22W4, 08-03-028-21W4, 08-18-025-21W4, 08-20-028-21W4, 08-23-028-21W4, 08-32-023-21W4, 09-02-028-22W4, 09-07-028-20W4, 09-14-028-21W4, 10-06-028-20W4, 10-10-028-22W4, 10-13-028-22W4, 10-25-028-22W4, 10-33-025-21W4, 10-35-027-23W4, 11-07-028-20W4, 11-12-028-21W4, 11-24-028-22W4, 11-27-027-22W4, 12-07-028-20W4, 12-34-028-21W4, 12-35-027-23W4, 13-01-028-22W4, 13-19-025-21W4, 13-35-027-22W4, 14-06-028-20W4, 14-09-026-21W4, 14-14-028-21W4, 14-20-027-22W4, 14-22-028-21W4, 14-24-028-22W4, 14-27-027-22W4, 14-35-027-22W4, 15-02-028-21W4, 15-12-028-21W4, 15-19-025-21W4, 15-24-027-22W4, 15-27-027-22W4, 15-33-025-21W4, 15-36-027-22W4, 16-11-028-21W4, 16-12-028-21W4, 16-17-023-23W4, 16-28-027-22W4.

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061211117

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-12

Registration Status: Current

Expiry Date: 2023-Jun-12 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Status

Current

Secured Party / Parties

Block

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Status

Current

Block

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Status

Current

Collateral: General

Block

Description

1 All petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing that are processed or transported through the Wayne oil battery located at or around LSD 028-21-W4M.

Status

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061211258

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-12

Registration Status: Current

Expiry Date: 2023-Jun-12 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 2600, 585 8TH AVENUE S.W.
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 STREAM ASSET FINANCIAL MANITOK LP
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Block

Status

2 STREAM ASSET FINANCIAL MANITOK CORP.
SUITE 401, 322 11TH AVENUE S.W.
CALGARY, AB T2R 0C5

Current

Collateral: General

Block

Description

Status

1 All goods comprising or comprised within the Wayne oil battery located at or around 028-21-W4M.

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061811168

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-18

Registration Status: Current

Expiry Date: 2019-Jun-18 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8 AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 3C6UR5DJ5EG311411 2014 RAM 2500 CREW 4X4

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061812105

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-18

Registration Status: Current

Expiry Date: 2020-Jun-18 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8 AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 3C6UR5DJ3EG311424 2014 RAM 2500 CREW 4X4

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061831744

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-18

Registration Status: Current

Expiry Date: 2019-Jun-18 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8TH AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1C6RR7TTXFS671918	2015	RAM 1500 CREW 4X4	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061833472

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-18

Registration Status: Current

Expiry Date: 2019-Jun-18 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8TH AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1C6RR7FT8FS615343 2015 RAM 1500 QC 4X4

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15061834996

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Jun-18

Registration Status: Current

Expiry Date: 2019-Jun-18 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8TH AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1C6RR7FT2FS686747 2015 RAM 1500 Q/C 4X4

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15081130374

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Aug-11

Registration Status: Current

Expiry Date: 2019-Aug-11 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8 AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 3C6TR5JT2FG548859 2015 RAM 2500 CREW 4X4

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15092313277

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Sep-23

Registration Status: Current

Expiry Date: 2019-Sep-23 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8TH AVE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 DERRICK DODGE (1980) LTD.
6211 - 104 ST.
EDMONTON, AB T6H2K8

Current

Phone #: 780 435 3611

Fax #: 780 436 5545

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 3C6TR5DT6FG673584 2015 DODGE 2500 CREW 4X4 MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15120408473

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Dec-04

Registration Status: Current

Expiry Date: 2025-Dec-04 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
2600, 585 - 8 AVENUE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 PRAIRIESKY ROYALTY LTD.
1900, 411 - 1 STREET SE
CALGARY, AB T2G 4Y5

Current

Collateral: General

Block

Description

Status

1 All of the Debtor's present and after-acquired personal property interests in Petroleum and Natural Gas Leases Nos.: 0610080562, 121928, 5595120093, 0609100550, 121924, 0611050412, 0611050413, 5511050466, 121929, 5511050467, 5511050468, 5511050469, 5511050470, 5595110172, and 0609110172, with respect to the lands described below:

Current

2 TWP 42 RGE 15 W5M E 11 ALL PNG FROM TOP NORDEGG TO BASE RUNDLE GROUP EXCL NG IN RUNDLE GROUP;

Current

3 TWP 42 RGE 15 W5M E 11 ALL PNG IN UPPER MANNVILLE;

Current

4 TWP 42 RGE 15 W5M W 11 PNG FROM BASE CARDIUM TO TOP NORDEGG EXCL PNG IN UPPER MANNVILLE;

Current

Search ID#: Z09848422

5	TWP 42 RGE 15 W5M W 11 PNG IN UPPER MANNVILLE;	Current
6	TWP 42 RGE 15 W5M SW 14, SE 15 ALL PNG IN CARDIUM;	Current
7	TWP 42 RGE 15 W5M NW 11 ALL PETROLEUM IN CARDIUM;	Current
8	TWP 42 RGE 15 W5M E 11 PNG TO BASE CARDIUM EXCL NG IN CARDIUM;	Current
9	TWP 42 RGE 15 W5M W 12 PNG FROM BASE CARDIUM TO BASE BLUESKY-BULLHEAD;	Current
10	TWP 42 RGE 15 W5M W 12 PNG IN CARDIUM (EXCL ALL PRODUCTION FROM 100/03-12-042-15W5/00 AND /02) (EXCLUDING 100/11-12-042-15W5 PENALTY WELL);	Current
11	TWP 42 RGE 15 W5M W 12 (100/12-12-042-15W5 PENALTY WELL);	Current
12	TWP 42 RGE 15 W5M W 12 PNG TO TOP CARDIUM;	Current
13	TWP 42 RGE 15 W5M SE 12 PNG IN CARDIUM (EXCL 100/01-12-042-15W5/00, 100/02-12-042-15W5/02 WELLBORES);	Current
14	TWP 42 RGE 15 W5M SE 12 (FOR 100/01-12-042-15W5/00, 100/02-12-042-15W5/02 WELLBORES);	Current
15	TWP 42 RGE 15 W5M W 13, N 14 PNG TO BASE TRIASSIC;	Current
16	TWP 42 RGE 15 W5M SE 14 PNG TO BASE CARDIUM;	Current
17	TWP 42 RGE 15 W5M SE 14 PNG FROM BASE CARDIUM TO BASE TRIASSIC;	Current
18	TWP 42 RGE 15 W5M N 15, N 16 PNG TO BASE TRIASSIC EXCL PNG IN THE CARDIUM;	Current
19	TWP 42 RGE 15 W5M S 21 PNG TO BASE CARDIUM;	Current
20	TWP 42 RGE 15 W5M S 21 PNG FROM BASE CARDIUM TO BASE TRIASSIC;	Current
21	TWP 42 RGE 15 W5M N 15, N 16 PNG IN CARDIUM;	Current
22	TWP 42 RGE 15 W5M SEC 19 PNG TO BASE CARDIUM (EXCL PRODUCTION FROM 100/15-19-042-15W5M WELLBORE);	Current
23	TWP 42 RGE 15 W5M SEC 19 PNG IN CARDIUM (PRODUCTION FROM 100/15-19-042-15W5M WELLBORE);	Current

Search ID#: Z09848422

24	TWP 42 RGE 15 W5M SEC 19 PNG FROM BASE CARDIUM TO BASE TRIASSIC;	Current
25	TWP 42 RGE 15 W5M N 20 ALL PNG IN CARDIUM;	Current
26	TWP 42 RGE 15 W5M N 21 PNG TO BASE CARDIUM;	Current
27	TWP 42 RGE 15 W5M N & SE 22, 23 ALL PNG TO BASE TRIASSIC;	Current
28	TWP 42 RGE 15 W5M SW 22 ALL PNG IN CARDIUM;	Current
29	TWP 42 RGE 15 W5M SW 22 ALL PNG TO BASE TRIASSIC EXCL PNG IN CARDIUM;	Current
30	TWP 42 RGE 15 W5M SEC 27, 28 PNG TO BASE TRIASSIC;	Current
31	TWP 42 RGE 15 W5M SEC 29 PNG BELOW BASE CARDIUM TO BASE TRIASSIC;	Current
32	TWP 42 RGE 15 W5M SEC 29 PNG TO BASE CARDIUM;	Current
33	TWP 42 RGE 15 W5M SEC 30 PNG FROM BASE CARDIUM TO BASE TRIASSIC;	Current
34	TWP 42 RGE 15 W5M SEC 30 PNG TO BASE CARDIUM;	Current
35	TWP 42 RGE 15 W5M SEC 30 PNG IN CARDIUM (PRODUCTION FROM 100/15-19-042-15W5M WELLBORE);	Current
36	TWP 42 RGE 15 W5M SE 31 PNG TO BASE CARDIUM (EXCL PRODUCTION FROM 100/02-31-042-15W5/00 AND 100/02-31-042-15W5/02 WELLS);	Current
37	TWP 42 RGE 15 W5M SE 31 PNG IN CARDIUM (PRODUCTION FROM 100/02-31-042-15W5/00 AND 100/02-31-042-15W5/02 WELLS); and	Current
38	TWP 42 RGE 15 W5M N & SW 31 PNG IN CARDIUM,	Current
39	(collectively, the "Lands").	Current
40	All of the Debtor's present and after-acquired personal property interests in petroleum substances produced or recoverable from the Lands (including without limitation, petroleum, oil, natural gas, natural gas liquids, methane, ethane, butane, propane, pentanes plus, condensate, and all other substances whether liquid or solid and whether hydrocarbons or not, produced in association therewith including any substances within pipelines and flowlines).	Current

41

Proceeds: All accounts, chattel paper, documents of title, instruments, intangibles, money, investment property and goods of every item or kind that may be derived from the sale or other disposition of the Collateral described above, all insurance proceeds or other amounts that compensate for loss or damage to the Collateral and all proceeds of proceeds of any of the foregoing.

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 15120408498

Registration Type: LAND CHARGE

Registration Date: 2015-Dec-04

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
2600, 585 - 8 AVENUE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 PRAIRIESKY ROYALTY LTD.
1900, 411 - 1 STREET SE
CALGARY, AB T2G 4Y5

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16020317298

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Feb-03

Registration Status: Current

Expiry Date: 2019-Feb-03 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
585 8TH AVE SW SUITE 2600
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 KENNEDY RENTALS & LEASING LTD.
BOX 880
ROCKY MTN HOUSE, AB T4T 1A6

Current

Phone #: 403 845 3328 Fax #: 403 845 4661

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1GT12TEG9GF144191 2016 GMC 2500 CREW

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16020317400

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Feb-03

Registration Status: Current

Expiry Date: 2019-Feb-03 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600-585 8 AVE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 KENNEDY RENTALS & LEASING LTD.
BOX 880
ROCKY MTN HOUSE, AB T4T 1A6

Current

Phone #: 403 845 3328

Fax #: 403 845 4661

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 3GTU2NEC8GG182113 2016 GMC 1500 CREW

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16020317575

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Feb-03

Registration Status: Current

Expiry Date: 2019-Feb-03 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600-585 8 AVE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 KENNEDY RENTALS & LEASING LTD.
BOX 880
ROCKY MTN HOUSE, AB T4T 1A6

Current

Phone #: 403 845 3328 Fax #: 403 845 4661

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1GT12TEG8GF143968	2016	GMC 2500 CREW	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16040512297

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Apr-05

Registration Status: Current

Expiry Date: 2021-Apr-05 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
2600, 585 - 8TH AVENUE SW
CALGARY, AB T2P1G1

Current

Secured Party / Parties

Block

Status

1 ROYNAT INC.
SUITE 1500, 4710 KINGSWAY ST.
BURNABY, BC V5H4M2

Current

Collateral: General

Block

Description

Status

1 DIGITAL SYSTEM(S), COPIER(S), FAX(ES), PRINTER(S), SCANNER(S) TOGETHER
WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS
SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS
IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR
DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR
OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE
TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16100435369

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Oct-04

Registration Status: Current

Expiry Date: 2019-Oct-04 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC
2600 585 8TH AVENUE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 KENNEDY RENTALS & LEASING LTD.
BOX 880
ROCKY MTN HOUSE, AB T4T 1A6

Current

Phone #: 403 845 3328

Fax #: 403 845 4661

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1GT12TEGXGF160657 2016 GMC 2500 4X4 CREW

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16101721814

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Oct-17

Registration Status: Current

Expiry Date: 2020-Oct-17 23:59:59

Inexact Match on: Debtor

No: 1

Amendments to Registration

16102529918

Renewal

2016-Oct-25

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
GENERAL DELIVERY
IRON RIVER, AB T0A 2A0

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FTFW1EF3GFD26037

2016

Ford F150

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16101721836

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Oct-17

Registration Status: Current

Expiry Date: 2020-Oct-17 23:59:59

Inexact Match on: Debtor

No: 1

Amendments to Registration

16102529924

Renewal

2016-Oct-25

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
GENERAL DELIVERY
IRON RIVER, AB T0A 2A0

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FTFW1EF1GFC63083	2016	Ford F150	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16102610309

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Oct-26

Registration Status: Current

Expiry Date: 2024-Oct-26 23:59:59

This Registration covers a Trust Indenture

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
2600, 585 - 8TH AVENUE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 COMPUTERSHARE TRUST COMPANY OF CANADA, AS COLLATERAL AGENT AND TRUSTEE
SUITE 600, 530 - 8TH AVENUE S.W.
CALGARY, AB T2P 3S8

Current

Collateral: General

Block

Description

Status

1 All present and after-acquired personal property of the debtor.

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16102610362

Registration Type: LAND CHARGE

Registration Date: 2016-Oct-26

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
2600, 585 - 8TH AVENUE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 COMPUTERSHARE TRUST COMPANY OF CANADA, AS COLLATERAL AGENT AND
TRUSTEE
SUITE 600, 530 - 8TH AVENUE S.W.
CALGARY, AB T2P 3S8

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16111513843

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Nov-15

Registration Status: Current

Expiry Date: 2019-Nov-15 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
1600, 421 - 7TH AVENUE SW
CALGARY, AB T2P 4K9

Current

Secured Party / Parties

Block

Status

1 PRAIRIE PROVIDENT RESOURCES CANADA LTD.
1100, 640 - 5 STREET SW
CALGARY, AB T2P 3G4

Current

Collateral: General

Block Description

Status

Search ID#: Z09848422

- 1 All right, title and interest in the debtor to the lands located at Sections 7, 17, 21, 22, 25, 27, 28 & 35 in Township 25, Range 22 W4M, the wells and equipment thereon, the petroleum substances produced thereon, and any other tangible and intangible property related thereto; and Current
- All right, title and interest in the debtor to the lands located at Sections 25 & 26 in Township 27, Range 21 W4M, the wells and equipment thereon, the petroleum substances produced thereon, and any other tangible and intangible property related thereto; and
- All right, title and interest in the debtor to the lands located at Section 3 in Township 28, Range 21 W4M, the wells and equipment thereon, the petroleum substances produced thereon, and any other tangible and intangible property related thereto; and
- All right, title and interest in the debtor to the lands located at Section 22 in Township 28, Range 22 W4M, the wells and equipment thereon, the petroleum substances produced thereon, and any other tangible and intangible property related thereto.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 16111514089

Registration Type: LAND CHARGE

Registration Date: 2016-Nov-15

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
1600, 421 - 7TH AVENUE SW
CALGARY, AB T2P 4K9

Current

Secured Party / Parties

Block

Status

1 PRAIRIE PROVIDENT RESOURCES CANADA LTD.
1100, 640 - 5TH STREET SW
CALGARY, AB T2P 3G4

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17013013823

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Jan-30

Registration Status: Current

Expiry Date: 2021-Jan-30 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES LTD.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FMCU9GD4HUA97296	2017	FORD ESCAPE	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17020318318

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Feb-03

Registration Status: Current

Expiry Date: 2021-Feb-03 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222, 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FMCU9GD9HUA06295	2017	Ford Escape	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17022428292

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Feb-24

Registration Status: Current

Expiry Date: 2020-Feb-24 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
444 7 AVE SW 700
CALGARY, AB T2P 0X8

Current

Secured Party / Parties

Block

Status

1 TOYOTA CREDIT CANADA INC.
80 MICRO COURT, SUITE 200
MARKHAM, ON L3R 9Z5

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 JTEBU5JR7H5415804 2017 TOYOTA 4RUNNER

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17040530530

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Apr-05

Registration Status: Current

Expiry Date: 2022-Apr-05 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
BOX 5570, 64018 RR462, NW 18-63-6 W4
BONNYVILLE, AB T6N 2G6

Current

Secured Party / Parties

Block

Status

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Current

Phone #: 204 954 9000

Fax #: 204 954 9099

Collateral: General

Block

Description

Status

1 ALL PHOTOCOPIER OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT
NUMBER 2812306, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS
AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS,
ACCESSORIES AND SUBSTITUTIONS.

Current

Particulars

Block

Additional Information

Status

1 PURCHASE MONEY SECURITY INTEREST

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17042014908

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Apr-20

Registration Status: Current

Expiry Date: 2020-Apr-20 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FMCU9G94HUD46661 2017 FORD ESCAPE

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17050321274

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-May-03

Registration Status: Current

Expiry Date: 2020-May-03 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FTFW1EF5HFA03240

2017

FORD F150

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17052938088

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-May-29

Registration Status: Current

Expiry Date: 2021-May-29 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222, 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FMCU9G99HUB10779 2017 Ford Escape

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17062710488

Registration Type: LAND CHARGE

Registration Date: 2017-Jun-27

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 2

Amendments to Registration

17062723467

Amendment

2017-Jun-27

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
700, 444 - 7TH AVENUE S.W.
CALGARY, AB T2P 1G1

Deleted by
17062723467

Block

Status

2 MANITOK ENERGY INC.
700, 444 - 7TH AVENUE S.W.
CALGARY, AB T2P 0X8

Current by
17062723467

Secured Party / Parties

Block

Status

1 PRAIRIESKY ROYALTY LTD.
1700, 350 - 7TH AVENUE SW
CALGARY, AB T2P 3N9

Current

Particulars

Block

Additional Information

Status

1

Current

Search ID#: Z09848422

PrairieSky Royalty Ltd. is the owner of a 4% non-convertible overriding royalty that encumbers the petroleum substances within, upon or under the royalty lands set out and described in the (a) Royalty Agreement (Willesden Green Area, Alberta) made effective May 19, 2017 between PrairieSky Royalty Ltd., as royalty owner, and Manito Energy Inc., as royalty payor, and (b) Royalty Agreement (Stolberg South Area, Alberta) made effective May 19, 2017 between PrairieSky Royalty Ltd., as royalty owner, and Manito Energy Inc., as royalty payor, which includes, without limitation, the following Crown licenses, leases and agreements:

Crown License 5513080121 dated August 1, 2013; Crown License 5517010140 dated January 12, 2017; Crown Agreement 119151 dated January 25, 1960 (Manito Energy Inc. as beneficiary to Trust Agreement dated March 1, 2016); Crown Agreement 121928 dated October 31, 1960 (Manito Energy Inc. as beneficiary to Trust Agreement dated March 1, 2016); Crown Lease 0610080562 dated August 19, 2010; Crown License 5402100116 dated October 31, 2002; Crown Lease 0505030862 dated March 24, 2005; Crown License 5497030013 dated March 6, 1997; Crown Lease 0507100551 dated October 18, 2007; Crown License 5497030013 dated March 6, 1997; Crown License 5497030013 dated March 6, 1997; Crown License 5497030013 dated March 6, 1997; Crown License 5497030013 dated March 6, 1997; Crown License 5497030013 dated March 6, 1997; Crown License 5498060057 dated June 25, 1998; Crown License 5498060057 dated June 25, 1998;

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
2	Crown Lease 0501080208 dated August 9, 2001; Crown Lease 0501080209 dated August 9, 2001; Crown License 5497070089 dated July 24, 1997; Crown Lease 0501080210 dated August 9, 2001; Crown License 5497070090 dated July 24, 1997; Crown Lease 0507120160 dated December 13, 2007; Crown License 5412100231 dated October 4, 2012; Crown Lease 0507120161 dated December 13, 2007; Crown License 5498070066 dated July 23, 1998; Crown License 5498070066 dated July 23, 1998; Crown License 5498070066 dated July 23, 1998; Crown Lease 0599080333 dated August 26, 1999; Crown Lease 0599080334 dated August 26, 1999; Crown Lease 0599080334 dated August 26, 1999; Crown License 5497010205 dated January 23, 1997; Crown License 5497010205 dated January 23, 1997; Crown License 497010205 dated January 23, 1997; Crown License 5497010205 dated January 23, 1997; Crown Lease 0510010131 dated January 14, 2010; Crown Lease 0510010133 dated January 14, 2010; Crown License 5497010205 dated January 23, 1997; Crown License 5497010205 dated January 23, 1997; Crown License 5497010205 dated January 23, 1997; Crown License 5497010205 dated January 23, 1997; Crown Lease 0508020188 dated Feb 7, 2008; Crown Lease 0505060804 dated June 30, 2005; Crown Lease 0505060804 dated June 30, 2005; Crown Lease 0505060803 dated June 30, 2005; Crown Lease 0510010134 dated January 14, 2010; and Crown Lease 0510010135 dated January 14, 2010.	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17072110327

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Jul-21

Registration Status: Current

Expiry Date: 2020-Jul-21 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE#222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FTFW1EG9HFC15079 2017 FORD F150 MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17083016473

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Aug-30

Registration Status: Current

Expiry Date: 2020-Aug-30 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FTFW1EG8HFC47571	2017	Ford F150	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17083022108

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Aug-30

Registration Status: Current

Expiry Date: 2021-Aug-30 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FBAX2CM7HKB45017 2017 Ford Transit

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17100420463

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Oct-04

Registration Status: Current

Expiry Date: 2020-Oct-04 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE#222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FT8X3BT3HED97273 2017 FORD F350 MV - Motor Vehicle Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17101638819

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2017-Oct-16

Registration Status: Current

Expiry Date: 2018-Apr-16 23:59:59

The Vehicle repaired on the Garage Keepers' premises was released on 2017-Oct-06

Accessories were provided on 2017-Oct-06

Lien Amount is \$26,663.68

Inexact Match on: Debtor

No: 1

Vehicle Owner(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES
BOX 5579
BONNYVILLE, AB T9N 2G6

Current

Person(s) Claiming Lien

Block

Status

1 JOE JOHNSON EQUIPMENT
1002-15 AVE
NISKU, AB T9E 7S5

Current

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 5KKPALCK59PAH2856 2009 WESTERN STAR

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17112219924

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2017-Nov-22

Registration Status: Current

Expiry Date: 2018-May-22 23:59:59

The Vehicle repaired on the Garage Keepers' premises was released on 2017-Nov-06

The repairs of the vehicle off the Garage Keepers' premises were finished on 2017-Nov-06

Accessories were provided on 2017-Nov-06

Lien Amount is \$12,043.86

Inexact Match on: Debtor

No: 1

Vehicle Owner(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
POST OFFICE BOX 5579 STATION MAIN
BONNYVILLE, AB T6N 2G6

Current

Person(s) Claiming Lien

Block

Status

1 OVERDRIVE HEAVY DUTY SERVICES LTD.
4700-70 STREET, PO BOX 6130
BONNYVILLE, AB T9N 2G7

Current

Phone #: 780 573 7676

Fax #: 780 573 7676

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1XPWD49X6DD174674 2013 PETERBILT 388

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17112220061

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2017-Nov-22

Registration Status: Current

Expiry Date: 2018-May-22 23:59:59

The Vehicle repaired on the Garage Keepers' premises was released on 2017-Nov-09

The repairs of the vehicle off the Garage Keepers' premises were finished on 2017-Nov-09

Accessories were provided on 2017-Nov-09

Lien Amount is \$12,146.19

Inexact Match on: Debtor

No: 1

Vehicle Owner(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
POST OFFICE BOX 5579 STATION MAIN
BONNYVILLE, AB T9N 2G6

Current

Person(s) Claiming Lien

Block

Status

1 OVERDRIVE HEAVY DUTY SERVICES LTD.
4700-70 STREET, PO BOX 6130
BONNYVILLE, AB T9N 2G7

Current

Phone #: 780 573 7676

Fax #: 780 573 7676

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1XKDP4EX2CR958300 2012 KENWORTH T800

MV - Motor Vehicle

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17113017228

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2017-Nov-30

Registration Status: Current

Expiry Date: 2018-May-30 23:59:59

The Vehicle repaired on the Garage Keepers' premises was released on 2017-Nov-21

The repairs of the vehicle off the Garage Keepers' premises were finished on 2017-Nov-21

Accessories were provided on 2017-Nov-21

Lien Amount is \$1,932.00

Exact Match on: Debtor No: 1

Exact Match on: Debtor No: 2

Vehicle Owner(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE #2600 585 8TH AVE S.W.
CALGARY, AB T2P1G1

Current

Block

Status

2 MANITOK ENERGY INC.
444 7AVE SW #700
CALGARY, AB T2P1G1

Current

Person(s) Claiming Lien

Block

Status

1 KAL TIRE A CORPORATE PARTNERSHIP
1540 KALAMALKA LAKE ROAD
VERNON, BC V1T6V2

Current

Block

Status

2

Current

Search ID#: Z09848422

KAL TIRE A CORPORATE PARTNERSHIP
P.O. BOX 489
ROCKY MOUNTAIN HOUSE, AB T4T 1A4

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1GT12XEG5FF116166	2015	GMC SIERRA	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17120433459

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Dec-04

Registration Status: Current

Expiry Date: 2020-Dec-04 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

1 MANITOK ENERGY INC.
1600, 421 - 7TH AVENUE SW
CALGARY, AB T2P 4K9

Status

Current

Secured Party / Parties

Block

1 PRAIRIE PROVIDENT RESOURCES CANADA LTD.
1100, 640 - 5TH AVENUE SW
CALGARY, AB T2P 3G4

Status

Current

Collateral: General

Block

Description

1 All right, title and interest in the debtor to the lands located at N Section 10 and Section 16 Township 25, Range 22 W4M, the wells and equipment thereon, the petroleum substances produced thereon, and any other tangible and intangible property related thereto; and

Status

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17121331141

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Dec-13

Registration Status: Current

Expiry Date: 2025-Dec-13 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
2500, 639 - 5 AVENUE SW
CALGARY, AB T2P 0M9

Current

Secured Party / Parties

Block

Status

1 EVOLVE SURFACE STRATEGIES INC.
105, 58 GATEWAY DRIVE NE
AIRDRIE, AB T4B 0J6

Current

Phone #: 403 912 2600

Collateral: General

Block

Description

Status

Search ID#: Z09848422

- 1 1. All of the Debtor's personal property interests related to present and after acquired surface land rights and secured property dispositions, including but not limited to wellsite surface leases, pipeline right of ways, padsites and facility leases, utilized for the benefit of the Debtor's exploration, development and production of oil, gas, related hydrocarbons or substances produced from any and all subsurface rights. Specifically, on the following lands captured in short legal: Current
- 36-22-26-W4M, 15-38-7-W5M, 11-22-25-W4M, 19-28-21-W4M, 28-41-14-W5M,
15-38-7-W5M, 28-41-14-W5M, 32-69-4-W6M, 27-70-5-W5M, 34-70-5-W5M, 2-73-4-W5M,
3-73-4-W5M,
28-74-4-W5M, 36-87-8-W5M, 11-22-25-W4M, 19-28-21-W4M, 30-28-21-W4M,
7-72-3-W5M, 34-72-4-W5M, 17-72-3-W4M, 36-22-26-W4M, 11-22-25-W4M,
16-23-26-W4M, 33-8-11-W4M, 17-22-25-W4M, 20-22-25-W4M, 36-22-26-W4M,
6-23-25-W4M, 4-23-25-W4M, 11-22-25-W4M, 32-22-25-W4M, 16-22-25-W4M, 4-23-25-W4M,
19-28-21-W4M, 28-22-25-W4M, 3-23-25-W4M, 11-41-3-W5M, 20-28-21-W5M &
16-23-25-W4M.

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17122023532

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2017-Dec-20

Registration Status: Current

Expiry Date: 2018-Jun-20 23:59:59

Accessories were provided on 2017-Dec-01

Lien Amount is \$1,003.83

Inexact Match on: Debtor

No: 1

Vehicle Owner(s)

Block

1 MANATOKAN OILFIELD SERVICES INC.
GENERAL DELIVERY
IRON RIVER, AB T0A 2A0

Status

Current

Person(s) Claiming Lien

Block

1 FIRST TRUCK CENTRE LLOYDMINSTER
BOX 11767, 6203 56 STREET
LLOYDMINSTER, AB T9V 3C1

Status

Current

Phone #: 780 413 8800

Fax #: 780 413 8808

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FVPGNDR3DDBY8180	2013	FREIGHTLINER/SD CORONADO	MV - Motor Vehicle	Current

Particulars

Block **Additional Information**

1 X004311478:01 16559

Status

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17122923674

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Dec-29

Registration Status: Current

Expiry Date: 2020-Dec-29 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FTFW1E5XJFA51264	2018	FORD F150	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 17122928779

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Dec-29

Registration Status: Current

Expiry Date: 2020-Dec-29 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
SUITE 222 237 8TH AVE SE
CALGARY, AB T2G 5C3

Current

Secured Party / Parties

Block

Status

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO BOX 2400
EDMONTON, AB T5J 5C7

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FTFW1E55JFA51267	2018	FORD F150	MV - Motor Vehicle	Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 18010223736

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Jan-02

Registration Status: Current

Expiry Date: 2026-Jan-02 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MANITOK ENERGY INC.
SUITE 700, 444 - 7TH AVENUE SW
CALGARY, AB T2P 0X8

Current

Secured Party / Parties

Block

Status

1 ROCKY MOUNTAIN GTL INC.
200, 1414 - 8TH STREET SW
CALGARY, AB T28 1J6

Current

Collateral: General

Block

Description

Status

1 Carseland Sales Line, license 57939, segment 5 from 16-21-022-25-W4 to 01-29-022-26-W4 and all other tangible depreciable property and assets used, or intended to be used, solely in connection therewith and all property and assets related thereto.

Current

Search ID#: Z09848422

Business Debtor Search For:

MANITOK ENERGY INC.

Search ID #: Z09848422

Date of Search: 2018-Jan-04

Time of Search: 11:47:55

Registration Number: 18010303673

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2018-Jan-03

Registration Status: Current

Expiry Date: 2018-Jul-03 23:59:59

Accessories were provided on 2017-Dec-13

Lien Amount is \$1,861.48

Inexact Match on: Debtor

No: 1

Vehicle Owner(s)

Block

Status

1 MANATOKAN OILFIELD SERVICES INC.
GENERAL DELIVERY
IRON RIVER, AB T0A 2A0

Current

Person(s) Claiming Lien

Block

Status

1 FIRST TRUCK CENTRE LLOYDMINSTER
BOX 11767, 6203 56 STREET
LLOYDMINSTER, AB T9V 3C1

Current

Phone #: 780 413 8800 Fax #: 780 413 8808

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FVPGNDR6DDBN7666	2013	FREIGHTLINER/SD CORONADO	MV - Motor Vehicle	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	X004312504:01 16559	Current

Search ID#: Z09848422

Result Complete

THIS IS EXHIBIT "D" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Writer's Direct Line
(403) 294-4951

January 23, 2013

BY E-MAIL AND COURIER

Manitok Energy Inc.
639 - 5 Avenue SW, Suite 2500
Calgary, AB T2P 0M9

**ATTENTION: Mr. Massimo M. Geremia
President & CEO**

Dear Sir:

RE: CREDIT FACILITIES – NATIONAL BANK OF CANADA / MANITOK ENERGY INC.

We are pleased to advise that National Bank of Canada has approved the following Credit Facilities for Manitok Energy Inc., subject to the terms and condition set out herein. This Offering Letter contains all the terms and conditions pertaining to the availability of Credit Facilities from National Bank of Canada.

BORROWER: MANITOK ENERGY INC. (the "Borrower" or "Loan Party").

LENDER: NATIONAL BANK OF CANADA (the "Bank").

CREDIT FACILITY A: REVOLVING OPERATING DEMAND LOAN (the "Credit Facility A").

MAXIMUM AMOUNT: \$70,000,000.

PURPOSE: Credit Facility A shall only be used for the Borrower's general corporate purposes including capital expenditures and to pay out existing credit facilities at ATB.

AVAILABILITY: Canadian dollars. Revolving in multiples of \$25,000.
Canadian dollar Bankers' Acceptances ("BAs"). Minimum draws of \$1,000,000 in multiples of \$100,000.
Letters of Credit and/or Guarantee ("L/C/Gs") to a maximum of \$5,000,000. in any currency acceptable to the Bank for a maximum term of one year.

REPAYMENT: Interest only but always subject to Availability, Review, and the Bank's right of demand.

INTEREST RATE: **Prime Rate Loans**
The Borrower shall pay interest calculated daily and payable monthly, not in advance, on the outstanding principal amount of Prime Rate Loans drawn under the Credit Facility A at a rate per annum equal to the Prime Rate as designated from time to time by the Bank plus the Applicable Margin as per the Pricing Grid below. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month until all amounts owing to the Bank are paid in full. Interest shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

As of this date, the Bank's Prime Rate is 3.0% per annum.

Canadian Dollar BAs

Subject to market availability, in multiples of \$100,000 and minimum draws of \$1,000,000, BAs at a Stamping Fee per annum as per the Pricing Grid below and calculated on the basis of the number of days elapsed in a 365 day year, payable at time of acceptance by the Bank. BAs shall have a minimum term of 30 days and maximum term of 90 days, and shall not include any days of grace. The BAs shall remain in effect until the maturity of the term selected. If the Bank does not receive instructions from the Borrower concerning renewal of the BAs, then Prime Rate Loans shall be automatically utilized until written instructions are received from the Borrower.

STANDBY FEE:

The Applicable Margin as per the Pricing Grid below on the undrawn portion of the Credit Facility A (the "Standby Fee"), payable monthly on the first Business Day of each month.

L/C/G FEE:

The Applicable Margin as per the Pricing Grid below of the issue amount, payable at issue (the "L/C/G Fee"). This non-refundable, upfront fee is to be based on the number of months the L/C/G is to be outstanding with any portion of 31 days to be considered a complete month.

PRICING GRID:

The Applicable Margin, Stamping Fee, L/C/G Fee or Standby Fee, as applicable, for Advances shall be adjusted quarterly (based upon unaudited preceding quarterly consolidated financial statements of the Borrower) in accordance with the Net Debt to Cash Flow Ratio in the following table (the "Pricing Grid"):

Type of Advance	Net Debt to Cash Flow Ratio					
	≤ 1.00*	>1.00 ≤ 1.50	>1.50 ≤ 2.00	>2.00 ≤ 2.50	>2.50 ≤ 3.00	> 3.00
Prime Rate Loans	50 bps	75 bps	100 bps	150 bps	200 bps	250 bps
BAs (Stamping Fee)	175 bps	200 bps	225 bps	275 bps	325 bps	375 bps
L/C/G Fees	175 bps	200 bps	225 bps	275 bps	325 bps	375 bps
Standby Fees	20 bps	25 bps	30 bps	35 bps	40 bps	45 bps

* Initial Rate

CHANGE IN MARGIN AND STANDBY FEES:

Whenever this Offering Letter calls for a change in Margin or Fees by reason of a change in the Net Debt to Cash Flow Ratio, each such change shall be effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided.

In respect of Prime Rate Loans and Standby Fees, the Borrower shall pay interest at the new Applicable Margin and Standby Fees effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided, notwithstanding that any Advance was made prior to such date and notwithstanding that interest and Standby Fees prior to delivery of the Compliance Certificate were calculated and paid based upon the Applicable Margins and Standby Fee previously in effect.

In the case of any outstanding BAs, the Borrower and the Bank agree that the Stamping Fee shall be adjusted between them to reflect the change in the Stamping Fee to the end of the remaining term of each outstanding BA. The Bank is hereby authorized to make such adjustments in such manner and at such time as the Bank determines is practicable.

In the event that the Borrower should fail to provide a Compliance Certificate as and when required, then, at the discretion of the Bank, the Applicable Margin and Fees in all cases shall automatically be changed as if the Net Debt to Cash Flow Ratio was > 3.0.

**DRAWDOWN,
NOTIFICATION,
AND CONVERSION:**

All Advances under Credit Facility A may only be drawn on a day that is a Business Day.

Prime Rate Loans

As required.

Canadian Dollar BAs

The Borrower shall provide two Business Days written notice to the Bank for Advances of BAs, notice to be received no later than 9:00 a.m. Mountain Time. The Borrower shall also provide two Business Days written notice for conversion of BAs at maturity to Prime Rate Loans.

EVIDENCE OF DEBT:

Revolving Demand Credit Agreement, Power of Attorney Form and Acknowledgement for Bankers' Acceptances) and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

CREDIT FACILITY (B):

ACQUISITION/DEVELOPMENT DEMAND LOAN (the "Credit Facility B").

MAXIMUM AMOUNT:

\$20,000,000.

PURPOSE:

Credit Facility B shall only be used by the Borrower to assist in the acquisition of producing petroleum and natural gas reserves and/or development of proved non-producing/undeveloped petroleum and natural gas reserves.

AVAILABILITY:

Prime Rate loans ("**Prime Rate Loans**") in Canadian dollars, available by way of multiple draws subject to prior engineering review by the Bank utilizing the Bank's normal lending parameters accorded to the proved producing petroleum and natural gas reserves being acquired and/or evidence of capital expenditures on approved development of proved non-producing/undeveloped reserves.

REPAYMENT:

Subject to Availability, Review, and the Bank's right of demand, monthly principal repayments over the half-life of the reserves being financed, as determined by the Bank. Repayment to commence the month following drawdown.

INTEREST RATE:

The Borrower shall pay interest calculated daily and payable monthly, not in advance, on the outstanding principal amount of Prime Rate Loan drawn under the Credit Facility B at a rate per annum equal to the Prime Rate as designated from time to time by the Bank, plus 50 bps over the Applicable Margin as per the Pricing Grid stipulated under Credit Facility A. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month until all amounts owing to the Bank are paid in full. Interest shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

As of this date, the Bank's Prime Rate is 3.0% per annum.

CREDIT FACILITY FEE:

One-half percent (0.50%) on the amount of Advance drawn on the Credit Facility B, due and payable at the commitment for such Advance. Non-refundable.

STANDBY FEE:

The Standby Fee as per the Pricing Grid for Credit Facility A on the undrawn portion of the Credit Facility B (the "Standby Fee"), payable monthly on the first Business Day of each month.

**CHANGE IN MARGIN
AND STANDBY FEES:**

Whenever this Offering Letter calls for a change in Margin or Fees by reason of a change in the Net Debt to Cash Flow Ratio, each such change shall be effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided.

In respect of Prime Rate Loans and Standby Fees, the Borrower shall pay interest at the new Applicable Margin and Standby Fees effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided, notwithstanding that any Advance was made prior to such date and notwithstanding that interest and Standby Fees prior to delivery of the Compliance Certificate were calculated and paid based upon the Applicable Margins and Standby Fee previously in effect.

In the event that the Borrower should fail to provide a Compliance Certificate as and when required, then, at the discretion of the Bank, the Applicable Margin and Fees in all cases shall automatically be changed as if the Net Debt to Cash Flow Ratio was > 3.0 .

**CONDITIONS PRECEDENT
TO FUNDING:**

In addition to all other Conditions Precedent set out in this Offering Letter, prior to advances under the Credit Facility B, the Borrower shall provide:

1. Copy of the executed purchase and sale agreement and any related conveyance, as applicable;
2. Variable Rate Demand Promissory Note in the face amount to be drawn;
3. Engineering report of the petroleum reserves to be purchased or developed;
4. Satisfactory evidence of title to petroleum and natural gas properties subject to the Security;
5. A detailed capital expenditure budget for approved developments of proven non-producing/undeveloped petroleum and natural gas reserves along with evidence of specific capital expenditures, as applicable; and
6. Corporate projections of balance sheet and income statement for the contemplated acquisition, as applicable.

EVIDENCE OF DEBT:

Variable Rate Demand Promissory Note and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

<u>CREDIT FACILITY (C):</u>	MASTERCARD FACILITY (the "Credit Facility C").
<u>MAXIMUM AMOUNT:</u>	\$100,000.
<u>PURPOSE:</u>	Credit Facility C shall only be used by the Borrower to facilitate travel, entertainment, and supplier expenses for company officers.
<u>REPAYMENT:</u>	Payment in full, monthly.
<u>INTEREST RATE:</u>	Standard rates as established from time to time by MasterCard.
<u>EVIDENCE OF DEBT:</u>	MasterCard monthly statements and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.
	RISK MANAGEMENT FACILITY (the "Risk Management Facility")
<u>PURPOSE:</u>	Risk Management Facility shall be used by the Borrower for Financial Instruments.
<u>AVAILABILITY:</u>	Various Financial Instruments. Maximum term 36 months. Subject to Bank availability and including a cross default limit of \$ 1,000,000.
<u>SETTLEMENT:</u>	Settlement as per contract maturities.
<u>EVIDENCE OF USAGE:</u>	Executed treasury contracts, executed ISDA Master Agreement with appropriate annexes, other documentation acceptable to the Bank, and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.
	<u>FOR ALL CREDIT FACILITIES</u>
<u>DEFINITIONS:</u>	In this Offering Letter, including the Appendices hereto and in all notices given pursuant to this Offering Letter, capitalized words and phrases shall have the meanings given to them in this Offering Letter in their proper context, and words and phrases not otherwise defined in this Offering Letter but defined in Appendix C to this Offering Letter shall have the meanings given to them in Appendix C to this Offering Letter.
<u>INTERPRETATION:</u>	In this Offering Letter, unless otherwise specifically provided, words importing the singular will include the plural and vice versa, words importing gender shall include the masculine, the feminine and the neuter, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile.
<u>FEES:</u>	\$225,000. \$100,000 collected and \$125,000 payable upon provision of this Offering Letter, Non-refundable. This fee will include the Bank's engineering audit costs incurred for this financing.

This fee is in addition to and not in substitution for any other fees due and payable under this Offering Letter.

SECURITY:

The following security shall be completed, duly executed, delivered, and registered, where necessary, to the entire satisfaction of the Bank and its counsel. All present and future security (the "Security") and the terms thereof shall be held by the Bank as continuing security for all present and future debts, obligations and liabilities (whether direct or indirect, absolute or contingent) of the Loan Parties to the Bank including without limitation for the repayment of all loans and advances made hereunder and for other loans and advances that may be made from time to time in the future whether hereunder or otherwise. For greater certainty, all Financial Instruments, including without limitation swaps and forwards, entered into at any time with the Bank (or any of its subsidiaries or affiliates from time to time) are deemed to be debts, obligations and liabilities of the Borrower and are secured by the Security on a pari passu basis and shall rank pari passu with all other indebtedness under the Credit Facilities. Where applicable, the Security will be in the Bank's standard form.

To Be Obtained:

1. Accepted Offering Letter dated January 23, 2013.
2. General Assignment of Book Debts.
3. \$200,000,000 Debenture with a floating charge over all assets of the Borrower with a negative pledge and undertaking to provide fixed charges on the Borrower's producing petroleum and natural gas properties at the request of the Bank, and pledge of such Debenture.
4. Evidence of insurance coverage in accordance with industry standards designating the Bank as first loss payee in respect of the proceeds of the insurance.
5. Appropriate title representation (Officer's Certificate as to Title) including a schedule of major petroleum and natural gas reserves described by lease (type, date, term, parties), legal description (wells and spacing units), interest (Working Interest or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances, and overrides.
6. Assignment of revenues and monies under material contracts, as applicable.
7. Legal Opinion of the Bank's counsel.
8. Such other security, documents, and agreements that the Bank or its legal counsel may reasonably request.

The Security shall be registered in the Province of Alberta, in a first priority position, subject only to Permitted Encumbrances.

**REPRESENTATIONS
AND WARRANTIES:**

Each Loan Party represents and warrants to the Bank (all of which representations and warranties each Loan Party hereby acknowledges are being relied upon by the Bank in entering into this Offering Letter) that:

1. Each Loan Party has been duly incorporated or formed, as applicable, and is in good standing under the legislation governing it, and it has the powers, permits, and

licenses required to operate its business or enterprise and to own, manage, and administer its property.

2. This Offering Letter constitutes, and the Security and related agreements shall constitute, legal, valid, and binding obligations of each Loan Party party thereto, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, or similar laws affecting creditors' rights generally and to the availability of equitable remedies.
3. Each Loan Party has the right to pledge, charge, mortgage, or lien its assets in accordance with the Security contemplated by this Offering Letter.
4. Each Loan Party is presently in good standing under, and shall duly perform and observe, all material terms of all documents, agreements, and instruments affecting or relating to the petroleum assets of such Loan Party.
5. There has been no adverse material change in the financial position of any Loan Party since the date of its most recent consolidated financial statements dated September 30, 2012, which were furnished to the Bank. Such consolidated financial statements fairly present the financial position of each Loan Party at the date that they were drawn up. No Loan Party foresees incurring any major liability which it has not already disclosed to the Bank.
6. No Loan Party is involved in any dispute or legal or regulatory proceedings likely to materially affect its financial position or its capacity to operate its business.
7. No Loan Party is in default under the contracts to which it is a party or under the applicable legislation and regulations governing the operation of its business or its property, including, without limitation, all Environmental Requirements subsequently stated in Environmental Obligations.
8. The Borrower has no subsidiaries.
9. The chief executive office (for the purposes of the PPSA) of each Loan Party is located in Alberta.
10. Each Loan Party has all the requisite power, authority and capacity to execute and deliver this Offering Letter and the Security (to which it is a party) and to perform its obligations hereunder and thereunder.
11. The execution and delivery of this Offering Letter and the Security (to which it is a party) and the performance of the terms of this Offering Letter and such Security do not violate the provisions of any Loan Party's constituting documents or its by-laws or any law, order, rule or regulation applicable to it and have been validly authorized by it.
12. The execution, delivery and performance of the terms of this Offering Letter and the Security (to which it is a party) will not constitute a breach of any agreement to which any Loan Party or its property, assets or undertaking are bound or affected.
13. No Loan Party has incurred any indebtedness or obligations for borrowed money (other than as contemplated hereby or payables incurred in the ordinary course of business or as previously disclosed in writing to the Bank) and has not granted any security ranking equal with or in priority to the Security (other than Permitted Encumbrances).

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Offering Letter shall survive the execution of this Offering Letter and all Security, and shall be deemed to be repeated as of the date of each Advance and as of the date of delivery of each Compliance Certificate, subject to modifications made by the Borrower to the Bank in writing and accepted by the Bank. The Bank shall be deemed to have relied upon such representations and warranties at each such time as a condition of making an Advance hereunder or continuing to extend the Credit Facilities hereunder.

**CONDITIONS
PRECEDENT:**

Prior to any drawdown under the Credit Facilities, the Borrower shall have provided, executed or satisfied the following, to the Bank's satisfaction (collectively with all other conditions precedent set out in this Offering Letter, the "Conditions Precedent"):

1. A Revolving Demand Credit Agreement in the face amount of \$70,000,000 duly executed and delivered to the Bank by the Borrower.
2. Power of Attorney Form and Acknowledgement for Bankers' Acceptances duly executed and delivered to the Bank by the Borrower.
3. Alberta Land Titles Office Name Search Consent from each Loan Party.
4. All Security shall be duly completed, authorized, executed, delivered by each Loan Party which is a party thereto, and registered, all to the satisfaction of the Bank and its counsel.
5. A legal opinion from the Borrower's counsel, in form and substance satisfactory to the Bank and its counsel, that each Loan Party has been duly incorporated (or formed, as applicable), is validly subsisting, and is in good standing, that the Security has been duly authorized and executed, and that each Loan Party has the corporate power and capacity to enter into and perform the obligations contemplated by this Offering Letter and the Security.
6. Satisfactory evidence to the Bank and its counsel that the Borrower has proper title to its major petroleum and natural gas interests and that no prior charges, liens, encumbrances, or claims exist against such interests.
7. Evidence of repayment of credit facilities at ATB, including No interest letter.
8. True copy of constating documents, including all amendments thereto, of each Loan Party.
9. True copy of the resolutions of the board of directors of each Loan Party authorizing the execution and delivery of this Offering Letter and the Security.
10. All fees due and payable to the Bank shall have been paid.
11. No Default or Event of Default shall exist.
12. No Material Adverse Effect has occurred with respect to any Loan Party or the Security.
13. Any other document that may be reasonably requested by the Bank.

The above conditions are inserted for the sole benefit of the Bank, and may be waived by the Bank in whole or in part (with or without terms or conditions) in respect of any particular Advance, provided that any waiver shall not be binding unless given in writing

and shall not derogate from the right of the Bank to insist on the satisfaction of any condition not expressly waived in writing or to insist on the satisfaction of any condition waived in writing which may be requested in the future.

**REPORTING
REQUIREMENTS:**

The Borrower shall submit to the Bank:

1. Monthly production and revenue reports in form and substance satisfactory to the Bank within 60 calendar days of each month end;
2. Quarterly unaudited consolidated financial statements (including balance sheet, income statement, and cash flow statement) and Compliance Certificate within 60 calendar days of each fiscal quarter end for the first three fiscal quarters of each fiscal year;
3. Annual audited consolidated financial statements and Compliance Certificate within 120 calendar days of each fiscal year end;
4. Annual independent engineering report in form and substance satisfactory to the Bank on the petroleum and natural gas reserves of the Borrower within 120 calendar days of each fiscal year end, prepared by a firm acceptable to the Bank;
5. Annual consolidated budget for the following fiscal year, including production, cash flow and capital expenditures forecasts, within 120 days of each fiscal year end; and
6. Any other information the Bank may reasonably require from time to time.

**AFFIRMATIVE
COVENANTS:**

Each Loan Party shall (each of the below being an "Affirmative Covenant"):

1. Carry on business and operate its petroleum and natural gas reserves in accordance with good practices consistent with accepted industry standards and pursuant to applicable agreements, regulations, and laws.
2. Maintain its corporate existence and comply with all applicable laws.
3. Pay, when due, all taxes, assessments, deductions at source, crown royalties, income tax or levies for which the payment is guaranteed by legal privilege, prior claim, or legal hypothec, without subrogation or consolidations.
4. Comply with all regulatory bodies and provisions regarding environmental procedures and controls.
5. Upon reasonable notice, allow the Bank access to its books and records, and take excerpts therefrom or make copies thereof, and to visit and inspect its assets and place(s) of business.
6. Maintain adequate and appropriate insurance on its assets including protection against public liability, blow-outs, and "all-risk" perils.
7. Inform the Bank of any event or action which would have a Material Adverse Effect on its operational or financial affairs, including but not limited to the sale of assets, guarantees, funded debt from other lenders, or alteration of type of business.
8. Keep and maintain books of account and other accounting records in accordance with GAAP.

9. Maintain an Adjusted Working Capital Ratio of not less than 1.00:1.00 at all times.
10. Pay all amounts due and payable hereunder and pursuant to the Security in accordance with the respective terms hereof and thereof.
11. As soon as practicable following receipt by such Loan Party of a request by the Bank to provide fixed charge security over the producing petroleum and natural gas properties of such Loan Party (and in any event not more than 5 Business Days following such request), furnish or cause to be furnished to the Bank, at the sole cost and expense of such Loan Party, fixed charge security over such producing and natural gas properties of such Loan Party as are specified by the Bank, in the form of a supplemental instrument to the Security.
12. Observe the terms of and perform its obligations under this Offering Letter and the Security, and under any other agreements now or hereafter made with the Bank.
13. Utilize the Advances only for the applicable purposes stipulated herein.
14. Notify the Bank, without delay, of (a) any litigation or proceeding in which it is a party if an adverse decision therein would require it to pay more than \$3,500,000 or deliver assets the value of which exceeds such sum (whether or not the claim is considered to be covered by insurance), and (b) the institution of any other suit or proceeding involving it that might materially and adversely affect its property, assets or undertaking, or its operations, financial conditions or business.
15. Notify the Bank, without delay, of any Default or Event of Default.
16. Obtain and maintain the licenses and permits required to operate its business unless failure to obtain such licenses and permits could not reasonably be expected to result in a Material Adverse Effect.
17. Provide the Bank with any information or document relating to its business affairs or financial condition that it may reasonably require from time to time.

**NEGATIVE
COVENANTS:**

No Loan Party shall, without the prior approval of the Bank (each of the below being a "Negative Covenant"):

1. Allow a Change of Control.
2. Merge, amalgamate, consolidate, or wind up its assets, unless (i) such merger, amalgamation, consolidation or winding up is with another Loan Party and (ii) it has notified the Bank, without delay, of such merger, amalgamation, consolidation or winding up.
3. Reduce or distribute capital or pay dividends or redeem or repurchase common or preferred shares, unless such distribution, dividends, redemptions, and repurchases do not impair the capacity of such Loan Party to fulfil its obligations with respect to the Credit Facilities, including the repayment of all Credit Facilities; notwithstanding the foregoing, no Loan Party shall reduce or distribute capital or pay dividends or redeem or repurchase common or preferred shares when a Default or an Event of Default has occurred and is continuing or shall reasonably be expected to occur as a result of reducing or distributing capital or paying dividends or redeeming or repurchasing common or preferred shares, as the case may be.
4. Incur further secured indebtedness, pledge or encumber assets (other than Permitted Encumbrances), or guarantee the obligations of others.

5. Make loans or investments in excess of \$3,500,000, except to or in another Loan Party.
6. Sell or dispose of any assets subject to the Bank's Security in the aggregate of greater than \$3,500,000 each calendar year. This shall include sale/leaseback transactions on facilities.
7. Hedge or contract crude oil, natural gas liquids, or natural gas, on a fixed price basis, exceeding 60% of actual production volumes. For clarity, puts are excluded from this calculation.
8. Monetize or effect an early termination of any fixed price financial hedge or contract.
9. Make any material change in the nature of its business as carried on at the date hereof.
10. Utilize Advances to finance a hostile takeover.
11. Move its property, assets or undertaking outside the jurisdictions in which the Security is registered.
12. Move its chief executive office from Alberta.
13. Create, acquire or suffer to exist any subsidiary unless such subsidiary provides a guarantee and such other Security required by the Bank, in its sole discretion.
14. Experience a change in its executive management which, in the opinion of the Bank, acting in its sole discretion, has or may have a Material Adverse Effect.

**ENVIRONMENTAL
OBLIGATIONS:**

1. Each Loan Party shall comply with the requirements of all legislative and regulatory environmental provisions (the "Environmental Requirements") and shall at all times maintain the authorizations, permits, and certificates required under these provisions except where failure to do so would not be expected to have a Material Adverse Effect.
2. Each Loan Party shall immediately notify the Bank in the event a material contaminant spill or emission occurs or is discovered with respect to its property, operations, or those of any neighbouring property. In addition, it shall report to the Bank forthwith any notice, order, decree, or fine that it may receive or be ordered to pay with respect to the Environmental Requirements relating to its business or property.
3. At the request of and in accordance with the conditions set forth by the Bank, each Loan Party shall, at its own cost, provide any information or document which the Bank may require with respect to its environmental situation, including any study or report prepared by a firm acceptable to the Bank. In the event that such studies or reports reveal that any material Environmental Requirements are not being respected, the applicable Loan Party shall effect the necessary work to ensure that its business and property comply with the Environmental Requirements within a period acceptable to the Bank.
4. Each Loan Party undertakes to indemnify the Bank for any damage which the Bank may suffer or any liability which it may incur as a result of any non-compliance with the Environmental Requirements.

5. The provisions, undertakings, and indemnification set out in this section shall survive the satisfaction and release of the Security and payment and satisfaction of the indebtedness and liability of the Borrower to the Bank pursuant to the terms hereof.

EVENTS OF DEFAULT:

Notwithstanding that the Credit Facilities are on a demand basis, and without prejudice to the Bank's rights thereby, the following shall be considered events of default ("Events of Default"), upon the occurrence of which, or of a Default, the Bank may choose, in its sole discretion, to cancel all credit availability and to demand repayment of the Credit Facilities in full, together with outstanding accrued interest, fees and any other obligations of the Borrower to the Bank, and, without prejudice to the Bank's other rights and remedies, the Bank's Security shall become enforceable:

1. 3 business days after failure by any Loan Party to pay any instalment of principal, interest, fees, costs, incidental charges or any other amount payable hereunder or under any of the Security when due.
2. Any material representation or warranty contained in this Offering Letter, the Security, any certificate or any opinion delivered hereunder proves to be untrue.
3. Failure by any Loan Party to observe or comply with any Affirmative Covenant, Negative Covenant, Environmental Obligation, condition, or term as outlined herein, or in any Security document or underlying agreements delivered pursuant hereto (not otherwise specifically dealt with in this Events of Default Section).
4. In the opinion of the Bank, acting reasonably, a Material Adverse Effect in the financial condition of any Loan Party or to the operation of any Loan Party's assets has occurred.
5. If a petition is filed, an order is made or a resolution passed, or any other proceeding is taken for the winding up, dissolution, or liquidation of any Loan Party.
6. If proceedings are taken to enforce any encumbrance on the assets of any Loan Party having a value in the aggregate greater than \$3,500,000, excepting as long as such proceedings are being contested in good faith by such Loan Party and security satisfactory to the Bank has been provided to the Bank.
7. If any Loan Party ceases or threatens to cease to carry on its business, or if proceedings are commenced for the suspension of the business of any Loan Party, or if any proceedings are commenced under the Companies Creditors Arrangements Act (Canada) or under the Bankruptcy and Insolvency Act (Canada) (including filing a proposal or notice of intention) with respect to any Loan Party, or if any Loan Party commits or threatens to commit an act of bankruptcy, or if any Loan Party becomes insolvent or bankrupt or makes an authorized assignment pursuant to the Bankruptcy and Insolvency Act (Canada), or a bankruptcy petition is filed by or presented against any Loan Party.
8. If proceedings are commenced to appoint a receiver, receiver/manager, or trustee in respect of the assets of any Loan Party by a court or pursuant to any other agreement.
9. If any Loan Party is in default under the terms of any other contracts, agreements or writings with any other creditor having liens on the property of such Loan Party and such default could reasonably be expected to result in a Material Adverse Effect.
10. If the validity, enforceability or, where applicable, priority of this Offering Letter or any of the Security is prejudiced or endangered other than as a result of negligence by the Bank.

11. If an event of default under any of the Security occurs and is continuing, or any other event which constitutes or which with the giving of notice or lapse of time or otherwise would constitute an event of default under any of the Security occurs.
12. If any event of default under any material agreement to which a Loan Party is a party occurs and is continuing and would reasonably be expected to have a Material Adverse Effect, or any other event which constitutes or which with the giving of notice or lapse of time or otherwise would constitute an event of default under any material agreement to which a Loan Party is a party occurs.
13. If the Bank in good faith believes and has commercially reasonable grounds to believe that the prospect of repayment of any Advance is or is about to be impaired or that the collateral secured by the Security is or is about to be placed in jeopardy.
14. If any Material Adverse Effect occurs.

**INTEREST ON
OVERDUE AMOUNTS:**

Notwithstanding any other provision of this Offering Letter, in the event that any amount due hereunder (including, without limitation, any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the Bank interest on such unpaid amount (including, without limitation, interest on interest), if and to the fullest extent permitted by applicable law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 10:00 a.m. at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded on the last Business Day of each calendar month and be payable in the currency of the relevant Advance on demand, as well after as before maturity, default and judgment, at a rate per annum that is equal to: (i) the rate of interest then being charged on Prime Rate Loans under the applicable Credit Facility plus 2.00% per annum, for overdue amounts in Canadian Dollars under such Credit Facility; and (ii) the rate of interest then being charged on Base Rate Loans under the applicable Credit Facility plus 2.00% per annum, for overdue amounts in U.S. Dollars under such Credit Facility. The Borrower hereby waives, to the fullest extent it may do so under applicable law, any provisions of applicable law, including specifically the Interest Act (Canada) or the Judgment Interest Act (Alberta), which may be inconsistent with this Offering Letter.

COSTS:

All reasonable third party expenses incurred by the Bank in connection with the Credit Facilities or this Offering Letter are for the account of the Borrower including, but not limited to, legal fees (on a solicitor and own client basis) and future engineering fees.

CHANGE OF LAWS:

Notwithstanding anything contained in this letter to the contrary, in the event that:

1. changes to any existing law or regulation or the introduction of any new law or regulation, or taxes other than income taxes, including, without limitation, a sales tax on loan transactions, or in the interpretation or administration thereof; or
2. compliance by the Bank with any request from or requirement of any central bank or other fiscal or monetary authority having jurisdiction over Canadian banks general (whether or not such request has the force of law);

cause the Bank to:

- a. incur any cost as a result of having entered into and/or performed its obligations hereunder and/or as a result of obligations or options remaining outstanding hereunder including, without limitation, any reserve or special

deposit requirement or any payment on or calculated by reference to the amount of the Credit Facilities hereunder; or

- b. suffer a reduction in the rate of return on that part of its overall capital (not due to the rates of tax payable on their overall profits or net income) as a result of a requirement to attribute or allocate capital to the Credit Facilities or a Credit Facility provided hereunder in respect of that part of such Credit Facilities or Credit Facility which is for the time being undrawn as a result of a change in the manner in which the Bank is required to allocate resources to its obligations hereunder,

then the Bank reserves the right to increase the charges for the Credit Facilities or such Credit Facility provided hereunder by the amount of such additional cost of liability as determined by the Bank and the Borrower agrees that it will forthwith on demand pay to the Bank amounts sufficient to reimburse the Bank against such costs or liabilities.

CURRENT ACCOUNTS:

Each Loan Party shall open its current accounts at the Calgary Branch of the Bank through which it shall conduct all of its banking activities. An account at Alberta Treasury Branches may also be conducted by any Loan Party.

Regular Bank service charges shall apply in the day-to-day operations of each Loan Party's accounts.

**FOREIGN EXCHANGE
FLUCTUATIONS:**

If the amount of outstanding Advances under any Credit Facility is on any day, due to exchange rate fluctuations, in excess of the maximum amount with respect to such Credit Facility, the Borrower shall within five (5) Business Days after receiving notice thereof repay such excess or otherwise reduce a portion of such Advances under the particular Credit Facility to the extent of the amount of the excess.

GENERAL:

Time is of the essence.

The terms and conditions of this Offering Letter between the Bank and each Loan Party are confidential and shall be treated accordingly.

Each Loan Party shall do all things and execute all documents deemed necessary or appropriate by the Bank for the purposes of giving full force and effect to the terms, conditions, undertakings, and security granted or to be granted hereunder.

When a conflict or inconsistency exists between the Security and this Offering Letter, this Offering Letter shall govern to the extent necessary to remove such conflict or inconsistency. Notwithstanding the foregoing, if there is any right or remedy of the Bank set out in any of the Security or any part of which is not set out or provided for in this Offering Letter, such additional right shall not constitute a conflict or inconsistency.

ACCOUNT DEBITS:

Each Loan Party hereby irrevocably authorizes the Bank to debit periodically or from time to time, any bank account it may maintain at the Bank in order to pay all or part of the amounts any Loan Party may owe to the Bank hereunder.

**PERSONAL PROPERTY
SECURITY ACT (ALBERTA)
REQUIREMENTS:**

Each Loan Party hereby waives the requirement for the Bank to provide copies of Personal Property Security Act (Alberta) (collectively with the equivalent legislation in other jurisdictions, the "PPSA") registrations, verification statements, or financing statements undertaken by the Bank.

Each Loan Party hereby agrees to provide to the Bank written notice of a change in its name or address immediately.

ASSIGNMENT:

No rights or obligations of any Loan Party hereunder and no amount of the Credit Facilities may be transferred or assigned by any Loan Party, any such transfer or assignment being null and void insofar as the Bank is concerned and rendering any balance then outstanding of the loan immediately due and payable at the option of the Bank and releasing the Bank from any and all obligations of making any further advances hereunder.

DEMAND:

Notwithstanding any of the terms of this Offering Letter, all obligations of any Loan Party hereunder are repayable to the Bank at any time upon its demand.

ADJUSTMENTS:

Notwithstanding any maximum amount, Availability, Reduction Amount, Pricing Grid, interest rate, margin calculation, Applicable Margin, Standby Fee, Stamping Fee, L/C/G Fee or other fee quoted herein, the Bank shall have the right to adjust such maximum amount, Availability, Reduction Amount, Pricing Grid, interest rate, margin calculation, Applicable Margin, Standby Fee, Stamping Fee, L/C/G Fee or other fee, at the Bank's sole discretion.

NO OBLIGATION:

Upon the Bank's demand for repayment or upon the occurrence of a Default or an Event of Default, the Bank shall have no obligation or liability to make further advances under the Credit Facilities.

ACCESS TO INFORMATION:

Each Loan Party hereby authorizes the Bank to use the necessary information pertaining to it which the Bank has or may have for the purpose of granting credit and insurance products (where permitted by law) and further authorize(s) the Bank to disclose such information to its affiliates and subsidiaries for this same purpose. Moreover, it hereby authorizes the Bank to obtain personal information pertaining to it from any party likely to have such information (credit or information bureau, financial institution, creditor, employer, tax authority, public entity, Persons with whom they might have business relations, and affiliates or Bank subsidiaries) in order to verify the accuracy of all information provided to the Bank and to ensure the solvency of each Loan Party at all times.

ANTI-MONEY LAUNDERING LEGISLATION:

Each Loan Party acknowledges that, pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and other applicable anti money laundering, anti terrorist financing, government sanction and "know your client" laws, whether within Canada or elsewhere (collectively, including any guidelines or orders thereunder, "AML Legislation"), the Bank may be required to obtain, verify and record information regarding any Loan Party, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of such Loan Party, and the transactions contemplated hereby. Each Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by the Bank, or any prospective assign or participant of the Bank, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

NOTICE:

Notices to be given under this Offering Letter, the Security or any other document in respect thereto any of Loan Party or the Bank shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended Notices shall be given by personal delivery or transmitted by facsimile and shall be deemed to be received on the Business Day of receipt (unless such delivery or transmission is received after 1:00 p.m. Mountain Time, in which case it shall be deemed to have been received on the following Business Day) unless the law deems a particular notice to be received earlier.

The address for each Loan Party shall be the addresses currently recorded on the records of the Bank for such Loan Party, or such other mailing or facsimile addresses as such Loan Party may from time to time may notify the Bank as aforesaid. The address for the Bank shall be the Calgary Branch of the Bank or such other mailing or facsimile addresses as the Bank may from time to time may notify the Borrower as aforesaid.

**AUTHORIZATION
REGARDING
INSTRUCTIONS SENT
ELECTRONICALLY:**

Each Loan Party authorizes the Bank to do all things as authorized by such Loan Party even if such authorization is sent by fax or by e-mail and the Bank may deem such authorization valid and sufficient and the aforementioned presumption of accuracy shall apply to the authorization, whether it is required for transmitting information, a debit, issuing drafts or certified cheques or for any other purpose. Moreover, the Bank will not be held liable for any fees or delays which may be caused when an instruction is sent whether due to a technical problem attributable to the systems in use at the Bank or otherwise.

PAYMENTS:

Unless otherwise indicated herein, the obligation of each Loan Party to make all payments under this Offering Letter and the Security shall be absolute and unconditional and shall not be limited or affected by any circumstance, including, without limitation:

1. Any set-off, compensation, counterclaim, recoupment, defence or other right which such Loan Party may have against the Bank of anyone else for any reason whatsoever; or
2. Any insolvency, bankruptcy, reorganization or similar proceedings by or against such Loan Party.

All payments to be made under this Offering Letter shall be made in Canadian Dollars .

All payments made under this Offering Letter shall be made on or prior to 1:00 p.m. Mountain Time on the day such payment is due. Any payment received after 1:00 p.m. Mountain Time shall be deemed to have been received on the following day. Whenever a payment is due on a day which is not a Business Day, such due day shall be extended to the next Business Day and such extension of time shall be included in the computation of any interest payable.

SET-OFF:

The Bank shall have the right to set-off and apply any funds of any Loan Party deposited with or held by the Bank from time to time, and any other indebtedness owing to any Loan Party by the Bank, against any of the amounts due and owing under this Offering Letter from time to time.

JUDGMENT CURRENCY:

If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Offering Letter it is necessary to convert into the currency of such jurisdiction (the "Judgment Currency") any amount due hereunder in any currency other than the Judgment Currency, then such conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose, rate of exchange means the rate at which the Bank would, on the relevant day, be prepared to sell a similar amount of such currency against the Judgment Currency.

**RIGHTS AND REMEDIES
CUMULATIVE:**

The rights, remedies and powers of the Bank under this Offering Letter, the Security, at law and in equity are cumulative and not alternative and are not in substitution for any other remedies, rights or powers of the Bank, and no delay or omission in exercise of any

such right, remedy or power shall exhaust such rights, remedies and powers to be construed as a waiver of any of them.

WAIVERS AND AMENDMENTS:

No term, provision or condition of this Offering Letter or any of the Security, may be waived, varied or amended unless in writing and signed by a duly authorized officer of the Bank.

INTEREST ACT (CANADA):

Any interest rate set forth in this Offering Letter based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such interest rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based. The Borrower hereby waives, to the fullest extent it may do so under law, any provisions of law, including specifically the Interest Act (Canada) or the Judgment Interest Act (Alberta), which may be inconsistent with this Offering Letter.

GAAP / IFRS:

All financial statements required to be furnished by the Borrower to the Bank hereunder shall be prepared in accordance with GAAP. Each accounting term used in this Offering Letter, unless otherwise defined herein, has the meaning assigned to it under GAAP and, except as otherwise provided herein, reference to any balance sheet item, statement of income item or statement of cash flows item means such item as computed from the applicable financial statement prepared in accordance with GAAP. If there occurs a change in GAAP (an "Accounting Change"), including as a result of a conversion to International Financial Reporting Standards ("IFRS"), and such change would result in a change (other than an immaterial change) in the calculation of any financial covenant, standard or term used hereunder, then at the request of the Borrower or the Bank, the Borrower and the Bank shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of the Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by the Borrower or the Bank, the Borrower and the Bank have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change.

GOVERNING LAW:

This Offering Letter shall be construed and governed in accordance with the laws of the Province of Alberta. Each Loan Party irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.

REVIEW:

Without detracting from the demand nature of the Credit Facilities, the Credit Facilities are subject to periodic review by the Bank in its sole discretion (each such review is referred to in this Offering Letter as a "Review"). The next Review is scheduled on or before May 1, 2013, but may be set at an earlier or later date at the sole discretion of the Bank.

EXPIRY DATE:

This Offering Letter is open for acceptance until January 25, 2013 (as may be extended from time to time as follows, the "Expiry Date") at which time it shall expire unless extended by mutual consent in writing. We reserve the right to cancel our offer at any time prior to acceptance.

If the foregoing terms and conditions are acceptable, please sign two copies of this Offering Letter and return one copy to the Bank by the Expiry Date. This Offering Letter may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. The delivery of a facsimile or other electronic copy of an executed counterpart of this Offering Letter shall be deemed to be valid execution and delivery of this Offering Letter, but the party delivering a facsimile or other electronic copy shall deliver an original copy of this Offering Letter as soon as possible after delivering the facsimile or other electronic copy.

National Bank of Canada appreciates the opportunity of providing this Offering Letter to Manitok Energy Inc. We look forward to a continuing and mutually beneficial relationship.

Yours truly,

NATIONAL BANK OF CANADA

Erin R. Welte
Director
Energy Group

David K. Forsyth
Managing Director
Energy Group

Int
Enclosure
P:\Data\CLIENTS\X2A - Welte E\Manitok Energy Inc\Cred\2013\Commitment.0113.DOC

AGREED AND ACCEPTED this _____ day of _____, 20____

MANITOK ENERGY INC.

Per: _____

Per: _____

APPENDIX A

CREDIT:

Energy Group
National Bank of Canada
311 - 6 Avenue SW, Suite 1800
Calgary, AB T2P 3H2

Director:
Telephone:
Facsimile:
E-mail:

Mr. Erin Welte
(403) 294-4951
(403) 294-3078
erin.welte@nbc.ca

Associate:
Telephone:
Facsimile:
E-mail:

Mr. Nathan McAdam
(403) 294-4982
(403) 294-3078
nathan.mcadam@nbc.ca

ADMINISTRATION:

BA Administration; Current
Account Documents; L/C/Gs;
MasterCard; Loan/Account
Balances; CAD/USD Money
Orders/Bank Drafts; Bank
Confirmations; Investments;
General Inquiries

Account Representative:
Telephone:
Facsimile:
E-mail:

Mrs. Marj Brown
(403) 294-4956
(403) 294-3078
marj.brown@nbc.ca

Senior Secretary:
Telephone:
Facsimile:
E-mail:

Ms. Yelaina May
(403) 355-3584
(403) 294-3078
yelaina.may@nbc.ca

BRANCH:

Calgary Downtown Branch
National Bank of Canada
301 - 6 Avenue SW
Calgary, AB T2P 4M9

Telephone:
Facsimile:

(403) 294-4900
(403) 294-4965

Calgary MacLeod Trail Branch
National Bank of Canada
430 - 7337 MacLeod Trail South
Calgary, AB T2H 0L8

Telephone:
Facsimile:

(403) 592-8515
(403) 265-0831

INTERNET/ TELEPHONE BANKING

Order Cheques, Loan/Account
Balances; Traces; Stop
Payments, List of Current
Account Transactions; Pay Bills;
Transfer Between Accounts

Website:
Telephone:

www.nbc.ca
(888) 483-5628

OTHER:

Internet Banking

Manager,
Global Cash Management:
Telephone:
Facsimile:
E-mail:

Ms. Kathy Holland
(403) 294-4948
(403) 476-1000
kathy.holland@nbc.ca

Foreign Exchange & Interest
Rates
National Bank of Canada
311 - 6 Avenue SW, 6th Floor
Calgary, AB T2P 3H2

Director, Risk
Management Solutions:
Telephone:
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Commodity Derivatives
311 - 6 Avenue SW, 6th Floor
Calgary, AB T2P 3H2

Telephone:
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(403) 294-4935
(403) 294-4923
energy@nbcenergy.com

APPENDIX B

COMPLIANCE CERTIFICATE

To: National Bank of Canada
311 - 6 Avenue SW, Suite 1800
Calgary, AB

I _____, of the City of _____, in the Province of _____, hereby certify as at the date of this Certificate as follows:

1. I am the _____ of _____ (the "Borrower") and I am authorized to provide this Certificate to you for and on behalf of the Borrower;
2. This Certificate applies to the fiscal quarter ended _____;
3. I am familiar with and have examined the provisions of the Offering Letter dated _____ between the Borrower and National Bank of Canada and I have made such investigations of corporate records and inquiries of other officers and senior personnel of each Loan Party as I have deemed reasonably necessary for purposes of the Certificate;
4. As of the date hereof, the Borrower confirms that all of its subsidiaries (if any) are Loan Parties.
5. The representations and warranties set forth in the Offering Letter are in all material respects true and correct on the date hereof;
6. No Default or Event of Default has occurred and is continuing of which we are aware;
7. As required, I have calculated the Adjusted Working Capital Ratio for the fiscal quarter ended as follows:
_____ : 1.00; and
8. As required, I have calculated the Net Debt to Cash Flow Ratio for the fiscal quarter ended as follows:
_____ : 1.00; and
9. All relevant calculations and financial statements are attached.

Except where the context otherwise requires, all capitalized terms used herein have the same meanings as given thereto in the Offering Letter.

This Certificate is given by the undersigned officer in their capacity as an officer of the Borrower without any personal liability on the part of such officer.

Executed at the City of _____, in the Province of _____ this _____ day of _____, 20__.

Yours truly,

MANITOK ENERGY INC.

Per: _____

Name:
Title:

MANITOK ENERGY INC.
COMPLIANCE CERTIFICATE

Calculation of Adjusted Working Capital Ratio

Current Assets

Current assets	\$
Less: Unrealized Hedging Gains	()
Add: Undrawn Availability under Credit Facility A	<u> </u> (A)

Current Liabilities

Current liabilities	\$
Less: Unrealized Hedging Losses	()
Less: Current Portion of Bank Debt	<u> </u> (B)

Adjusted Working Capital Ratio calculated as follows:

$$\frac{A}{B} =$$

Calculation of Net Debt to Cash Flow Ratio

Net Debt

Debt	\$
+ Working Capital Deficit (any positive working capital deducted)	\$
Net Debt	<u> </u>

Quarterly Cash Flow

Net earnings for the fiscal quarter ending	\$
+ Depletion, depreciation, accretion, and amortization	\$
+ Deferred income taxes	\$
+ Other charges to operations not requiring a current cash payment	\$
- Non-cash income	\$
- Unrealized mark to market gains	\$
- Capital Lease payments	\$
- Stock Based Compensation	\$
- Abandonment costs paid in cash	\$
- Extraordinary or nonrecurring earnings, gains, and losses	\$
+/- Such other amounts as reasonably requested by the Bank.	<u> </u>
Quarterly Cash Flow	<u> </u>

Quarterly Cash Flow (annualized)	\$ _____ x 4 =	\$ _____
----------------------------------	----------------	----------

Net Debt to Cash Flow Ratio calculated as follows:

$$\frac{\text{Net Debt}}{\text{Annualized Cash Flow}} =$$

APPENDIX C

DEFINITIONS

In the Offering Letter, including all Appendices to the Offering Letter, and in all notices given pursuant to the Offering Letter, unless something in the subject matter or context is inconsistent therewith, capitalized words and phrases shall have the meanings given to them in the Offering Letter in their proper context, and capitalized words and phrases not otherwise defined in the Offering Letter shall have the following meanings:

"**Adjusted Working Capital Ratio**" means the ratio of (i) Current Assets plus undrawn Availability under Credit Facility A to (ii) Current Liabilities.

"**Advance**" means an advance of funds made by the Bank under a Credit Facility to the Borrower, or if the context so requires, an advance of funds under one or more of the Credit Facilities or under one or more of the availability options of one or more of the Credit Facilities, and any reference relating to the amount of Advances shall mean the sum of the principal amount of all outstanding Prime Rate Loans and Base Rate Loans, plus the Face Amount of all outstanding BAs and the stated amount of all L/C/Gs as applicable.

"**Appendix**" means an appendix to the Offering Letter.

"**Applicable Margin**" means, at any time, a margin, expressed as a rate per annum based on a 365 or 366 day period, as the case may be, for Prime Rate Loans, Base Rate Loans and payment of Standby Fees and L/C/G Fees, or based on a 365 day period in the case of Stamping Fees, and in any case payable to the Bank, as set out in the Pricing Grid for Facility A under the then Net Debt to Cash Flow Ratio applicable to the type of Advance.

"**Availability**" has the meaning ascribed to such term under the section heading "Availability", with respect to the applicable Credit Facility.

"**bps**" means one one-hundredth of one percent.

"**Business Day**" means a day on which banks are open for business in Calgary, Alberta, Montreal, Quebec and Toronto, Ontario; but does not, in any event, include a Saturday or Sunday.

"**Calgary Branch of the Bank**" means the branch of the Bank at 301 - 6 Avenue SW, Calgary, AB T2P 4M9, fax (403) 294-4965, or such other address as the Bank may notify the Borrower from time to time.

"**Canadian Dollars**", "**Cdn Dollars**", "**Cdn\$**", "**CA\$**" and "**\$**" mean the lawful money of Canada.

"**Capital Lease**" means, with respect to any Person, any lease or other arrangement relating to real or personal property which should, in accordance with GAAP, be accounted for as a capital lease on a balance sheet of such Person but excluding any lease that would in accordance with GAAP be determined to be an operating lease.

"**Cash Flow**" means, at any time, the annualized cash flow of the Borrower on a consolidated basis for the most recent fiscal quarter as determined from its quarterly financial statements for that fiscal quarter, which for certainty means an annualized aggregate amount expressed in Canadian Dollars of the sum, without duplication, of its:

- (a) net earnings (but excluding from the determination of net earnings, non-cash income, unrealized mark to market gains, Capital Lease payments, any abandonment costs paid in cash, cash taxes and any extraordinary or nonrecurring earnings, gains, and losses);
- (b) depletion, depreciation, accretion and amortization;
- (c) exploration and evaluation expenses to the extent deducted from Net Income;
- (d) deferred income taxes; and
- (e) other charges to operations not requiring a current cash payment,

it being acknowledged that such annualized cash flow shall be adjusted for such other amounts as reasonably requested by the Bank during such fiscal quarter.

"Change of Control" means the occurrence of any of the following events, with respect to any Loan Party:

- (a) any Person or Persons acting jointly or in concert (within the meaning of the Securities Act (Alberta)), shall beneficially, directly or indirectly, hold or exercise control or direction over and/or has the right to acquire or control or exercise direction over (whether such right is exercisable immediately or only after the passage of time) more than 30% of the issued and outstanding Voting Shares of such Loan Party; or
- (b) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of such Loan Party cease, for any reason, to constitute at least a majority of the board of directors of such Loan Party unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period (the "Incumbent Directors") and in particular, any new director who assumes office in connection with or as a result of any actual or threatened proxy or other election contest of the board of directors of the Borrower shall never be an Incumbent Director; or
- (c) such Loan Party ceases to own, control or direct 100% of the Voting Shares of a subsidiary.

"Compliance Certificate" means a certificate of an officer of the Borrower signed on its behalf by the president, chief executive officer, chief operating officer, chief financial officer or any vice president of the Borrower, substantially in the form annexed hereto as Appendix B, to be given to the Bank by the Borrower from time to time pursuant to the Offering Letter.

"Credit Facilities" means the credit facility(ies) (and the risk management facility) to be made available to the Borrower by the Bank in accordance with the provisions of the Offering Letter.

"Current Assets" means, as at any date of determination, the current assets of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding the impact of any Unrealized Hedging Gains.

"Current Liabilities" means, as at any date of determination, the current liabilities of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding: (i) Current Portion of Bank Debt; and (ii) the impact of any Unrealized Hedging Losses.

"Current Portion of Bank Debt" means any current liabilities under the Credit Facilities other than those that arise due to total advances under a Credit Facility exceeding the maximum amount of such Credit Facility, whether by reduction of maximum amount, fluctuations in exchange rates or due to mandatory repayments, or due to the occurrence of a Default or an Event of Default, or due to the Bank's demand for repayment.

"Debt" means, as at any date of determination, all obligations, liabilities and indebtedness of the Borrower which would, in accordance with generally accepted accounting principles, be classified upon a consolidated balance sheet of the Borrower for such date as indebtedness for borrowed money and, without limiting the generality of the foregoing, whether or not so classified, shall include (without duplication):

- (a) obligations under BAs;
- (b) issued and drawn L/C/Gs;
- (c) obligations under guarantees, indemnities, or such other agreements providing financial assistance;
- (d) Capital Leases or sales/lease-backs;
- (e) obligations under deferred purchase price agreements;
- (f) deferred revenues relating to third party obligations;
- (g) the redemption amount of any capital where the holder of such capital has the option to require the redemption of such capital for cash or property and payment of the redemption amounts;
- (h) any distributions declared but not yet paid; and
- (i) all mark to market losses under any Financial Instruments that are due and owing.

"**Default**" means any event or condition which, with the giving of notice, lapse of time or both, or upon a declaration or determination being made (or any combination thereof), would constitute an Event of Default.

"**Face Amount**" means (i) in respect of a BA, the amount payable to the holder thereof on its maturity, and (ii) in respect of a L/C/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C/G.

"**Federal Funds Effective Rate**" means, on any day, the rate of interest per annum for that day set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Federal Reserve Board (the "H.15(519)") opposite the caption "Federal Funds (Effective)" and, if on any day such rate is not yet published in H. 15(519), the rate for such day will be the rate set forth in the Composite 3:30 p.m. Quotations for US Government Securities, or any successor publication, for such day published by the Federal Reserve Board (the "Composite 3:30 p.m. Quotations") under the caption "Federal Funds Effective Rate"; provided that if such rate is not yet published in either H.15(519) or the Composite 3:30 p.m. Quotations, such rate will be the average of the interest rates per annum quoted for such day on overnight Federal funds (such words to have the meaning generally given to them by money market brokers of recognized standing doing business in the United States of America) transactions received by the Bank from three Federal funds brokers of recognized standing selected by the Bank;

"**Financial Instrument**" means any currency swap agreement, cross-currency agreement, interest swap agreement, agreement for the making or taking of delivery of any commodity, commodity swap agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar risk management agreement or arrangement, or any combination thereof, to be entered into by the Borrower where (i) the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt) (ii) the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time, or (iii) the subject matter of the same is any commodity or the price, value or amount payable thereunder is dependent or based upon the price of any commodity or fluctuations in the price of any commodity.

"**Generally Accepted Accounting Principles**" or "**GAAP**" means generally accepted accounting principles consistently applied which are in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants and other primary sources recognized from time to time by the Canadian Institute of Chartered Accountants.

"**ISDA Master Agreement**" means an International Swap and Derivatives Association, Inc. Master Agreement (Multi Currency - Cross-Border) as from time to time amended, restated or replaced by the International Swap and Derivatives Association, Inc., including the schedule thereto and any confirmation thereunder as entered into by the Borrower with any counterparty thereto.

"**Material Adverse Effect**" means a material adverse effect on:

- (a) the business, financial condition, operations, assets or capitalization of the Borrower on a consolidated basis and taken as a whole;
- (b) the ability of any Loan Party to pay or perform the obligations under this Offering Letter or the ability of any Loan Party to pay or perform any of its obligations or contingent obligations under any Security or any underlying agreements or document delivered pursuant to this Offering Letter or the Security;
- (c) the ability of any Loan Party to perform its obligations under any material contract, if it would also have a material adverse effect on the ability of such Loan Party to pay or perform its obligations under this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security;
- (d) the validity or enforceability of this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security; and

- (e) the priority ranking of any security interests granted by this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security, or the rights or remedies intended or purported to be granted to the Bank under or pursuant to this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security.

"**Net Debt**" means at any time, on a consolidated basis, the aggregate amount (without duplication) expressed in Canadian Dollars of (a) Working Capital Deficit plus (b) Debt.

"**Net Debt to Cash Flow Ratio**" means at any time, the ratio of (i) Net Debt to (ii) Cash Flow.

"**Offering Letter**" means the offering letter to which this appendix is appended, and any appendices thereto, as amended, supplemented, modified, restated or replaced from time to time.

"**Permitted Contest**" means action taken by a Loan Party in good faith by the appropriate proceedings diligently pursued to contest a tax, claim or security interest, provided that:

- (a) such Loan Party has established reasonable reserves therefor in accordance with GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the property, assets or undertaking of any Loan Party.

"**Permitted Encumbrance**" means at any particular time any of the following encumbrances on the property or any part of the property of any Loan Party:

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (b) liens under or pursuant to any judgment rendered, or claim filed, against a Loan Party, which such Loan Party shall be contesting at the time by a Permitted Contest;
- (c) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law against any Loan Party or which relate to obligations not due or delinquent, or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (d) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of any Loan Party;
- (e) security given by any Loan Party to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of such Loan Party, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of any Loan Party;
- (f) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (g) security interests in favour of the Bank securing the obligations of any Loan Party under the Offering Letter or the Security;

- (h) the Security;
- (i) liens for Purchase Money Security Interests and Capital Leases of up to \$3,500,000
- (j) liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of petroleum or natural gas interests, related production or processing facilities in which such Person has an interest or the transmission of petroleum or natural gas as security in favour of any other Person conducting the exploration, development, operation or transmission of the property to which such liens relate, for any Loan Party's portion of the costs and expenses of such exploration, development, operation or transmission, provided that such costs or expenses are not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (k) liens for penalties arising under non-participation or independent operations provisions of operating or similar agreements in respect of any Loan Party's petroleum or natural gas interests, provided that such liens do not materially detract from the value of any material part of the property of any Loan Party;
- (l) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to all or any of the petroleum or natural gas interests of any Loan Party;
- (m) any encumbrance or agreement entered into in the ordinary course of business relating to pooling or a plan of unitization affecting the property of any Loan Party, or any part thereof;
- (n) the right reserved or vested in any municipality or governmental or other public authority by the terms of any petroleum or natural gas leases or similar agreements in which any Loan Party has any interest or by any statutory provision to terminate petroleum or natural gas leases or similar agreements in which any Loan Party has any interest, or to require annual or other periodic payments as a condition of the continuance thereof;
- (o) obligations of any Loan Party to deliver petroleum, natural gas, chemicals, minerals or other products to buyers thereof in the ordinary course of business; and
- (p) royalties, net profits and other interests and obligations arising in accordance with standard industry practice and in the ordinary course of business, under petroleum or natural gas leases or similar agreements in which any Loan Party has any interest.

"Person" or "person" means and includes an individual, a partnership, a corporation, a joint stock company, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

"Prime Rate" means the rate of interest per annum, based on a 365 or 366 day period, as the case may be, in effect from time to time that is equal to the greater of:

- (a) the rate of interest publicly announced by the Bank from time to time as being its reference rate then in effect for determining interest rates for commercial loans in Canadian Dollars made by the Bank in Canada; and
- (b) the average annual rate (rounded upwards, if necessary, to 0.01%) as determined by the Bank as being the average of the "BA 1 month" CDOR Rate applicable to bankers' acceptances in Canadian Dollars displayed and identified as such on the "Reuters Screen CDOR Page" (as defined in the International Swap and Derivatives Association, Inc. definitions, as modified and amended from time to time) plus 1.00%; provided that if such rates do not appear on the Reuters Screen CDOR Page as contemplated, then the CDOR Rate on any day shall be calculated as the arithmetic average of the 30-day discount rates applicable to bankers' acceptances in Canadian Dollars quoted by three major Canadian Schedule I chartered banks chosen by the Bank as of approximately 10:00 a.m. on such day, or if such day is not a Business Day, then on the immediately preceding Business Day.

"**Retractable Preferred Shares**" means preferred shares of the Borrower which are retractable at the option of the holder.

"**Stamping Fee**" means, at any time, a margin, expressed as a rate per annum based on a 365 day period, charged by the Bank for accepting and stamping BAs.

"**Unrealized Hedging Gains**" means mark to market unrealized gains in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"**Unrealized Hedging Losses**" means mark to market unrealized losses in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"**U.S. Base Rate**" means the rate of interest per annum, based on a 365 or 366 day period, as the case may be, in effect from time to time that is equal to the greater of:

- (a) the rate of interest publicly announced by the Bank from time to time as being its reference rate then in effect for determining interest rates for commercial loans in U.S.\$ made by the Bank in Canada; and
- (b) the Federal Funds Effective Rate in effect from time to time multiplied by 365/366, plus a margin on one half (1/2) of one (1) percent (0.50%).

"**U.S. Dollar**" and the symbol "U.S.\$" each means lawful money of the United States of America in same day immediately available funds and, if such funds are not available, the form of money of the United States of America that is customarily used in the settlement of international banking transactions on the day payment is due.

"**Voting Shares**" means:

- (a) in respect of a corporation or limited liability company, shares of any class or equity ownership interests of such entity:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;

provided that subparagraph (ii) above shall not include voting rights created solely by statute, such as those rights created pursuant to section 183(4) of the Business Corporations Act (Alberta) as in effect on the date of the Offering Letter;

- (b) in respect of a trust, trust units of the trust:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;
- (c) in respect of a partnership, the partnership interests or partnership units:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and is continuing.

"**Working Capital Deficit**" means Current Liabilities minus Current Assets.

Writer's Direct Line
(403) 294-4951

May 29, 2015

BY COURIER

Manitok Energy Inc.
585 – 8 Avenue SW, Suite 2600
Calgary, Alberta T2P 1G1

**ATTENTION: Massimo M. Geremia
President & CEO**

**Rob Dion
VP Finance & CFO**

Dear Sirs:

RE: CREDIT FACILITIES – NATIONAL BANK OF CANADA / MANITOK ENERGY INC.

We are pleased to advise that National Bank of Canada has approved the following revised uncommitted demand Credit Facilities for Manitok Energy Inc., subject to the terms and conditions set out herein. This Offering Letter contains all the terms and conditions pertaining to the availability of Credit Facilities from National Bank of Canada and as a result it amends, incorporates, and restates the terms and conditions of all existing and new commitments.

BORROWER: MANITOK ENERGY INC. (the "Borrower" or "Loan Party").

LENDER: NATIONAL BANK OF CANADA (the "Bank").

CREDIT FACILITY A: REVOLVING OPERATING DEMAND LOAN (the "Credit Facility A").

MAXIMUM AMOUNT: \$45,000,000.

Notwithstanding the foregoing, if each of the Royalty Transactions, the Wayne Acquisition and the Stream Transaction are not completed and the Conditions Precedent set forth in the section titled "CONDITIONS PRECEDENT TO INITIAL ALLOCATION OF CREDIT FACILITIES" are not satisfied, in each case, on or prior to June 15, 2015, the Maximum Amount of Credit Facility A shall be decreased to \$30,000,000.

PURPOSE: Credit Facility A shall only be used for the Borrower's general corporate purposes including capital expenditures and to assist in financing the Wayne Acquisition.

AVAILABILITY: Prime Rate loans ("Prime Rate Loans"). Revolving in whole multiples of Cdn\$50,000.

Bankers' acceptances ("BAs") in Canadian dollars.

Letters of credit and/or letters of guarantee ("L/C/Gs") (maximum term one year). The aggregate Face Amount of L/C/Gs issued and outstanding at any time is limited to \$5,000,000 in any currency acceptable to the Bank.

Notwithstanding any other provision hereof to the contrary, Credit Facility A is uncommitted in nature and is not automatically available upon satisfaction of the terms and conditions set out herein. The Bank may cancel the availability of Credit Facility A at any time without notice or demand, acting in its sole discretion. Notwithstanding any such cancellation, all fees paid to the Bank hereunder with respect to Credit Facility A shall be considered earned by the Bank and payable by the Borrower.

REPAYMENT:

Interest only but always subject to Availability, Review, and the Bank's right of demand.

INTEREST RATE:

Prime Rate Loans

The Borrower shall pay interest calculated daily and payable monthly, not in advance, on the outstanding principal amount of Prime Rate Loans drawn under Credit Facility A at a rate per annum equal to the Prime Rate as designated from time to time by the Bank plus the Applicable Margin as per the Pricing Grid below. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month until all amounts owing to the Bank are paid in full. Interest shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

As of this date, the Bank's Prime Rate is 2.85% per annum.

Canadian Dollar BAs

Subject to market availability, in multiples of \$100,000 and minimum draws of \$1,000,000, BAs at a Stamping Fee per annum as per the Pricing Grid below and calculated on the basis of the number of days elapsed in a 365 day year, payable at time of acceptance by the Bank. BAs shall have a minimum term of 30 days and maximum term of 90 days, and shall not include any days of grace. The BAs shall remain in effect until the maturity of the term selected. If the Bank does not receive instructions from the Borrower concerning renewal of any outstanding BA under Credit Facility A, then Prime Rate Loans under Credit Facility A shall be automatically utilized until written instructions are received from the Borrower.

AVAILABILITY FEE:

The Applicable Margin as per the Pricing Grid below on the undrawn available portion of Credit Facility A (the "Availability Fee"), payable monthly on the first Business Day of each month.

L/C/G FEE:

The Applicable Margin as per the Pricing Grid below of the issue amount of each L/C/G, payable at issue (the "L/C/G Fee"). This non-refundable, upfront fee is to be based on the number of months the L/C/G is to be outstanding with any portion of 31 days to be considered a complete month.

PRICING GRID:

The Applicable Margin, Stamping Fee, L/C/G Fee or Availability Fee, as applicable, for Advances shall be adjusted quarterly (based upon unaudited preceding quarterly consolidated financial statements of the Borrower) in accordance with the Net Debt to Cash Flow Ratio in the following table (the "Pricing Grid"):

Type of Advance	Net Debt to Cash Flow Ratio					
	≤ 1.00	>1.00 ≤ 1.50	>1.50 ≤ 2.00*	>2.00 ≤ 2.50	>2.50 ≤ 3.00	> 3.00
Prime Rate Loans	50 bps	75 bps	100 bps	150 bps	200 bps	250 bps
BAs (Stamping Fee)	175 bps	200 bps	225 bps	275 bps	325 bps	375 bps
L/C/G Fees	175 bps	200 bps	225 bps	275 bps	325 bps	375 bps
Availability Fees	20 bps	25 bps	30 bps	35 bps	40 bps	45 bps

* Current Rate

CHANGE IN MARGIN AND FEES:

Whenever this Offering Letter calls for a change in the Applicable Margin or fees by reason of a change in the Net Debt to Cash Flow Ratio, each such change shall be effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided.

In respect of Prime Rate Loans, and Availability Fees, the Borrower shall pay interest at the new Applicable Margin and Availability Fees effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided, notwithstanding that any Advance was made prior to such date and notwithstanding that interest and Availability Fees prior to delivery of the Compliance Certificate were calculated and paid based upon the Applicable Margins and Availability Fee previously in effect.

In the case of any outstanding BAs under Credit Facility A, the Borrower and the Bank agree that the Stamping Fee shall be adjusted between them to reflect the change in the Stamping Fee to the end of the remaining term of each such outstanding BA. The Bank is hereby authorized to make such adjustments in such manner and at such time as the Bank determines is practicable.

In the event that the Borrower should fail to provide a Compliance Certificate as and when required, then, at the discretion of the Bank, the Applicable Margin and fees in all cases shall automatically be changed as if the Net Debt to Cash Flow Ratio was > 3.0.

DRAWDOWN, NOTIFICATION, AND CONVERSION:

All Advances under Credit Facility A may only be drawn on a day that is a Business Day.

Prime Rate Loans
As required.

Canadian Dollar BAs

The Borrower shall provide two Business Days written notice to the Bank for Advances of BAs, notice to be received no later than 9:00 a.m. Mountain Time. The Borrower shall also provide two Business Days written notice for conversion of BAs at maturity to Prime Rate Loans.

EVIDENCE OF DEBT:

Revolving Demand Credit Agreement, Power of Attorney Form and Acknowledgement for Bankers' Acceptances, and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made under Credit Facility A. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

CREDIT FACILITY B:

NON-REVOLVING REDUCING DEMAND LOAN (the "Credit Facility B").

MAXIMUM AMOUNT:

\$35,000,000.

Notwithstanding the foregoing, if each of the Royalty Transactions, the Wayne Acquisition and the Stream Transaction are not completed and the Conditions Precedent set forth in the section titled "CONDITIONS PRECEDENT TO INITIAL ALLOCATION OF CREDIT FACILITIES" are not satisfied, in each case, on or prior to June 15, 2015, the Maximum Amount of Credit Facility B shall be decreased to \$30,000,000.

PURPOSE:

Credit Facility B shall only be used for the Borrower's general corporate purposes.

AVAILABILITY:

\$35,000,000 of Credit Facility B was previously advanced as a portion of Credit Facility A. No further advances are available under Credit Facility B.

The amounts previously advanced are available by way of Prime Rate Loans or BAs in Canadian dollars.

Notwithstanding any other provision hereof to the contrary, Credit Facility B is uncommitted in nature and is not automatically available upon satisfaction of the terms and conditions set out herein. The Bank may cancel the availability of Credit Facility B at any time without notice or demand, acting in its sole discretion. Notwithstanding any such cancellation, all fees paid to the Bank hereunder with respect to Credit Facility B shall be considered earned by the Bank and payable by the Borrower.

REPAYMENT:

Interest and, subject to Availability and the Bank's right of demand, the Borrower shall repay the aggregate principal amount outstanding under Credit Facility B as follows:

- an aggregate amount of \$5,000,000 shall be repaid on or before December 31, 2015;
- an aggregate amount of \$15,000,000 shall be repaid on or before March 31, 2016; and
- an aggregate amount of \$35,000,000 shall be repaid on or before May 31, 2016.

The Borrower may at any time, without bonus, premium or penalty, repay the aggregate principal amount outstanding under Credit Facility B.

Upon any repayment of Credit Facility B, the Maximum Amount of Credit Facility B shall be reduced by the amount of each such repayment.

INTEREST RATE:

Prime Rate Loans

The Borrower shall pay interest calculated daily and payable monthly, not in advance, on the outstanding principal amount of Prime Rate Loans drawn under Credit Facility B, if any, at a rate per annum equal to:

- from the date hereof up to and including August 31, 2015, the Prime Rate as designated from time to time by the Bank, plus 200 bps over the Applicable Margin;
- from September 1, 2015 up to and including November 31, 2015, the Prime Rate as designated from time to time by the Bank, plus 300 bps over the Applicable Margin;
- from December 1, 2015 up to and including February 29, 2016, the Prime Rate as designated from time to time by the Bank, plus 400 bps over the Applicable Margin; and
- from March 1, 2016 and thereafter, the Prime Rate as designated from time to time by the Bank, plus 500 bps over the Applicable Margin;

in each case, as per the Pricing Grid stipulated under Credit Facility A. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month until all amounts owing to the Bank are paid in full. Interest shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

As of this date, the Bank's Prime Rate is 2.85% per annum.

Canadian Dollar BAs

Subject to market availability, in multiples of \$100,000 and minimum draws of \$1,000,000, BAs under Credit Facility B, if any, at a Stamping Fee equal to:

- from the date hereof up to and including August 31, 2015, the Applicable Margin plus 200 bps;
- from September 1, 2015 up to and including November 31, 2015, the Applicable Margin plus 300 bps;
- from December 1, 2015 up to and including February 29, 2016, the Applicable Margin plus 400 bps; and
- from March 1, 2016 and thereafter, the Applicable Margin plus 500 bps;

in each case, as per the Pricing Grid stipulated under Credit Facility A and calculated on the basis of the number of days elapsed in a 365 day year, payable at time of acceptance by the Bank. BAs shall have a minimum term of 30 days and maximum term of 90 days, and shall not include any days of grace. The BAs shall remain in effect until the maturity of the term selected. If the Bank

does not receive instructions from the Borrower concerning renewal of any outstanding BAs under Credit Facility B, then Prime Rate Loan under Credit Facility B shall be automatically utilized until written instructions are received from the Borrower.

**CHANGE IN MARGIN
AND FEES:**

Whenever this Offering Letter calls for a change in the Applicable Margin or fees by reason of a change in the Net Debt to Cash Flow Ratio, each such change shall be effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided.

In respect of a Prime Rate Loan advanced under Credit Facility B, the Borrower shall pay interest at the new Applicable Margin effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided, notwithstanding that any Advance was made prior to such date and notwithstanding that interest prior to delivery of the Compliance Certificate were calculated and paid based upon the Applicable Margins previously in effect.

In the case of any outstanding BAs under Credit Facility B, the Borrower and the Bank agree that the Stamping Fee shall be adjusted between them to reflect the change in the Stamping Fee to the end of the remaining term of each such outstanding BA. The Bank is hereby authorized to make such adjustments in such manner and at such time as the Bank determines is practicable.

In the event that the Borrower should fail to provide a Compliance Certificate as and when required, then, at the discretion of the Bank, the Applicable Margin and Fees in all cases shall automatically be changed as if the Net Debt to Cash Flow Ratio was > 3.0.

EVIDENCE OF DEBT:

Variable Rate Demand Promissory Note, Power of Attorney Form and Acknowledgement for Bankers' Acceptances, and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made under Credit Facility B. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

CREDIT FACILITY C:

MASTERCARD FACILITY (the "Credit Facility C").

MAXIMUM AMOUNT:

\$100,000.

PURPOSE:

Credit Facility C shall only be used by the Borrower to facilitate travel, entertainment, and supplier expenses for company officers.

REPAYMENT:

Payment in full, monthly.

INTEREST RATE:

Standard rates as established from time to time by MasterCard.

EVIDENCE OF DEBT:

MasterCard monthly statements and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made under Credit Facility C. The failure by the Bank to correctly

record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

RISK MANAGEMENT FACILITY (the "Risk Management Facility")

PURPOSE:

Risk Management Facility shall be used by the Borrower for Financial Instruments.

AVAILABILITY:

Various Financial Instruments. Maximum term 36 months. Subject to Bank availability and including a cross default limit of \$1,000,000.

SETTLEMENT:

Settlement as per contract maturities.

EVIDENCE OF USAGE:

Executed treasury contracts, executed ISDA Master Agreement with appropriate annexes, other documentation acceptable to the Bank, and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank under the Risk Management Facility. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

FOR ALL CREDIT FACILITIES

DEFINITIONS:

In this Offering Letter, including the Appendices hereto and in all notices given pursuant to this Offering Letter, capitalized words and phrases shall have the meanings given to them in this Offering Letter in their proper context, and words and phrases not otherwise defined in this Offering Letter but defined in Appendix C to this Offering Letter shall have the meanings given to them in Appendix C to this Offering Letter.

INTERPRETATION:

In this Offering Letter, unless otherwise specifically provided, words importing the singular will include the plural and vice versa, words importing gender shall include the masculine, the feminine and the neuter, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile.

FEES:

\$75,000 payable upon provision of this Offering Letter (the "Upfront Fee"). Non-refundable. This fee includes the Bank's engineering expenses incurred up until the date hereof. This fee is in addition to and not in substitution for any other fees due and payable under this Offering Letter.

Commitment fee of 100 bps of the Maximum Amount of Credit Facility B (the "Commitment Fee") payable upon acceptance of this Offering Letter.

SECURITY:

The following security shall be completed, duly executed, delivered, and registered, where necessary, to the entire satisfaction of the Bank and its counsel. All present and future security (the "Security") and the terms thereof shall be held by the Bank as continuing security for all present and future debts, obligations and liabilities (whether direct or indirect, absolute or contingent) of the Loan Parties to the Bank including without limitation for the repayment of all loans and advances made hereunder and for other loans and advances that may be made from time to time in the future whether hereunder or otherwise. For

greater certainty, all Financial Instruments, including without limitation swaps and forwards, entered into at any time with the Bank (or any of its subsidiaries or affiliates from time to time) are deemed to be debts, obligations and liabilities of the Borrower and are secured by the Security on a *pari passu* basis and shall rank *pari passu* with all other indebtedness under the Credit Facilities. Where applicable, the Security will be in the Bank's standard form.

Held:

1. General Assignment of Book Debts.
2. \$200,000,000 Debenture with a floating charge over all assets of the Borrower with a negative pledge and undertaking to provide fixed charges on the Borrower's producing petroleum and natural gas properties at the request of the Bank, and pledge of such Debenture.

The Security has been registered in the Province of Alberta, in a first priority position, subject only to Permitted Encumbrances.

**REPRESENTATIONS
AND WARRANTIES:**

Each Loan Party represents and warrants to the Bank (all of which representations and warranties each Loan Party hereby acknowledges are being relied upon by the Bank in entering into this Offering Letter) that:

1. Each Loan Party has been duly incorporated or formed, as applicable, and is in good standing under the legislation governing it, and it has the powers, permits, and licenses required to operate its business or enterprise and to own, manage, and administer its property.
2. This Offering Letter constitutes, and the Security and related agreements shall constitute, legal, valid, and binding obligations of each Loan Party party thereto, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, or similar laws affecting creditors' rights generally and to the availability of equitable remedies.
3. Each Loan Party has the right to pledge, charge, mortgage, or lien its assets in accordance with the Security contemplated by this Offering Letter.
4. Each Loan Party is presently in good standing under, and shall duly perform and observe, all material terms of all documents, agreements, and instruments affecting or relating to the petroleum assets of such Loan Party.
5. There has been no adverse material change in the financial position of any Loan Party since the date of its most recent consolidated financial statements dated December 31, 2014, which were furnished to the Bank. Such consolidated financial statements fairly present the financial position of each Loan Party at the date that they were drawn up. No Loan Party foresees incurring any major liability which it has not already disclosed to the Bank.
6. No Loan Party is involved in any dispute or legal or regulatory proceedings likely to materially affect its financial position or its capacity to operate its business.

7. No Loan Party is in default under the contracts to which it is a party or under the applicable legislation and regulations governing the operation of its business or its property, including, without limitation, all Environmental Requirements subsequently stated in the Section titled "ENVIRONMENTAL OBLIGATIONS".
8. The Borrower has no subsidiaries.
9. The chief executive office (for the purposes of the PPSA) of each Loan Party is located in Alberta.
10. Each Loan Party has all the requisite power, authority and capacity to execute and deliver this Offering Letter and the Security (to which it is a party) and to perform its obligations hereunder and thereunder.
11. The execution and delivery of this Offering Letter and the Security (to which it is a party) and the performance of the terms of this Offering Letter and such Security do not violate the provisions of any Loan Party's constating documents or its by-laws or any law, order, rule or regulation applicable to it and have been validly authorized by it.
12. The execution, delivery and performance of the terms of this Offering Letter and the Security (to which it is a party) will not constitute a breach of any agreement to which any Loan Party is party or its property, assets or undertaking are bound or affected.
13. No Loan Party has incurred any indebtedness or obligations for borrowed money (other than as contemplated hereby or payables incurred in the ordinary course of business or as previously disclosed in writing to the Bank) and has not granted any security ranking equal with or in priority to the Security (other than Permitted Encumbrances).

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Offering Letter shall survive the execution of this Offering Letter and all Security, and shall be deemed to be repeated as of the date of each Advance and as of the date of delivery of each Compliance Certificate, subject to modifications made by the Borrower to the Bank in writing and accepted by the Bank. The Bank shall be deemed to have relied upon such representations and warranties at each such time as a condition of making an Advance hereunder or continuing to extend the Credit Facilities hereunder.

**CONDITIONS
PRECEDENT:**

Prior to any Advance under the Credit Facilities, the Borrower shall have provided, executed or satisfied the following, to the Bank's satisfaction (collectively with all other conditions precedent set out in this Offering Letter, the "Conditions Precedent"):

1. Accepted Offering Letter dated May 29, 2015.
2. An Acknowledgement of Debt Revolving Demand Credit Agreement in the face amount of \$45,000,000 duly executed and delivered to the Bank by the Borrower.

3. A Variable Rate Demand Promissory Note in the face amount of \$35,000,000 duly executed and delivered to the Bank by the Borrower.
4. The Borrower shall have paid to the Bank the Upfront Fee and the Commitment Fee.
5. All Security shall be duly completed, authorized, executed and delivered by each Loan Party which is a party thereto, and registered, all to the satisfaction of the Bank and its counsel.
6. A legal opinion from the Borrower's counsel, in form and substance satisfactory to the Bank and its counsel, that, *inter alia*, each Loan Party has been duly incorporated, is validly subsisting, and is in good standing, that the Security has been duly authorized, executed and delivered, and that each Loan Party has the corporate power and capacity to enter into and perform the obligations contemplated by this Offering Letter and the Security.
7. Certified copies of the constating documents of each Loan Party, including all amendments thereto, of each Loan Party.
8. Certified copies of the resolutions of the board of directors of each Loan Party authorizing the execution and delivery of this Offering Letter and the other documents to be provided in connection herewith.
9. All fees due and payable to the Bank shall have been paid.
10. No Default shall have occurred and no demand for payment shall have been made hereunder.
11. No Material Adverse Effect has occurred with respect to any Loan Party or the Security.
12. Any other document that may be reasonably requested by the Bank.

The above conditions are inserted for the sole benefit of the Bank, and may be waived by the Bank in whole or in part (with or without terms or conditions) in respect of any particular Advance, provided that any waiver shall not be binding unless given in writing and shall not derogate from the right of the Bank to insist on the satisfaction of any condition not expressly waived in writing or to insist on the satisfaction of any condition waived in writing which may be requested in the future.

Notwithstanding any other provision hereof to the contrary, the Credit Facilities are uncommitted in nature and are not automatically available upon satisfaction of the Conditions Precedent set out above.

**CONDITIONS
PRECEDENT TO
INITIAL ALLOCATION
OF CREDIT FACILITIES:**

In addition to the Conditions Precedent set forth above, the Maximum Amount of the Credit Facilities shall be decreased as contemplated hereby unless the Borrower shall have provided, executed or satisfied the following, to the Bank's satisfaction, on or prior to June 15, 2015:

1. Each of the Royalty Transactions shall have been completed without any material amendment thereto and the Bank shall have received an officer's certificate certifying the same.
2. All proceeds received by the Borrower from each of the Royalty Transactions shall have been deposited and held in escrow on terms acceptable to the Bank in its sole discretion to be released only to assist with funding the Wayne Acquisition.
3. The Wayne Acquisition shall have been completed in accordance with the ASA and without any material amendment thereto or waiver of, or consents under, the conditions and other provisions thereof (unless approved by the Bank, acting reasonably), and the Bank shall have received an officer's certificate certifying the same and attaching a certified copy of the ASA and all amendments thereto (if any).
4. Appropriate title representation (Officer's Certificate as to Title) including a schedule of major petroleum and natural gas reserves of the Borrower after completion of the Wayne Acquisition (including, for certainty, the Assets) described by lease (type, date, term, parties), legal description (wells and spacing units), interest (Working Interest or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances, and overrides.
5. All Rights of First Refusal in respect of the Assets have been either waived, exercised or have expired, and there are no Title Defects or Environmental Defects in respect of the Assets (unless approved by the Bank, acting reasonably), and the Borrower shall have delivered to the Bank an officer's certificate certifying the same.
6. All material Governmental Authorizations and material third party consents and approvals necessary for the completion of the Wayne Acquisition by the Borrower shall have been unconditionally obtained and shall be in full force and effect, and the Bank shall have received an officer's certificate certifying the same.
7. No Default shall have occurred and no demand for payment shall have been made hereunder.
8. No Material Adverse Effect has occurred with respect to any Loan Party or the Security.

The above conditions are inserted for the sole benefit of the Bank, and may be waived by the Bank in whole or in part (with or without terms or conditions) in respect of any particular Advance.

Notwithstanding any other provision hereof to the contrary, the Credit Facilities are uncommitted in nature and are not automatically available upon satisfaction of the Conditions Precedent set out above.

The Borrower shall submit to the Bank:

1. Monthly production and revenue reports in form and substance satisfactory to the Bank within 60 calendar days of each month end;

**REPORTING
REQUIREMENTS:**

2. Quarterly unaudited consolidated financial statements (including balance sheet, income statement, and cash flow statement) and Compliance Certificate within 60 calendar days of each fiscal quarter end for the first three fiscal quarters of each fiscal year;
3. Annual audited consolidated financial statements and Compliance Certificate within 120 calendar days of each fiscal year end;
4. Annual independent engineering report in form and substance satisfactory to the Bank on the petroleum and natural gas reserves of the Borrower within 120 calendar days of each fiscal year end, prepared by a firm acceptable to the Bank;
5. Annual consolidated budget for the following fiscal year, including production, cash flow and capital expenditures forecasts, within 120 days of each fiscal year end; and
6. Any other information the Bank may reasonably require from time to time.

**AFFIRMATIVE
COVENANTS:**

Each Loan Party shall (each of the below being an "Affirmative Covenant"):

1. Carry on business and operate its petroleum and natural gas reserves in accordance with good practices consistent with accepted industry standards and pursuant to applicable agreements, regulations, and laws.
2. Maintain its corporate existence and comply with all applicable laws.
3. Pay, when due, all taxes, assessments, deductions at source, crown royalties, income tax or levies for which the payment is guaranteed by legal privilege, prior claim, or legal hypothec, without subrogation or consolidations.
4. Comply with all Governmental Authorities, regulatory bodies and provisions regarding environmental procedures and controls.
5. Upon reasonable notice, allow the Bank access to its books and records, and take excerpts therefrom or make copies thereof, and to visit and inspect its assets and place(s) of business.
6. Maintain adequate and appropriate insurance on its assets including protection against public liability, blow-outs, and "all-risk" perils.
7. Inform the Bank of any event or action which would have a Material Adverse Effect on its operational or financial affairs, including but not limited to the sale of assets, guarantees, funded debt from other lenders, or alteration of type of business.
8. Keep and maintain books of account and other accounting records in accordance with GAAP.
9. Maintain an Adjusted Working Capital Ratio of not less than 1.00:1.00 at all times.

10. Pay all amounts due and payable hereunder and pursuant to the Security in accordance with the respective terms hereof and thereof.
11. As soon as practicable following receipt by such Loan Party of a request by the Bank to provide fixed charge security over the producing petroleum and natural gas properties of such Loan Party (and in any event not more than 5 Business Days following such request), furnish or cause to be furnished to the Bank, at the sole cost and expense of such Loan Party, fixed charge security over such producing and natural gas properties of such Loan Party as are specified by the Bank, in the form of a supplemental instrument to the Security.
12. Observe the terms of and perform its obligations under this Offering Letter and the Security, and under any other agreements now or hereafter made with the Bank.
13. Utilize the Advances only for the applicable purposes stipulated herein.
14. Notify the Bank, without delay, of (a) any litigation or proceeding in which it is a party if an adverse decision therein would require it to pay more than the Basket Amount or deliver assets the value of which exceeds such sum (whether or not the claim is considered to be covered by insurance), and (b) the institution of any other suit or proceeding involving it that might materially and adversely affect its property, assets or undertaking, or its operations, financial conditions or business.
15. Notify the Bank, without delay, of any Default.
16. Obtain and maintain the licenses and permits required to operate its business unless failure to obtain such licenses and permits could not reasonably be expected to result in a Material Adverse Effect.
17. Provide the Bank with any information or document that it may reasonably require from time to time.
18. Until Credit Facility B has been repaid in full and cancelled, immediately pay all proceeds received by the Borrower from: (i) Debt incurred by the Borrower (including any Advanced under Credit Facility A), (ii) the sale of equity (other than any flow-through financing or the Equity Raise) or (iii) any asset sale, conveyance or disposition (excluding the Royalty Transactions and the Stream Transaction) greater than the Basket Amount, in each case, to the Bank, and in any event within 5 days of the receipt by the Borrower of any such proceeds, and such proceeds shall be applied to permanently reduce the amount outstanding under Credit Facility B with any such proceeds being used to repay any outstanding BAs issued under Credit Facility B being held in escrow by the Bank until maturity of such BAs; *provided that* any asset sale, conveyance or disposition (excluding the Royalty Transactions and the Stream Transaction) greater than the Basket Amount shall trigger a Review.
19. Ensure that all proceeds received by the Borrower from each of the Royalty Transactions shall have been deposited and held in escrow on terms acceptable to the Bank in its sole discretion to be released only to assist with funding the Wayne Acquisition.

**NEGATIVE
COVENANTS:**

No Loan Party shall, without the prior approval of the Bank (each of the below being a "Negative Covenant"):

1. Allow a Change of Control.
2. Merge, amalgamate, consolidate, or wind up its assets, unless (i) such merger, amalgamation, consolidation or winding up is with another Loan Party and (ii) it has notified the Bank, without delay, of such merger, amalgamation, consolidation or winding up.
3. Reduce or distribute capital or pay dividends or redeem or repurchase common or preferred shares, unless such distribution, dividends, redemptions, and repurchases do not impair the capacity of such Loan Party to fulfil its obligations with respect to the Credit Facilities, including the repayment of all Credit Facilities; notwithstanding the foregoing, no Loan Party shall reduce or distribute capital or pay dividends or redeem or repurchase common or preferred shares when a demand for payment shall have been made hereunder or Default has occurred and is continuing or shall reasonably be expected to occur as a result of reducing or distributing capital or paying dividends or redeeming or repurchasing common or preferred shares, as the case may be.
4. Incur further secured indebtedness, pledge or encumber assets (other than Permitted Encumbrances), or guarantee the obligations of others.
5. Make loans or investments in excess of \$3,500,000, except to or in another Loan Party.
6. Sell or dispose of any assets subject to the Bank's Security in the aggregate of greater than the Basket Amount between each Review. This shall include sale/leaseback transactions on facilities.
7. Hedge or contract any of (i) crude oil, (ii) natural gas liquids, or (iii) natural gas, on a fixed price basis, if in doing so the aggregate hedged volume of such commodity at the time any hedge or contract is entered into, and after giving effect thereto, would exceed (a) 65% of trailing quarter's gross production volumes for such commodity on a twelve (12) months forward basis; and (b) 60% of trailing quarter's gross volumes for such commodity on a thirteen (13) to thirty-six (36) months forward basis, as adjusted for acquisition and divestitures in a manner satisfactory to the Bank.
8. Monetize or effect an early termination of any fixed price financial hedge or contract.
9. Make any material change in the nature of its business as carried on at the date hereof.
10. Utilize Advances to finance a hostile takeover.
11. Move its property, assets or undertaking outside the jurisdictions in which the Security is registered.

12. Move its chief executive office from Alberta.
13. Create, acquire or suffer to exist any subsidiary unless such subsidiary provides a guarantee and such other Security required by the Bank, in its sole discretion.
14. Experience a change in its executive management which, in the opinion of the Bank, acting in its sole discretion, has or may have a Material Adverse Effect.
15. Exercise the Manitok Option under the Stream Financing Agreements without the prior written consent of the Bank.
16. Until Credit Facility B has been repaid in full and cancelled:
 - a) pay any dividends, complete a normal course issuer bid or make any other distribution;
 - b) acquire any assets, in one transaction or a series of transactions, which in the aggregate have a fair market value exceeding \$5,000,000 (excluding, for certainty, the Wayne Acquisition) without the Bank's prior written consent, in its sole discretion; or
 - c) incur any additional Debt without the prior written consent of the Bank, in its sole discretion.

**ENVIRONMENTAL
OBLIGATIONS:**

1. Each Loan Party shall comply with the requirements of all legislative and regulatory environmental provisions (the "Environmental Requirements") and shall at all times maintain the authorizations, permits, and certificates required under these provisions except where failure to do so would not be expected to have a Material Adverse Effect.
2. Each Loan Party shall immediately notify the Bank in the event a material contaminant spill or emission occurs or is discovered with respect to its property, operations, or those of any neighbouring property. In addition, it shall report to the Bank forthwith any notice, order, decree, or fine that it may receive or be ordered to pay with respect to the Environmental Requirements relating to its business or property.
3. At the request of and in accordance with the conditions set forth by the Bank, each Loan Party shall, at its own cost, provide any information or document which the Bank may require with respect to its environmental situation, including any study or report prepared by a firm acceptable to the Bank. In the event that such studies or reports reveal that any Environmental Requirements are not being respected, the applicable Loan Party shall effect the necessary work to ensure that its business and property comply with the Environmental Requirements within a period acceptable to the Bank.
4. Each Loan Party undertakes to indemnify the Bank for any damage which the Bank may suffer or any liability which it may incur as a result of any non-compliance with the Environmental Requirements.

5. The provisions, undertakings, and indemnification set out in this section shall survive the satisfaction and release of the Security and payment and satisfaction of the indebtedness and liability of the Borrower to the Bank pursuant to the terms hereof.

**INTEREST ON
OVERDUE AMOUNTS:**

Notwithstanding any other provision of this Offering Letter, in the event that any amount due hereunder (including, without limitation, any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the Bank interest on such unpaid amount (including, without limitation, interest on interest), if and to the fullest extent permitted by applicable law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 10:00 a.m. at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded on the last Business Day of each calendar month and be payable in the currency of the relevant Advance on demand, as well after as before maturity, default and judgment, at a rate per annum that is equal to the rate of interest then being charged on Prime Rate Loans under the applicable Credit Facility plus 2.00% per annum, for overdue amounts under such Credit Facility. The Borrower hereby waives, to the fullest extent it may do so under applicable law, any provisions of applicable law, including specifically the *Interest Act* (Canada) or the *Judgment Interest Act* (Alberta), which may be inconsistent with this Offering Letter.

COSTS:

All reasonable third party expenses incurred by the Bank in connection with the Credit Facilities or this Offering Letter are for the account of the Borrower including, but not limited to, legal fees (on a solicitor and own client basis) and future engineering fees.

CHANGE OF LAWS:

Notwithstanding anything contained in this letter to the contrary, in the event that:

1. changes to any existing law or regulation or the introduction of any new law or regulation, or taxes other than income taxes, including, without limitation, a sales tax on loan transactions, or in the interpretation or administration thereof; or
2. compliance by the Bank with any request from or requirement of any central bank or other fiscal or monetary authority having jurisdiction over Canadian banks general (whether or not such request has the force of law);

cause the Bank to:

- a) incur any cost as a result of having entered into and/or performed its obligations hereunder and/or as a result of obligations or options remaining outstanding hereunder including, without limitation, any reserve or special deposit requirement or any payment on or calculated by reference to the amount of the Credit Facilities hereunder; or
- b) suffer a reduction in the rate of return on that part of its overall capital (not due to the rates of tax payable on their overall profits or net income) as a result of a requirement to attribute or allocate capital to the Credit Facilities or a Credit Facility provided hereunder in respect

of that part of such Credit Facilities or Credit Facility which is for the time being undrawn as a result of a change in the manner in which the Bank is required to allocate resources to its obligations hereunder,

then the Bank reserves the right to increase the charges for the Credit Facilities or such Credit Facility provided hereunder by the amount of such additional cost of liability as determined by the Bank and the Borrower agrees that it will forthwith on demand pay to the Bank amounts sufficient to reimburse the Bank against such costs or liabilities.

CURRENT ACCOUNTS:

Each Loan Party shall maintain its current accounts at the Calgary Branch of the Bank through which it shall conduct all of its banking activities.

Regular Bank service charges shall apply in the day-to-day operations of each Loan Party's accounts.

**FOREIGN EXCHANGE
FLUCTUATIONS:**

If the amount of outstanding Advances under any Credit Facility is on any day, due to exchange rate fluctuations, in excess of the maximum amount with respect to such Credit Facility, the Borrower shall within five (5) Business Days after receiving notice thereof repay such excess or otherwise reduce a portion of such Advances under the particular Credit Facility to the extent of the amount of the excess.

GENERAL:

Time is of the essence.

The terms and conditions of this Offering Letter between the Bank and each Loan Party are confidential and shall be treated accordingly.

Each Loan Party shall do all things and execute all documents deemed necessary or appropriate by the Bank for the purposes of giving full force and effect to the terms, conditions, undertakings, and security granted or to be granted hereunder.

When a conflict or inconsistency exists between the Security and this Offering Letter, this Offering Letter shall govern to the extent necessary to remove such conflict or inconsistency. Notwithstanding the foregoing, if there is any right or remedy of the Bank set out in any of the Security or any part of which is not set out or provided for in this Offering Letter, such additional right shall not constitute a conflict or inconsistency.

ACCOUNT DEBITS:

Each Loan Party hereby irrevocably authorizes the Bank to debit periodically or from time to time, any bank account it may maintain at the Bank in order to pay all or part of the amounts any Loan Party may owe to the Bank hereunder.

**PERSONAL PROPERTY
SECURITY ACT
REQUIREMENTS:**

Each Loan Party hereby waives the requirement for the Bank to provide copies of *Personal Property Security Act* (Alberta) (collectively with the equivalent legislation in other jurisdictions, the "PPSA") registrations, verification statements, or financing statements undertaken by the Bank.

Each Loan Party hereby agrees to provide to the Bank written notice of a change in its name or address immediately.

ASSIGNMENT:

No rights or obligations of any Loan Party hereunder and no amount of the Credit Facilities may be transferred or assigned by any Loan Party, any such transfer or assignment being null and void insofar as the Bank is concerned and rendering any balance then outstanding of the loan immediately due and payable at the option of the Bank and releasing the Bank from any and all obligations of making any further advances hereunder.

DEMAND:

Notwithstanding any of the terms of this Offering Letter, all obligations, liabilities and indebtedness of any Loan Party hereunder are repayable to the Bank at any time upon its demand, and the Bank may cancel the availability thereof (including any undrawn portion) at any time without notice or demand, acting in its sole discretion; for certainty, upon demand by the Bank: (a) the entire principal amount of all Advances then outstanding from Borrower and all accrued and unpaid interest thereon; (b) an amount equal to the face amount at maturity of all BAs issued by the Borrower which are unmaturing; (c) an amount equal to the maximum amount then available to be drawn under all unexpired L/C/Gs; and (d) all other obligations outstanding hereunder, shall become immediately due and payable by the Borrower to the Bank, all without any other notice and without presentment, protest, demand, notice of dishonour or any other demand whatsoever (all of which are hereby expressly waived by the Borrower). In such event and if the Borrower does not immediately pay all such amounts upon receipt of such demand, the Bank may, in its discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against the Borrower authorized or permitted by law for the recovery of all the indebtedness and liabilities of the Borrower to the Bank and proceed to exercise any and all rights hereunder and under the Security and no such remedy for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination. **Nothing whatsoever in this Offering Letter, the Security or any other document provided in connection therewith shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon default or demand for payment hereunder or under any other document provided in connection herewith, the Bank shall have no obligation or liability to make further Advances under the Credit Facilities.**

ADJUSTMENTS:

Notwithstanding any maximum amount, Availability, Pricing Grid, interest rate, margin calculation, Applicable Margin, Availability Fee, Stamping Fee, L/C/G Fee or other fee quoted herein, the Bank shall have the right to adjust such maximum amount, Availability, Pricing Grid, interest rate, margin calculation, Applicable Margin, Availability Fee, Stamping Fee, L/C/G Fee or other fee, at the Bank's sole discretion.

NO OBLIGATION:

Upon the Bank's demand for repayment or upon the occurrence of a Default, the Bank shall have no obligation or liability to make further advances under the Credit Facilities.

ACCESS TO INFORMATION:

Each Loan Party hereby authorizes the Bank to use the necessary information pertaining to it which the Bank has or may have for the purpose of granting credit and insurance products (where permitted by law) and further authorize(s) the Bank to disclose such information to its affiliates and subsidiaries for this

same purpose. Moreover, it hereby authorizes the Bank to obtain personal information pertaining to it from any party likely to have such information (credit or information bureau, financial institution, creditor, employer, tax authority, public entity, Persons with whom they might have business relations, and affiliates or Bank subsidiaries) in order to verify the accuracy of all information provided to the Bank and to ensure the solvency of each Loan Party at all times.

**ANTI-MONEY
LAUNDERING
LEGISLATION:**

Each Loan Party acknowledges that, pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and other applicable anti money laundering, anti terrorist financing, government sanction and "know your client" laws, whether within Canada or elsewhere (collectively, including any guidelines or orders thereunder, "AML Legislation"), the Bank may be required to obtain, verify and record information regarding any Loan Party, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of such Loan Party, and the transactions contemplated hereby. Each Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by the Bank, or any prospective assign or participant of the Bank, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

NOTICE:

Notices to be given under this Offering Letter, the Security or any other document in respect thereto any of Loan Party or the Bank shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended. Notices shall be given by personal delivery or transmitted by facsimile and shall be deemed to be received on the Business Day of receipt (unless such delivery or transmission is received after 1:00 p.m. Mountain Time, in which case it shall be deemed to have been received on the following Business Day) unless the law deems a particular notice to be received earlier. The address for each Loan Party shall be the addresses currently recorded on the records of the Bank for such Loan Party, or such other mailing or facsimile addresses as such Loan Party may from to time may notify the Bank as aforesaid. The address for the Bank shall be the Calgary Branch of the Bank or such other mailing or facsimile addresses as the Bank may from to time may notify the Borrower as aforesaid.

**AUTHORIZATION
REGARDING
INSTRUCTIONS SENT
ELECTRONICALLY:**

Each Loan Party authorizes the Bank to do all things as authorized by such Loan Party even if such authorization is sent by fax or by e-mail and the Bank may deem such authorization valid and sufficient and the aforementioned presumption of accuracy shall apply to the authorization, whether it is required for transmitting information, a debit, issuing drafts or certified cheques or for any other purpose. Moreover, the Bank will not be held liable for any fees or delays which may be caused when an instruction is sent whether due to a technical problem attributable to the systems in use at the Bank or otherwise.

PAYMENTS:

Unless otherwise indicated herein, the obligation of each Loan Party to make all payments under this Offering Letter and the Security shall be absolute and unconditional and shall not be limited or affected by any circumstance, including, without limitation:

1. Any set-off, compensation, counterclaim, recoupment, defence or other right which such Loan Party may have against the Bank of anyone else for any reason whatsoever; or
2. Any insolvency, bankruptcy, reorganization or similar proceedings by or against such Loan Party.

All payments to be made under this Offering Letter shall be made in Canadian Dollars.

All payments made under this Offering Letter shall be made on or prior to 1:00 p.m. Mountain Time on the day such payment is due. Any payment received after 1:00 p.m. Mountain Time shall be deemed to have been received on the following day. Whenever a payment is due on a day which is not a Business Day, such due day shall be extended to the next Business Day and such extension of time shall be included in the computation of any interest payable.

SET-OFF:

The Bank shall have the right to set-off and apply any funds of any Loan Party deposited with or held by the Bank from time to time, and any other indebtedness owing to any Loan Party by the Bank, against any of the amounts outstanding under this Offering Letter from time to time.

JUDGMENT CURRENCY:

If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Offering Letter it is necessary to convert into the currency of such jurisdiction (the "Judgment Currency") any amount due hereunder in any currency other than the Judgment Currency, then such conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose, rate of exchange means the rate at which the Bank would, on the relevant day, be prepared to sell a similar amount of such currency against the Judgment Currency.

**RIGHTS AND REMEDIES
CUMULATIVE:**

The rights, remedies and powers of the Bank under this Offering Letter, the Security, at law and in equity are cumulative and not alternative and are not in substitution for any other remedies, rights or powers of the Bank, and no delay or omission in exercise of any such right, remedy or power shall exhaust such rights, remedies and powers to be construed as a waiver of any of them.

**WAIVERS AND
AMENDMENTS:**

No term, provision or condition of this Offering Letter or any of the Security, may be waived, varied or amended unless in writing and signed by a duly authorized officer of the Bank.

**INTEREST ACT
(CANADA):**

Any interest rate set forth in this Offering Letter based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such interest rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based. The Borrower hereby waives, to the fullest extent it may do so under law, any provisions of law, including specifically the Interest Act (Canada) or the Judgment Interest Act (Alberta), which may be inconsistent with this Offering Letter.

GAAP / IFRS:

All financial statements required to be furnished by the Borrower to the Bank hereunder shall be prepared in accordance with GAAP. Each accounting term used in this Offering Letter, unless otherwise defined herein, has the meaning assigned to it under GAAP and, except as otherwise provided herein, reference to any balance sheet item, statement of income item or statement of cash flows item means such item as computed from the applicable financial statement prepared in accordance with GAAP. If there occurs a change in GAAP (an "Accounting Change"), including as a result of a conversion to International Financial Reporting Standards ("IFRS"), and such change would result in a change (other than an immaterial change) in the calculation of any financial covenant, standard or term used hereunder, then at the request of the Borrower or the Bank, the Borrower and the Bank shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of the Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by the Borrower or the Bank, the Borrower and the Bank have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change.

GOVERNING LAW:

This Offering Letter shall be construed and governed in accordance with the laws of the Province of Alberta. Each Loan Party irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.

REVIEW:

Without detracting from the demand nature of the Credit Facilities, the Credit Facilities are subject to periodic review by the Bank in its sole discretion (each such review is referred to in this Offering Letter as a "Review"). The next Review is scheduled on or before September 1, 2015, but may be set at an earlier or later date at the sole discretion of the Bank or in accordance with this Offering Letter.

EXPIRY DATE:

This Offering Letter is open for acceptance until June 15, 2015, (as may be extended from time to time as follows, the "Expiry Date") at which time it shall expire unless extended by mutual consent in writing. We reserve the right to cancel our offer at any time prior to acceptance.

If the foregoing terms and conditions are acceptable, please sign two copies of this Offering Letter and return one copy to the Bank by the Expiry Date. This Offering Letter may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. The delivery of a facsimile or other electronic copy of an executed counterpart of this Offering Letter shall be deemed to be valid execution and delivery of this Offering Letter, but the party delivering a facsimile or other electronic copy shall deliver an original copy of this Offering Letter as soon as possible after delivering the facsimile or other electronic copy.

National Bank of Canada appreciates the opportunity of providing this Offering Letter to Manito Energy Inc. We look forward to a continuing and mutually beneficial relationship.

Yours truly,

NATIONAL BANK OF CANADA



Erin R. Welte
Director
Energy Group



Mark Williamson
Managing Director and Head
Credit Capital Markets Calgary

AGREED AND ACCEPTED this 15th day of June, 2015.

MANITOK ENERGY INC.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

If the foregoing terms and conditions are acceptable, please sign two copies of this Offering Letter and return one copy to the Bank by the Expiry Date. This Offering Letter may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. The delivery of a facsimile or other electronic copy of an executed counterpart of this Offering Letter shall be deemed to be valid execution and delivery of this Offering Letter, but the party delivering a facsimile or other electronic copy shall deliver an original copy of this Offering Letter as soon as possible after delivering the facsimile or other electronic copy.

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NATIONAL BANK OF CANADA

Erin R. Welte
Director
Energy Group

Mark Williamson
Managing Director and Head
Credit Capital Markets Calgary

AGREED AND ACCEPTED this 15th day of June, 2015.

MANITOK ENERGY INC.

Per: 

Name: **Massimo M. Geremia**
Title: **President & CEO**

Per: 

Name: **Robert G. Dion**
Title: **Vice President, Finance & CFO**

APPENDIX A

<u>CREDIT:</u>	Energy Group National Bank of Canada 311 – 6 Avenue SW, Suite 1800 Calgary, AB T2P 3H2	Director: Telephone: Facsimile: E-mail:	Mr. Erin Welte (403) 294-4951 (403) 294-3078 erin.welte@nbc.ca
		Associate: Telephone: Facsimile: E-mail:	Ms. Audrey Ng (403) 294-4966 (403) 294-3078 audrey.ng@nbc.ca
<u>ADMINISTRATION:</u>	BA Administration; Current Account Documents; L/C/Gs; MasterCard; Loan/Account Balances; CAD/USD Money Orders/Bank Drafts; Bank Confirmations; Investments; General Inquiries	Account Representative: Telephone: Facsimile: E-mail:	Mrs. Marj Brown (403) 294-4956 (403) 294-3078 marj.brown@nbc.ca
		Senior Secretary: Telephone: Facsimile: E-mail:	Ms. Yelaina May (403) 355-3584 (403) 294-3078 yelaina.may@nbc.ca
<u>BRANCH:</u>	Calgary Downtown Branch National Bank of Canada 301 – 6 Avenue SW Calgary, AB T2P 4M9	Telephone: Facsimile:	(403) 294-4900 (403) 294-4965
	Calgary MacLeod Trail Branch National Bank of Canada 430 - 7337 MacLeod Trail South Calgary, AB T2H 0L8	Telephone: Facsimile:	(403) 592-8515 (403) 265-0831
<u>INTERNET/ TELEPHONE BANKING</u>	Order Cheques, Loan/Account Balances; Traces; Stop Payments, List of Current Account Transactions; Pay Bills; Transfer Between Accounts	Website: Telephone:	www.nbc.ca (888) 483-5628
<u>OTHER:</u>	Internet Banking	Manager, Global Cash Management: Telephone: Facsimile: E-mail:	Ms. Kathy Holland (403) 294-4948 (403) 476-1000 kathy.holland@nbc.ca
	Foreign Exchange & Interest Rates National Bank of Canada 311 – 6 Avenue SW, 6 th Floor Calgary, AB T2P 3H2	Director, Risk Management Solutions: Telephone: Facsimile: E-mail:	Mr. George Androulidakis (403) 440-1126 (403) 294-4923 george.androulidakis@tres.bnc.ca
	Commodity Derivatives 311 – 6 Avenue SW, 6 th Floor Calgary, AB T2P 3H2	Telephone: Facsimile: E-mail:	(403) 294-4935 (403) 294-4923 energy@nbcenergy.com

APPENDIX B

COMPLIANCE CERTIFICATE

To: National Bank of Canada
311 - 6 Avenue SW, Suite 1800
Calgary, AB

I _____, of the City of _____, in the Province of _____,
hereby certify as at the date of this Certificate as follows:

1. I am the _____ of _____ (the "Borrower") and I am authorized to provide this Certificate to you for and on behalf of the Borrower;
2. This Certificate applies to the fiscal quarter ended _____;
3. I am familiar with and have examined the provisions of the Offering Letter dated _____, between the Borrower and National Bank of Canada and I have made such investigations of corporate records and inquiries of other officers and senior personnel of each Loan Party as I have deemed reasonably necessary for purposes of the Certificate;
4. As of the date hereof, the Borrower confirms that all of its subsidiaries (if any) are Loan Parties.
5. The representations and warranties set forth in the Offering Letter are in all material respects true and correct on the date hereof;
6. No Default has occurred and is continuing of which we are aware;
7. As required, I have calculated the Adjusted Working Capital Ratio for the fiscal quarter ended as follows:
_____ : 1.00;
8. As required, I have calculated the Net Debt to Cash Flow Ratio for the fiscal quarter ended as follows:
_____ : 1.00; and
9. All relevant calculations and financial statements are attached.

Except where the context otherwise requires, all capitalized terms used herein have the same meanings as given thereto in the Offering Letter.

This Certificate is given by the undersigned officer in their capacity as an officer of the Borrower without any personal liability on the part of such officer.

Executed at the City of _____, in the Province of _____ this _____ day of _____, 20__.

Yours truly,

MANITOK ENERGY INC.

Per: _____

Name:
Title:

MANITOK ENERGY INC.
COMPLIANCE CERTIFICATE

Calculation of Adjusted Working Capital Ratio

Current Assets

Current assets	\$
Less: Unrealized Hedging Gains	()
Add: Undrawn Availability under Credit Facility A	<u> </u> (A)

Current Liabilities

Current liabilities	\$
Less: Unrealized Hedging Losses	()
Less: Current Portion of Bank Debt	()
	<u> </u> (B)

Adjusted Working Capital Ratio calculated as follows:

$$\frac{A}{B} =$$

Calculation of Net Debt to Cash Flow Ratio

Net Debt

Debt	\$
+ Working Capital Deficit (any positive working capital deducted)	\$

Net Debt

Quarterly Cash Flow

Net earnings for the fiscal quarter ending	\$
+ Depletion, depreciation, accretion, and amortization	\$
+ Deferred income taxes	\$
+ Other charges to operations not requiring a current cash payment	\$
- Non-cash income	\$
- Unrealized mark to market gains	\$
- Capital Lease payments	\$
- Abandonment costs paid in cash	\$
- Stock based compensation	\$
- Extraordinary or nonrecurring earnings, gains, and losses	\$
+/- Such other amounts as reasonably requested by the Bank.	\$

Quarterly Cash Flow

Quarterly Cash Flow (annualized) \$ x 4 = \$

Net Debt to Cash Flow Ratio calculated as follows:

$$\frac{\text{Net Debt}}{\text{Annualized Cash Flow}} =$$

APPENDIX C

DEFINITIONS

In the Offering Letter, including all Appendices to the Offering Letter, and in all notices given pursuant to the Offering Letter, unless something in the subject matter or context is inconsistent therewith, capitalized words and phrases shall have the meanings given to them in the Offering Letter in their proper context, and capitalized words and phrases not otherwise defined in the Offering Letter shall have the following meanings:

"Adjusted Working Capital Ratio" means the ratio of (i) Current Assets plus undrawn Availability under Credit Facility A to (ii) Current Liabilities.

"Advance" means an advance of funds made by the Bank under a Credit Facility to the Borrower, or if the context so requires, an advance of funds under one or more of the Credit Facilities or under one or more of the availability options of one or more of the Credit Facilities, and any reference relating to the amount of Advances shall mean the sum of the principal amount of all outstanding Prime Rate Loans, plus the Face Amount of all outstanding BAs and the stated amount of all L/C/Gs as applicable.

"Appendix" means an appendix to the Offering Letter.

"Applicable Margin" means, at any time, a margin, expressed as a rate per annum based on a 365 or 366 day period, as the case may be, for Prime Rate Loans and payment of Availability Fees and L/C/G Fees, or based on a 365 day period in the case of Stamping Fees, and in any case payable to the Bank, as set out in the Pricing Grid for Facility A under the then Net Debt to Cash Flow Ratio applicable to the type of Advance.

"ASA" means the asset sale agreement made as of June 5, 2015 between the Borrower, as purchaser, Encana Corporation, as vendor, and Encana Services Company Ltd., as employer.

"Assets" has the meaning given to it in the ASA.

"Availability" means the availability of a Credit Facility as described under the section heading "AVAILABILITY", with respect to the applicable Credit Facility.

"Basket Amount" means, at any time, the amount equal to 5% of the then maximum amount of Credit Facility A.

"bps" means one one-hundredth of one percent.

"Business Day" means a day on which banks are open for business in Calgary, Alberta, Montreal, Quebec and Toronto, Ontario; but does not, in any event, include a Saturday or Sunday.

"Calgary Branch of the Bank" means the branch of the Bank at 301 – 6 Avenue SW, Calgary, AB T2P 4M9, fax (403) 294-4965, or such other address as the Bank may notify the Borrower from time to time.

"Canadian Dollars", "Cdn Dollars", "Cdn\$", "C\$" and "\$" mean the lawful money of Canada.

"Capital Lease" means, with respect to any Person, any lease or other arrangement relating to real or personal property which should, in accordance with GAAP, be accounted for as a capital lease on a balance sheet of such Person but excluding any lease that would in accordance with GAAP be determined to be an operating lease.

"Cash Flow" means, at any time, the annualized cash flow of the Borrower on a consolidated basis for the most recent fiscal quarter as determined from its quarterly financial statements for that fiscal quarter, which for certainty means an annualized aggregate amount expressed in Canadian Dollars of the sum, without duplication, of its:

- (a) net earnings (but excluding from the determination of net earnings, non-cash income, unrealized mark to market gains, Capital Lease payments, any abandonment costs paid in cash, cash taxes and any extraordinary or nonrecurring earnings, gains, and losses);
- (b) depletion, depreciation, accretion and amortization;
- (c) exploration and evaluation expenses to the extent deducted from net income;
- (d) future income taxes; and
- (e) other charges to operations not requiring a current cash payment,

it being acknowledged that such annualized cash flow shall be adjusted for such other amounts as reasonably requested by the Bank during such fiscal quarter.

"Change of Control" means the occurrence of any of the following events, with respect to any Loan Party:

- (a) any Person or Persons acting jointly or in concert (within the meaning of the Securities Act (Alberta)), shall beneficially, directly or indirectly, hold or exercise control or direction over and/or has the right to acquire or control or exercise direction over (whether such right is exercisable immediately or only after the passage of time) more than 30% of the issued and outstanding Voting Shares of such Loan Party; or
- (b) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of such Loan Party cease, for any reason, to constitute at least a majority of the board of directors of such Loan Party unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period (the "Incumbent Directors") and in particular, any new director who assumes office in connection with or as a result of any actual or threatened proxy or other election contest of the board of directors of the Borrower shall never be an Incumbent Director; or
- (c) such Loan Party ceases to own, control or direct 100% of the Voting Shares of a subsidiary.

"Compliance Certificate" means a certificate of an officer of the Borrower signed on its behalf by the president, chief executive officer, chief operating officer, chief financial officer or any vice president of the Borrower, substantially in the form annexed hereto as Appendix B, to be given to the Bank by the Borrower from time to time pursuant to the Offering Letter.

"Credit Facilities" means, collectively, Credit Facility A, Credit Facility B, Credit Facility C and the Risk Management Facility, each to be made available to the Borrower by the Bank in accordance with the provisions of the Offering Letter.

"Current Assets" means, as at any date of determination, the current assets of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding the impact of any Unrealized Hedging Gains.

"Current Liabilities" means, as at any date of determination, the current liabilities of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding: (i) Current Portion of Bank Debt; and (ii) the impact of any Unrealized Hedging Losses.

"Current Portion of Bank Debt" means any current liabilities under the Credit Facilities other than those that arise due to total advances under a Credit Facility exceeding the maximum amount of such Credit Facility, whether by reduction of maximum amount, fluctuations in exchange rates, reduction due to mandatory repayments, or due to the occurrence of a Default, or due to the Bank's demand for repayment.

"Debt" means, as at any date of determination, all obligations, liabilities and indebtedness of the Borrower which would, in accordance with generally accepted accounting principles, be classified upon a consolidated balance sheet of the Borrower for such date as indebtedness for borrowed money and, without limiting the generality of the foregoing, whether or not so classified, shall include (without duplication):

- (a) obligations under BAs;
- (b) issued and drawn L/C/Gs;
- (c) obligations under guarantees, indemnities, or such other agreements providing financial assistance;
- (d) Capital Leases or sales/lease-backs;
- (e) obligations under deferred purchase price agreements;
- (f) deferred revenues relating to third party obligations;
- (g) the redemption amount of any capital where the holder of such capital has the option to require the redemption of such capital for cash or property and payment of the redemption amounts;
- (h) any distributions declared but not yet paid; and
- (i) all mark to market losses under any Financial Instruments that are due and owing.

"Default" means a breach by any Loan Party of any covenant, obligation, representation or warranty contained herein or in any other document executed by a Loan Party in connection herewith.

"Environmental Defect" means any environmental liabilities relating to the Assets or any portion of them which would not be acceptable to a prudent purchaser of the Assets acting reasonably and which materially adversely affects the market value or use of the particular Assets affected thereby.

"Equity Raise" means the up to \$25,000,000 private placement of a combination of common shares of the Borrower ("**Common Shares**") at a price of \$0.80 per Common Share and Common Shares to be issued on a "flow through" basis pursuant to the *Income Tax Act* (Canada) with respect to Canadian development expense ("**CDE Shares**") at a price of \$0.85 per CDE Share and Common Shares to be issued on a "flow through" basis pursuant to the *Income Tax Act* (Canada) with respect to Canadian exploration expense ("**CEE Shares**") at a price of \$0.95 per CEE Share.

"Face Amount" means (i) in respect of a BA, the amount payable to the holder thereof on its maturity, and (ii) in respect of a L/C/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C/G.

"Financial Instrument" means any currency swap agreement, cross-currency agreement, interest swap agreement, agreement for the making or taking of delivery of any commodity, commodity swap agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar risk management agreement or arrangement, or any combination thereof, to be entered into by the Borrower where (i) the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt) (ii) the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time, or (iii) the subject matter of the same is any commodity or the price, value or amount payable thereunder is dependent or based upon the price of any commodity or fluctuations in the price of any commodity.

"Freehold Royalty Transaction" means, collectively, the transactions contemplated by (a) the production volume royalty agreement between the Borrower, as grantor, and Freehold Royalties Partnership, as grantee, whereby the Borrower agrees to grant Freehold Royalties Partnership a variable rate non-convertible production volume royalty (the "**Production Volume Royalty**") and (b) the production volume royalty acquisition agreement between the Borrower, as vendor, and Freehold Royalties Partnership, as purchaser, whereby the Borrower has agreed to sell Freehold Royalties Partnership the Production Volume Royalty.

"Generally Accepted Accounting Principles" or "**GAAP**" means generally accepted accounting principles consistently applied which are in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants and other primary sources recognized from time to time by the Canadian Institute of Chartered Accountants.

"**Governmental Authority**" means any federal, provincial, state, regional, municipal or local government or any department, agency, board, tribunal or authority thereof or other political subdivision thereof and any entity or person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government or the operation thereof.

"**Governmental Authorization**" means an authorization, order, permit, approval, grant, license, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree or demand or the like issued or granted by law or by rule or regulation of any Governmental Authority.

"**ISDA Master Agreement**" means an International Swap and Derivatives Association, Inc. Master Agreement (Multi Currency - Cross-Border) as from time to time amended, restated or replaced by the International Swap and Derivatives Association, Inc., including the schedule thereto and any confirmation thereunder as entered into by the Borrower with any counterparty thereto.

"**Manitok Option**" has the meaning ascribed thereto in each of the Stream Financing Agreements.

"**Material Adverse Effect**" means a material adverse effect on:

- (a) the business, financial condition, operations, assets or capitalization of the Borrower on a consolidated basis and taken as a whole;
- (b) the ability of any Loan Party to pay or perform the obligations under this Offering Letter or the ability of any Loan Party to pay or perform any of its obligations or contingent obligations under any Security or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security;
- (c) the ability of any Loan Party to perform its obligations under any material contract, if it would also have a material adverse effect on the ability of such Loan Party to pay or perform its obligations under this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security;
- (d) the validity or enforceability of this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security; and
- (e) the priority ranking of any security interests granted by this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security, or the rights or remedies intended or purported to be granted to the Bank under or pursuant to this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security.

"**Net Debt**" means at any time, on a consolidated basis, the aggregate amount (without duplication) expressed in Canadian Dollars of (a) Working Capital Deficit plus (b) Debt.

"**Net Debt to Cash Flow Ratio**" means at any time, the ratio of (i) Net Debt to (ii) Cash Flow.

"**Offering Letter**" means the offering letter to which this appendix is appended, and any appendices thereto, as amended, supplemented, modified, restated or replaced from time to time.

"**Permitted Contest**" means action taken by a Loan Party in good faith by the appropriate proceedings diligently pursued to contest a tax, claim or security interest, provided that:

- (a) such Loan Party has established reasonable reserves therefor in accordance with GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the property, assets or undertaking of any Loan Party.

"**Permitted Encumbrance**" means at any particular time any of the following encumbrances on the property or any part of the property of any Loan Party:

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (b) liens under or pursuant to any judgment rendered, or claim filed, against a Loan Party, which such Loan Party shall be contesting at the time by a Permitted Contest;
- (c) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law against any Loan Party or which relate to obligations not due or delinquent, or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (d) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of any Loan Party;
- (e) security given by any Loan Party to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of such Loan Party, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of any Loan Party;
- (f) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (g) security interests in favour of the Bank securing the obligations of any Loan Party under the Offering Letter or the Security;
- (h) the Security;
- (i) liens for Purchase Money Security Interests and Capital Leases of up to \$3,500,000;
- (j) liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of petroleum or natural gas interests, related production or processing facilities in which such Person has an interest or the transmission of petroleum or natural gas as security in favour of any other Person conducting the exploration, development, operation or transmission of the property to which such liens relate, for any Loan Party's portion of the costs and expenses of such exploration, development, operation or transmission, provided that such costs or expenses are not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (k) liens for penalties arising under non-participation or independent operations provisions of operating or similar agreements in respect of any Loan Party's petroleum or natural gas interests, provided that such liens do not materially detract from the value of any material part of the property of any Loan Party;
- (l) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to all or any of the petroleum or natural gas interests of any Loan Party;
- (m) any encumbrance or agreement entered into in the ordinary course of business relating to pooling or a plan of unitization affecting the property of any Loan Party, or any part thereof;
- (n) the right reserved or vested in any municipality or governmental or other public authority by the terms of any petroleum or natural gas leases or similar agreements in which any Loan Party has any interest or by any statutory provision to terminate petroleum or natural gas leases or similar agreements in which any Loan Party has any interest, or to require annual or other periodic payments as a condition of the continuance thereof;
- (o) obligations of any Loan Party to deliver petroleum, natural gas, chemicals, minerals or other products to buyers thereof in the ordinary course of business; and
- (p) royalties, net profits and other interests and obligations arising in accordance with standard industry practice and in the ordinary course of business, under petroleum or natural gas leases or similar agreements in which any Loan Party has any interest.

"Person" or "person" means and includes an individual, a partnership, a corporation, a joint stock company, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

"Prairiesky Royalty Transaction" means, collectively, the transactions contemplated by (a) the gross overriding royalty agreement between the Borrower, as royalty payor, and Prairiesky Royalty Ltd., as royalty owner, whereby the Borrower agrees to grant Prairiesky Royalty Ltd. a non-convertible 5% gross overriding royalty (the "GORR") and (b) the gross overriding royalty asset conveyance between the Borrower, as vendor, and Prairiesky Royalty Ltd., as purchaser, whereby the Borrower has agreed to sell Prairiesky Royalty Ltd. the GORR.

"Prime Rate" means the rate of interest per annum, based on a 365 or 366 day period, as the case may be, in effect from time to time that is equal to the greater of:

- (a) the rate of interest publicly announced by the Bank from time to time as being its reference rate then in effect for determining interest rates for commercial loans in Canadian Dollars made by the Bank in Canada; and
- (b) the average annual rate (rounded upwards, if necessary, to 0.01%) as determined by the Bank as being the average of the "BA 1 month" CDOR Rate applicable to bankers' acceptances in Canadian Dollars displayed and identified as such on the "Reuters Screen CDOR Page" (as defined in the International Swap and Derivatives Association, Inc. definitions, as modified and amended from time to time) plus 1.00%; provided that if such rates do not appear on the Reuters Screen CDOR Page as contemplated, then the CDOR Rate on any day shall be calculated as the arithmetic average of the 30-day discount rates applicable to bankers' acceptances in Canadian Dollars quoted by three major Canadian Schedule I chartered banks chosen by the Bank as of approximately 10:00 a.m. on such day, or if such day is not a Business Day, then on the immediately preceding Business Day.

"Retractable Preferred Shares" means preferred shares of the Borrower which are retractable at the option of the holder.

"Right of First Refusal" has the meaning given to it in the ASA.

"Royalty Transactions" means, collectively, the Freehold Royalty Transaction and the Prairiesky Royalty Transaction.

"Stamping Fee" means, at any time, a margin, expressed as a rate per annum based on a 365 day period, charged by the Bank for accepting and stamping BAs.

"Stolberg/Entice Stream Financing Agreements" means, collectively, the joint venture agreement made effective as of December 30, 2014 between the Borrower and Stream Asset Financial Manitoak LP and the rental agreement made effective as of December 30, 2014 between the Borrower and Stream Asset Financial Manitoak LP, in each case, in respect of the sale and leaseback of the facilities in the Stolberg and Entice areas.

"Stream Financing Agreements" means, collectively, the Stolberg/Entice Stream Financing Agreements and the Wayne Stream Financing Agreements.

"Stream Transaction" means the transaction contemplated by the Wayne Stream Financing Agreements.

"Title Defect" means a defect in or affecting the title of Encana Corporation to any of the Assets, which is material and adverse to the enforcement of title such that it would not be acceptable to a knowledgeable prudent purchaser buying similar assets, acting reasonably

"Unrealized Hedging Gains" means mark to market unrealized gains in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"Unrealized Hedging Losses" means mark to market unrealized losses in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"Voting Shares" means:

- (a) in respect of a corporation or limited liability company, shares of any class or equity ownership interests of such entity:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;

provided that subparagraph (ii) above shall not include voting rights created solely by statute, such as those rights created pursuant to section 183(4) of the Business Corporations Act (Alberta) as in effect on the date of the Offering Letter;

- (b) in respect of a trust, trust units of the trust:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;
- (c) in respect of a partnership, the partnership interests or partnership units:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and is continuing.

"Wayne Acquisition" means the acquisition by the Borrower of the Assets pursuant to and in accordance with the ASA.

"Wayne Stream Financing Agreements" means, collectively, the joint venture agreement between the Borrower and Stream Asset Financial Manitoak LP and the rental agreement between the Borrower and Stream Asset Financial Manitoak LP, in each case, in respect of the sale and leaseback of the facilities in the Wayne area which form part of the Assets.

"Working Capital Deficit" means Current Liabilities minus Current Assets.

Writer's Direct Line
(403) 294-4951

December 31, 2015

BY COURIER

Manitok Energy Inc.
585 — 8 Avenue SW, Suite 2600
Calgary, Alberta T2P 1G1

ATTENTION:

**Massimo M. Geremia
President & CEO**

**Rob Dion
VP Finance & CFO**

Dear Sirs:

RE: CREDIT FACILITIES — NATIONAL BANK OF CANADA / MANITOK ENERGY INC.

This Offering Letter amends and restates in its entirety the Offering Letter dated May 29, 2015 between National Bank of Canada (the "**Bank**") and Manitok Energy Inc. (the "**Borrower**"), which in turn amended and restated the Offering Letter dated January 23, 2013 (collectively, the "**Original Offering Letter**"), and sets out all terms and conditions pertaining to the uncommitted demand Credit Facilities granted by the Bank in favour of the Borrower. This Offering Letter amends, restates and replaces the Original Offering Letter and, together with the agreements and other documents to be delivered pursuant to this Offering Letter or the Original Offering Letter, constitutes the entire agreement between the parties pertaining to the subject matter of this Offering Letter and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no representations, warranties or other agreements between the parties in connection with the subject matter of this Offering Letter except as specifically set out in this Offering Letter or the other agreements and documents delivered pursuant to this Offering Letter.

BORROWER: MANITOK ENERGY INC. (the "**Borrower**" or "**Loan Party**").

LENDER: NATIONAL BANK OF CANADA (the "**Bank**").

CREDIT FACILITY A: REVOLVING OPERATING DEMAND LOAN (the "**Credit Facility A**").

MAXIMUM AMOUNT: \$40,000,000 from January 1, 2016 to January 26, 2016, and \$30,000,000 thereafter, subject to Review, including on June 1, 2016.

PURPOSE: Credit Facility A shall only be used for the Borrower's general corporate purposes including capital expenditures.

AVAILABILITY: Prime Rate loans ("**Prime Rate Loans**"). Revolving in whole multiples of \$50,000.

The Borrower shall have no ability or right to issue banker's acceptance ("BAs") under Credit Facility A. Upon maturity, any existing BAs shall be converted into demand Prime Rate Loans.

Letters of credit and/or letters of guarantee ("L/C/Gs") (maximum term one year). The aggregate Face Amount of L/C/Gs issued and outstanding at any time is limited to \$5,000,000 in any currency acceptable to the Bank.

REPAYMENT:

The Borrower hereby covenants and agrees to pay by no later than January 26, 2016, from the net proceeds of the Equity Issuance, an amount sufficient to ensure that the principal amount outstanding under Credit Facility A does not exceed the reduced maximum amount of \$30,000,000, and subject to the Bank's ongoing right to demand repayment of the Credit Facilities, the amount owing under Credit Facility A shall be permanently, irrevocably, and indefeasibly reduced from a maximum amount of \$40,000,000 to a maximum principal amount of \$30,000,000 upon such payment.

Other than the foregoing payment, payments shall be interest only but always subject to Availability, Review, and the Bank's right of demand.

INTEREST AND FEES:

Any and all of the Borrower's Indebtedness arising under Credit Facility A, except L/C/Gs, shall accrue interest at the Bank's Prime Rate plus three (3%) percent per annum, effective January 1, 2016. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month until all amounts owing to the Bank have been fully, irrevocably, and indefeasibly paid in full.

All L/C/Gs shall incur a non-refundable upfront L/C/G fee of four and one quarter (4.25%) percent per annum of the issue amount, payable at issue, to the Bank (the "L/C/G Fee").

Interest and the L/C/G Fee, at the aforesaid rates, shall be paid via an automatic debit to the Borrower's account at the Calgary Branch of the Bank.

AVAILABILITY FEE:

The Applicable Margin as per the Pricing Grid below on the undrawn available portion of Credit Facility A (the "Availability Fee"), payable monthly on the first Business Day of each month.

FEE PRICING GRID:

The Availability Fee shall be adjusted quarterly (based upon unaudited preceding quarterly consolidated financial statements of the Borrower) in accordance with the Net Debt to Cash Flow Ratio in the following table (the "Pricing Grid"):

Type of Advance	Net Debt to Cash Flow Ratio					
	≤1.00>	<1.00≥	>1.50≤	>2.00≤	>2.50≤	>3.00
Availability Fees	20 bps	25 bps	30 bps	35 bps	40 bps	45 bps
*Current Rate						

**CHANGE IN MARGIN
AND FEES:**

Whenever this Offering Letter calls for a change in the Applicable Margin or fees by reason of a change in the Net Debt to Cash Flow Ratio, each such change shall be effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided.

The Borrower shall pay Availability Fees effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided, notwithstanding that any Advance was made prior to such date and notwithstanding that Availability Fees prior to delivery of the Compliance Certificate were calculated and paid based upon Availability Fee previously in effect.

In the event that the Borrower should fail to provide a Compliance Certificate as and when required, then, at the discretion of the Bank, the Availability Fee shall automatically be changed as if the Net Debt to Cash Flow Ratio was > 3.0.

**DRAWDOWN,
NOTIFICATION
AND CONVERSION:**

All Advances under Credit Facility A may only be drawn on a day that is a Business Day.

Prime Rate Loans

As required.

EVIDENCE OF DEBT:

Revolving Demand Credit Agreement and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error *prima facie* evidence of the obligations of the Borrower to the Bank in respect of Advances made under Credit Facility A. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

CREDIT FACILITY B:

NON-REVOLVING REDUCING DEMAND LOAN (the "Credit Facility B").

MAXIMUM AMOUNT:

\$30,000,000, subject to Review, provided that the maximum amount shall be \$20,000,000 on June 1, 2016.

PURPOSE:

Credit Facility B shall only be used for the Borrower's general corporate purposes.

AVAILABILITY:

\$30,000,000 of Credit Facility B is fully advanced. No further advances are available under Credit Facility B.

The amounts previously advanced are available by way of Prime Rate Loans or BAs in Canadian dollars. The Borrower shall have no ability or right to issue any BAs or L/C/Gs in respect of Credit Facility B. Upon maturity, any and all existing BAs shall be converted into demand Prime Rate Loan.

REPAYMENT:

Subject to the Bank's ongoing right to demand repayment of the Credit Facilities, the amount owing under Credit Facility B shall be permanently, irrevocably, and indefeasibly reduced and repaid in accordance with, and the Borrower hereby covenants and agrees to make the following payments:

\$400,000 per month, to be paid by the Borrower, commencing on February 1, 2016, and continuing on the first day of every month thereafter until all obligations owing under Credit Facility B have been fully, indefeasibly, and irrevocably repaid.

The Borrower may at any time, without bonus, premium or penalty, repay the aggregate principal amount outstanding under Credit Facility B.

Upon any repayment of Credit Facility B, the Maximum Amount of Credit Facility B shall be reduced by the amount of each such repayment.

INTEREST RATE:

Interest on Credit Facility B

Any and all of the Borrower's Indebtedness arising under Credit Facility B shall accrue interest at the Bank's Prime Rate plus five (5%) percent per annum, effective January 1, 2016. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month, via an automatic debit to the Borrower's account at the Calgary Branch of the Bank, until all amounts owing to the Bank have been fully, irrevocably, and indefeasibly paid in full."

EVIDENCE OF DEBT:

Variable Rate Demand Promissory Note and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made under Credit Facility B. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

CREDIT FACILITY C:

MASTERCARD FACILITY (the "Credit Facility C").

MAXIMUM AMOUNT:

\$100,000

PURPOSE:

Credit Facility C shall only be used by the Borrower to facilitate travel, entertainment, and supplier expenses for company officers.

REPAYMENT:

Payment in full, monthly.

INTEREST RATE:

Standard rates as established from time to time by MasterCard.

EVIDENCE OF DEBT:

MasterCard monthly statements and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made under Credit Facility C. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

RISK MANAGEMENT FACILITY

PURPOSE:

Risk Management Facility shall be used by the Borrower for Financial Instruments.

AVAILABILITY:

Various Financial Instruments. Maximum term 36 months. Subject to Bank availability and including a cross default limit of \$1,000,000. Notwithstanding anything else contained herein including Negative Covenant 7, the Borrower shall not enter into any Financial Instruments without the prior written consent of the Bank, which consent may be withheld or subject to any and all conditions, as determined by the Bank, in its sole and unfettered discretion.

SETTLEMENT:

Settlement as per contract maturities. Borrower may, with the prior approval of the Bank, such approval to be in the Bank's sole and unfettered discretion and on such terms and conditions as the Bank may in its sole and unfettered discretion stipulate, agree with the counterparty to terminate and settle Financial

Instruments prior to the maturity of any such Financial Instrument.

EVIDENCE OF USAGE:

Executed treasury contracts, executed ISDA Master Agreement with appropriate annexes, other documentation acceptable to the Bank, and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank under the Risk Management Facility. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

FOR ALL CREDIT FACILITIES

DEFINITIONS:

In this Offering Letter, including the Appendices hereto and in all notices given pursuant to this Offering Letter, capitalized words and phrases shall have the meanings given to them in this Offering Letter in their proper context, and words and phrases not otherwise defined in this Offering Letter but defined in Appendix C to this Offering Letter shall have the meanings given to them in Appendix C to this Offering Letter.

INTERPRETATION:

In this Offering Letter, unless otherwise specifically provided, words importing the singular will include the plural and vice versa, words importing gender shall include the masculine, the feminine and the neuter, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile.

FEES:

In consideration of the administrative time and expense incurred by the Bank in relation to the Original Offering Letter and in further consideration of the Bank agreeing to enter into this amended and restated Offering Letter, the Borrower shall pay an amendment fee to the Bank, in the amount of \$348,500 (the "Amendment Fee"), which shall be due, earned, and payable immediately upon the execution of this Offering Letter and shall be payable by way of an automatic debit of the Borrower's bank account maintained with the Bank.

PROCEEDS:

All of the proceeds from any and all assignments, sales, transfers or other dispositions including, without limitation, any farmout agreement, joint venture or royalty transaction of any or all of the Borrower's petroleum and natural gas assets subject to the Bank's Security shall be used to permanently repay and reduce amounts owed by the Borrower to the Bank to be applied against such portion of the Indebtedness as the Bank shall in its sole discretion shall determine.

SECURITY:

The following security, together with any Additional Security granted from time to time (collectively, the "Security") shall continue to be held by the Bank as continuing security for all present and future debts, obligations and liabilities (whether direct or indirect, absolute or contingent) of the Borrower to the Bank including without limitation for the repayment of all loans and advances made hereunder and for other loans and advances that may be made from time to time in the future whether hereunder or otherwise (collectively, the "Indebtedness").

(i) a \$200,000,000 Demand Debenture, dated February 4, 2013, granted by Manitok, in favour of NBC (as further supplemented, amended, restated, or replaced from time to time, the "Debenture");

(ii) a Debenture Pledge Agreement, dated February 4, 2013, granted by Manitok, in favour of NBC (the "Pledge Agreement"); and

(iii) a General Assignment of Book Debts, dated February 4, 2013, granted by Manitok, in favour of NBC (the "General Assignment");

(the General Assignment, the Debenture, the Pledge Agreement, and the General Assignment are collectively referred to as, the "Current Security").

For greater certainty, all Financial Instruments, including without limitation swaps and forwards, entered into at any time with the Bank (or any of its subsidiaries or affiliates from time to time) are deemed to be debts, obligations and liabilities of the Borrower and are secured by the Security on a *pari passu* basis and shall rank *pari passu* with all other indebtedness under the Credit Facilities. Where applicable, the Security will be in the Bank's standard form.

The Borrower hereby undertakes to execute and deliver to the Bank, promptly upon request by the Bank, any and all additional security that the Bank deems to be necessary or advisable, in the Bank's sole and unfettered discretion, to secure the indebtedness, liabilities and obligations of the Borrower to the Bank (collectively, the "Additional Security"), including without limitation:

- (i) a supplemental debenture granting the Bank a fixed and specific charge and mortgage over any and all of the Borrower's interests in the assets set out in the PNG Report (as defined below) and including but not limited to any and all interests the Borrower may have in any real property, fixtures, mineral interests, facilities, pipelines

and any and all related assets; and

(ii) conditional surrenders of leases (the "Lease Surrenders") with respect to all leasehold interests the Borrower holds as lessee from the Crown in the right of the Province of Alberta;

(iii) all of which shall be in a form and substance acceptable to the Bank, in the Bank's sole and unfettered discretion. The Borrower shall use its best efforts to assist the Bank in obtaining any and all Crown consents required in connection with the Bank obtaining the Lease Surrenders;

The Security shall be, or shall continue to be, has been registered in the Province of Alberta, in a first priority position, subject only to Permitted Encumbrances.

**ADDITIONAL
ACKNOWLEDGEMENTS:**

The Borrower acknowledges and agrees that the following facts, forming the background to this Offering Letter, are true and accurate in all respects:

(a) notwithstanding anything contained in this Offering Letter or any other document, the Credit Facilities are uncommitted in nature and is not automatically available upon satisfaction of the terms and conditions set out herein and the Credit Facilities and all availments thereunder are repayable upon demand. The Bank may cancel the availability of Credit Facility A at any time without notice or demand, acting in its sole discretion. Notwithstanding any such cancellation, all fees paid to the Bank hereunder with respect to Credit Facility A shall be considered earned by the Bank and payable by the Borrower;

(b) To secure payment and performance of all obligations, liabilities and indebtedness owing to the Bank by the Borrower, the Borrower has granted the Bank the Current Security which creates security interests against all of the Borrower's present and after-acquired property, assets, and undertakings;

(c) The Current Security and all covenants, terms and provisions therein, is in full force and effect and valid and enforceable, and grants first ranking charge and security interests over all of the present and after acquired property, assets, and undertakings of the Borrower, subject only to Permitted Encumbrances;

(d) The Offering Letter, and all covenants, terms, and provisions therein, shall be and continue to be in full force and effect, as amended hereby, and the Original Offering Letter, as amended hereby, is hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect;

(e) As of December 31, 2015, the aggregate principal amount of the Indebtedness for advances made pursuant to the Original Offering Letter under Credit Facility A and Credit Facility B is Cdn. \$62,440,000, plus any and all amounts under Credit Facility C Mastercard, accrued and accruing interest, Lender's Costs (as defined below), Consultant Fees, costs, expense and any additional liabilities, borrowings, credit facilities, and obligations which are or may hereafter become due and owing by the Borrower to the Bank, and is currently comprised of the following:

(i) Credit Facility A – Cdn.\$32,440,000 plus accruing interest, fees and expenses; and

(ii) Credit Facility B - Cdn.\$30,000,000 plus accruing interest, fees and expenses;

(collectively referred to as, the "Credit Facilities");

(f) The repayment of the Indebtedness is and shall at all times remain, subject to the terms and conditions contained in this Offering Letter; and

(g) The Borrower does not dispute its liability to repay any of the Indebtedness, on any basis, and the Borrower hereby acknowledges and agrees that the Borrower does not have any right of setoff, damages, recoupment, or other offset or any defense, claim, or counterclaim, with respect to the Offering Letter, the Security, or the Indebtedness.

(h) The Bank acknowledges and agrees that the no interest letter dated June 11, 2015 made by the Bank in favour of the Borrower and Prairiesky Royalty Ltd., the no interest letter, consent and acknowledgment dated June 12, 2015 made among the Borrower, the Bank and Stream Asset Financial Manitok LP and the interest clarification and acknowledgment agreement dated June 11, 2015 made among the Bank, Freehold Royalties Partnership and the Borrower (each, a "Tripartite Agreement") each remain in full force and effect, unamended by any provisions of this Offering Letter or otherwise, and the matters described therein shall be governed by the terms of the applicable Tripartite Agreement notwithstanding anything to the contrary contained in this Offering Letter.

**REPRESENTATIONS
AND WARRANTIES:**

Each Loan Party represents and warrants to the Bank (all of which representations and warranties each Loan Party hereby acknowledges are being relied upon by the Bank in entering into this Offering Letter) that:

1. Each Loan Party has been duly incorporated or formed, as applicable, and is in good standing under the legislation governing it, and it has the powers, permits,

and licenses required to operate its business or enterprise and to own, manage, and administer its property.

2. This Offering Letter constitutes, and the Security and related agreements shall constitute, legal, valid, and binding obligations of each Loan Party thereto, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, or similar laws affecting creditors' rights generally and to the availability of equitable remedies.
3. Each Loan Party has the right to pledge, charge, mortgage, or lien its assets in accordance with the Security contemplated by this Offering Letter.
4. Each Loan Party is presently in good standing under, and shall duly perform and observe, all material terms of all documents, agreements, and instruments affecting or relating to the petroleum assets of such Loan Party.
5. There has been no adverse material change in the financial position of any Loan Party since the date of its most recent consolidated financial statements dated December 31, 2014, which were furnished to the Bank. Such consolidated financial statements fairly present the financial position of each Loan Party at the date that they were drawn up. No Loan Party foresees incurring any major liability which it has not already disclosed to the Bank.
6. No Loan Party is involved in any dispute or legal or regulatory proceedings likely to materially affect its financial position or its capacity to operate its business.
7. No Loan Party is in default under the contracts to which it is a party or under the applicable legislation and regulations governing the operation of its business or its property, including, without limitation, all Environmental Requirements subsequently stated in the Section titled "ENVIRONMENTAL OBLIGATIONS".
8. The Borrower has no subsidiaries.
9. The chief executive office (for the purposes of the PPSA) of each Loan Party is located in Alberta.
10. Each Loan Party has all the requisite power, authority and capacity to execute and deliver this Offering Letter and the Security (to which it is a party) and to perform its obligations hereunder and thereunder.

11. The execution and delivery of this Offering Letter and the Security (to which it is a party) and the performance of the terms of this Offering Letter and such Security do not violate the provisions of any Loan Party's constating documents or its by-laws or any law, order, rule or regulation applicable to it and have been validly authorized by it.
12. The execution, delivery and performance of the terms of this Offering Letter and the Security (to which it is a party) will not constitute a breach of any agreement to which any Loan Party is party or its property, assets or undertaking are bound or affected.
13. No Loan Party has incurred any indebtedness or obligations for borrowed money (other than as contemplated hereby or payables incurred in the ordinary course of business or as previously disclosed in writing to the Bank) and has not granted any security ranking equal with or in priority to the Security (other than Permitted Encumbrances).

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Offering Letter shall survive the execution of this Offering Letter and all Security, and shall be deemed to be repeated as of the date of each Advance and as of the date of delivery of each Compliance Certificate, subject to modifications made by the Borrower to the Bank in writing and accepted by the Bank. The Bank shall be deemed to have relied upon such representations and warranties at each such time as a condition of making an Advance hereunder or continuing to extend the Credit Facilities hereunder.

**CONDITIONS
PRECEDENT:**

Prior to any Advance under the Credit Facilities, the Borrower shall have provided, executed or satisfied the following, to the Bank's satisfaction (collectively with all other conditions precedent set out in this Offering Letter, the "**Conditions Precedent**"):

1. Accepted Offering Letter dated December 31, 2015.
2. An Acknowledgement of Debt Revolving Demand Credit Agreement in the face amount of \$30,000,000 duly executed and delivered to the Bank by the Borrower.
3. A Variable Rate Demand Promissory Note in the face amount of \$30,000,000 duly executed and delivered to the Bank by the Borrower.

4. The Borrower shall have fully and indefeasibly paid to the Bank the Amendment Fee.
5. All Security shall continue to be valid and enforceable and duly registered, all to the satisfaction of the Bank and its counsel.
6. A legal opinion from the Borrower's counsel, in form and substance satisfactory to the Bank and its counsel, that, *inter alia*, each Loan Party has been duly incorporated, is validly subsisting, and is in good standing, that the Security has been duly authorized, executed and delivered, and that each Loan Party has the corporate power and capacity to enter into and perform the obligations contemplated by this Offering Letter and the Security.
7. Certified copies of the constating documents of each Loan Party, including all amendments thereto, of each Loan Party.
8. Certified copies of the resolutions of the board of directors of each Loan Party authorizing the execution and delivery of this Offering Letter and the other documents to be provided in connection herewith.
9. No Default or Event of Default shall have occurred and no demand for payment shall have been made hereunder.
10. No Material Adverse Effect has occurred with respect to any Loan Party or the Security.
11. Any other document that may be reasonably requested by the Bank.
12. The Borrower shall have provided to the Bank an updated and current land schedule, identifying all of the Borrower's petroleum and natural gas assets (including, without limitation, all Crown mineral interests, freehold mineral interests, royalty interests, surface rights, pipelines, and processing facilities), which shall specifically identify such assets corresponding mineral lease agreement number, certificate of title number, land description, drilling activities, and results (collectively, the "PNG Report"), and such PNG Report shall be in a form and substance acceptable to the Bank, acting reasonably.
13. The Borrower shall have provided to the Bank any and all additional information, documents, instruments, registrations, and opinions, required in connection with this Offering Letter, the Security or the Additional Security

(if applicable), as determined by the Bank, in the Bank's sole and unfettered discretion, shall have been entered into, provided, or registered, on terms and conditions acceptable to the Bank, in its sole and unfettered discretion.

14. The Borrower shall have paid any and all reasonable Lender's Costs incurred, due, or owing, as of the date hereof, including any and all applicable disbursements and taxes.
15. The Bank shall have received internal credit committee approval of this Offering Letter and the Bank shall have executed and delivered this Offering Letter to the Borrower. For greater certainty, the terms of this Offering Letter are not binding upon the Bank until approved by the Bank's credit committee and the Bank has executed and delivered this Offering Letter to the Borrower.

The above conditions are inserted for the sole benefit of the Bank, and may be waived by the Bank in whole or in part (with or without terms or conditions) in respect of any particular Advance, provided that any waiver shall not be binding unless given in writing and shall not derogate from the right of the Bank to insist on the satisfaction of any condition not expressly waived in writing or to insist on the satisfaction of any condition waived in writing which may be requested in the future.

Notwithstanding any other provision hereof to the contrary, the Credit Facilities are uncommitted in nature and are not automatically available upon satisfaction of the Conditions Precedent set out above.

**REPORTING
REQUIREMENTS:**

The Borrower shall submit to the Bank:

1. Monthly production reports, revenue reports, cash flow projections, financial reporting, and compliance certificates, all in a form and substance acceptable to the Bank, as determined by the Bank, in its sole and unfettered discretion, within 60 days from the end of each month;
2. Quarterly unaudited consolidated financial statements (including balance sheet, income statement, and cash flow statement) and Compliance Certificate within 60 calendar days of each fiscal quarter end for the first three fiscal quarters of each fiscal year;
3. Annual audited consolidated financial statements and Compliance Certificate within 120 calendar days of each

fiscal year end;

4. Annual independent engineering report in form and substance satisfactory to the Bank on the petroleum and natural gas reserves of the Borrower within 120 calendar days of each fiscal year end, prepared by a firm acceptable to the Bank;
5. Annual consolidated budget for the following fiscal year, including production, cash flow and capital expenditures forecasts, within 120 days of each fiscal year end; and
6. Any other information the Bank may reasonably require from time to time.

**AFFIRMATIVE
COVENANTS:**

The Borrower shall (each of the below being an "Affirmative Covenant"):

1. On or before January 26, 2016, raise gross proceeds of at least \$10,000,000 through the issuance of equity interests (the "Equity Issuance").
2. Carry on business and operate its petroleum and natural gas reserves in accordance with good practices consistent with accepted industry standards and pursuant to applicable agreements, regulations, and laws.
3. Maintain its corporate existence and comply with all applicable laws.
4. Pay, when due, all taxes, assessments, deductions at source, crown royalties, income tax or levies for which the payment is guaranteed by legal privilege, prior claim, or legal hypothec, without subrogation or consolidations.
5. Comply with all Governmental Authorities, regulatory bodies and provisions regarding environmental procedures and controls.
6. Upon reasonable notice, allow the Bank access to its books and records, and take excerpts therefrom or make copies thereof, and to visit and inspect its assets and place(s) of business.
7. Maintain adequate and appropriate insurance on its assets including protection against public liability, blow-outs, and "all-risk" perils.
8. Inform the Bank of any event or action which would have a Material Adverse Effect on its operational or financial affairs, including but not limited to the sale of assets,

- guarantees, funded debt from other lenders, or alteration of type of business.
9. Keep and maintain books of account and other accounting records in accordance with GAAP.
 10. Maintain an Adjusted Working Capital Ratio of not less than 1.00:1.00 at all times.
 11. Pay all amounts due and payable hereunder and pursuant to the Security in accordance with the respective terms hereof and thereof.
 12. As soon as practicable following receipt by such Loan Party of a request by the Bank to provide any Additional Security (and in any event not more than 5 Business Days following such request), furnish or cause to be furnished to the Bank, at the sole cost and expense of such Loan Party, such Additional Security.
 13. Observe the terms of and perform its obligations under this Offering Letter and the Security, and under any other agreements now or hereafter made with the Bank.
 14. Utilize the Advances only for the applicable purposes stipulated herein.
 15. Notify the Bank, without delay, of (a) any litigation or proceeding in which it is a party if an adverse decision therein would require it to pay more than the Basket Amount or deliver assets the value of which exceeds such sum (whether or not the claim is considered to be covered by insurance), and (b) the institution of any other suit or proceeding involving it that might materially and adversely affect its property, assets or undertaking, or its operations, financial conditions or business.
 16. Notify the Bank, without delay, of any Default or Event of Default.
 17. Obtain and maintain the licenses and permits required to operate its business unless failure to obtain such licenses and permits could not reasonably be expected to result in a Material Adverse Effect.
 18. Provide the Bank with any information or document that it may reasonably require from time to time.

NEGATIVE COVENANTS:

No Loan Party shall, without the prior approval of the Bank (each of the below being a "Negative Covenant"):

1. Allow a Change of Control.
2. Merge, amalgamate, consolidate, or wind up its assets, unless (i) such merger, amalgamation, consolidation or winding up is with another Loan Party and (ii) it has notified the Bank, without delay, of such merger, amalgamation, consolidation or winding up.
3. Reduce or distribute capital or pay dividends or redeem or repurchase common or preferred shares, unless such distribution, dividends, redemptions, and repurchases do not impair the capacity of such Loan Party to fulfil its obligations with respect to the Credit Facilities, including the repayment of all Credit Facilities; notwithstanding the foregoing, no Loan Party shall reduce or distribute capital or pay dividends or redeem or repurchase common or preferred shares when a demand for payment shall have been made hereunder or Default has occurred and is continuing or shall reasonably be expected to occur as a result of reducing or distributing capital or paying dividends or redeeming or repurchasing common or preferred shares, as the case may be.
4. Incur further secured indebtedness, pledge or encumber assets (other than Permitted Encumbrances), or guarantee the obligations of others.
5. Sell, transfer, assign or otherwise dispose (including, without limitation, by way of farmout, royalty transaction, or joint venture) of any assets subject to the Bank's Security in the aggregate of greater than the Basket Amount between each Review. This shall include sale/leaseback transactions on facilities.
6. Hedge or contract any of (i) crude oil, (ii) natural gas liquids, or (iii) natural gas, on a fixed price basis, if in doing so the aggregate hedged volume of such commodity at the time any hedge or contract is entered into, and after giving effect thereto, would exceed (a) 65% of trailing quarter's gross production volumes for such commodity on a twelve (12) months forward basis; and (b) 60% of trailing quarter's gross volumes for such commodity on a thirteen (13) to thirty-six (36) months forward basis, as adjusted for acquisition and divestitures in a manner satisfactory to the Bank.
7. Monetize or effect an early termination of any fixed price financial hedge or contract.
8. Make any material change in the nature of its business as

carried on at the date hereof.

9. Utilize Advances to finance a hostile takeover.
10. Move its property, assets or undertaking outside the jurisdictions in which the Security is registered.
11. Move its chief executive office from Alberta.
12. Create, acquire or suffer to exist any subsidiary unless such subsidiary provides a guarantee and such other Security required by the Bank, in its sole discretion.
13. Experience a change in its executive management which, in the opinion of the Bank, acting in its sole discretion, has or may have a Material Adverse Effect.
14. Exercise the Manitok Option under the Stream Financing Agreements without the prior written consent of the Bank.
15. Until Credit Facility B has been repaid in full and cancelled:
 - (a) pay any dividends, complete a normal course issuer bid or make any other distribution;
 - (b) acquire any assets, in one transaction or a series of transactions, which in the aggregate have a fair market value exceeding \$5,000,000 without the Bank's prior written consent, in its sole discretion; or
 - (c) incur any additional Debt without the prior written consent of the Bank, in its sole discretion.

EVENTS OF DEFAULT:

Notwithstanding that the Credit Facilities are on a demand basis, and without prejudice to the Bank's rights thereby, the following shall be considered events of default ("**Events of Default**"), upon the occurrence of which, the Bank may choose, in its sole discretion, to cancel all availability and to demand repayment of the Credit Facilities in full, together with outstanding accrued interest, fees and any other obligations of the Borrower to the Bank, and, without prejudice to the Bank's other rights and remedies, the Security shall become enforceable:

1. Immediately upon failure by any Loan Party to pay any instalment of interest or principal payable hereunder when due.
2. Two days after failure by any Loan Party to pay fees, costs, incidental charges or any other amount payable

hereunder or under any of the Security when due.

3. Any material representation or warranty contained in this Amended and Restated Offering Letter, the Security, any certificate or any opinion delivered hereunder proves to be untrue and the underlying facts, if capable of being remedied such that the representation or warranty if made at such time would be correct, are not so remedied within 10 days after the earlier of (a) notice thereof being given to the Borrower by the Bank, and (b) the Borrower becoming aware thereof (but only if and for so long as the remedying thereof was and continues to be diligently and in good faith pursued and no Material Adverse Effect has occurred or is imminent as a result of such facts).
4. Failure by any Loan Party to observe or comply with any Affirmative Covenant, Negative Covenant, Environmental Obligation, condition, or term as outlined herein, or in any Security document or underlying agreements delivered pursuant hereto (not otherwise specifically dealt with in this Events of Default Section) and, if such default is capable of being cured, such default continues for a period of 10 days after the earlier of (a) notice thereof being given to the Borrower by the Bank, and (b) the Borrower becoming aware thereof.
5. If a petition is filed, an order is made or a resolution passed, or any other proceeding is taken for the winding up, dissolution, or liquidation of any Loan Party.
6. If proceedings are taken to enforce any encumbrance on the assets of any Loan Party having a value in the aggregate greater than the Basket Amount, excepting as long as such proceedings are being contested in good faith by such Loan Party and security satisfactory to the Bank has been provided to the Bank.
7. If any Loan Party ceases or threatens to cease to carry on its business, or if proceedings are commenced for the suspension of the business of any Loan Party, or if any proceedings are commenced under the Companies' *Creditors Arrangements Act* (Canada) or under the *Bankruptcy and Insolvency Act* (Canada) (including filing a proposal or notice of intention) with respect to any Loan Party, or if any Loan Party commits or threatens to commit an act of bankruptcy, or if any Loan Party becomes insolvent or bankrupt or makes an authorized assignment pursuant to the *Bankruptcy and Insolvency Act* (Canada), or a bankruptcy petition is filed by or presented against any Loan Party.

8. If proceedings are commenced to appoint a receiver, receiver/manager, or trustee in respect of the assets of any Loan Party by a court or pursuant to any other agreement.
9. If any Loan Party is in default under the terms of any other contracts, agreements or writings with any other creditor having liens on the property of such Loan Party and such default could reasonably be expected to result in a Material Adverse Effect.
10. If the validity, enforceability or, where applicable, priority of this Amended and Restated Offering Letter or any of the Security is prejudiced or endangered.
11. If an event of default under any of the Security occurs and is continuing, or any other event which constitutes or which with the giving of notice or lapse of time or otherwise would constitute an event of default under any of the Security occurs.
12. If any event of default under any material agreement to which a Loan Party is a party occurs and is continuing, or any other event which constitutes or which with the giving of notice or lapse of time or otherwise would constitute an event of default under any material agreement to which a Loan Party is a party occurs.
13. If any Material Adverse Effect occurs.

The foregoing remedies are not exhaustive and the Bank may, in its sole and unfettered discretion, elect to exercise some, none, or all of the foregoing remedies and such remedies may be exercised independently and in any order deemed necessary or advisable by the Bank upon the occurrence or during the continuation of any Event of Default.

Nothing contained herein or contained in any document, agreement, or instrument, between the Borrower and the Bank shall have the effect of changing the nature of any part of this Offering Letter or the Credit Facilities from being demand facilities.

**ENVIRONMENTAL
OBLIGATIONS:**

1. Each Loan Party shall comply with the requirements of all legislative and regulatory environmental provisions (the "Environmental Requirements") and shall at all times maintain the authorizations, permits, and certificates required under these provisions except where failure to do so would not be expected to have a Material Adverse Effect.

2. Each Loan Party shall immediately notify the Bank in the event a material contaminant spill or emission occurs or is discovered with respect to its property, operations, or those of any neighbouring property. In addition, it shall report to the Bank forthwith any notice, order, decree, or fine that it may receive or be ordered to pay with respect to the Environmental Requirements relating to its business or property
3. At the request of and in accordance with the conditions set forth by the Bank, each Loan Party shall, at its own cost, provide any information or document which the Bank may require with respect to its environmental situation, including any study or report prepared by a firm acceptable to the Bank. In the event that such studies or reports reveal that any Environmental Requirements are not being respected, the applicable Loan Party shall effect the necessary work to ensure that its business and property comply with the Environmental Requirements within a period acceptable to the Bank.
4. Each Loan Party undertakes to indemnify the Bank for any damage which the Bank may suffer or any liability which it may incur as a result of any non-compliance with the Environmental Requirements.
5. The provisions, undertakings, and indemnification set out in this section shall survive the satisfaction and release of the Security and payment and satisfaction of the indebtedness and liability of the Borrower to the Bank pursuant to the terms hereof.

**INTEREST ON
OVERDUE AMOUNTS:**

Notwithstanding any other provision of this Offering Letter, in the event that any amount due hereunder (including, without limitation, any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the Bank interest on such unpaid amount (including, without limitation, interest on interest), if and to the fullest extent permitted by applicable law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 10:00 a.m. at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded on the last Business Day of each calendar month and be payable in the currency of the relevant Advance on demand, as well after as before maturity, default and judgment, at a rate per annum that is equal to the rate of interest then being charged on Prime Rate Loans under the applicable Credit Facility plus 2.00% per annum, for overdue amounts under such Credit Facility. The Borrower hereby waives, to the fullest extent it may do so under applicable law, any provisions of applicable law,

including specifically the *Interest Act* (Canada) or the *Judgment Interest Act* (Alberta), which may be inconsistent with this Offering Letter.

COST AND EXPENSES:

All of the Bank's expenses that it has incurred or will incur arising out of its dealings with the Borrower, in the negotiation and settlement of this Offering Letter, and in the protection, preservation, and enforcement of the Security and the Additional Security (as defined below), including, without limitation, costs and fees incurred by the Bank in registering fixed charge security against the Borrower's petroleum and natural gas assets and the Bank's reasonable legal costs, calculated as between its attorneys and/or solicitors and their own client, on a full indemnity basis (collectively the "Lender's Costs"), are recoverable by the Bank under and pursuant to this Offering Letter with the same priority as now exists thereunder and the Borrower irrevocably authorizes and directs the Bank to debit the Borrower's accounts with the Bank for the purposes of paying such expenses, costs, and fees.

CHANGE OF LAWS:

Notwithstanding anything contained in this letter to the contrary, in the event that:

1. changes to any existing law or regulation or the introduction of any new law or regulation, or taxes other than income taxes, including, without limitation, a sales tax on loan transactions, or in the interpretation or administration thereof; or
2. compliance by the Bank with any request from or requirement of any central bank or other fiscal or monetary authority having jurisdiction over Canadian banks general (whether or not such request has the force of law);

cause the Bank to:

- (a) incur any cost as a result of having entered into and/or performed its obligations hereunder and/or as a result of obligations or options remaining outstanding hereunder including, without limitation, any reserve or special deposit requirement or any payment on or calculated by reference to the amount of the Credit Facilities hereunder; or
- (b) suffer a reduction in the rate of return on that part of its overall capital (not due to the rates of tax payable on their overall profits or net income) as a result of a requirement to attribute or allocate capital to the Credit Facilities or a Credit Facility

provided hereunder in respect of that part of such Credit Facilities or Credit Facility which is for the time being undrawn as a result of a change in the manner in which the Bank is required to allocate resources to its obligations hereunder,

then the Bank reserves the right to increase the charges for the Credit Facilities or such Credit Facility provided hereunder by the amount of such additional cost of liability as determined by the Bank and the Borrower agrees that it will forthwith on demand pay to the Bank amounts sufficient to reimburse the Bank against such costs or liabilities.

CURRENT ACCOUNTS:

Each Loan Party shall maintain its current accounts at the Calgary Branch of the Bank through which it shall conduct all of its banking activities.

Regular Bank service charges shall apply in the day-to-day operations of each Loan Party's accounts.

FOREIGN EXCHANGE FLUCTUATIONS:

If the amount of outstanding Advances under any Credit Facility is on any day, due to exchange rate fluctuations, in excess of the maximum amount with respect to such Credit Facility, the Borrower shall within five (5) Business Days after receiving notice thereof repay such excess or otherwise reduce a portion of such Advances under the particular Credit Facility to the extent of the amount of the excess.

GENERAL:

Time is of the essence.

The terms and conditions of this Offering Letter between the Bank and each Loan Party are confidential and shall be treated accordingly.

Each Loan Party shall do all things and execute all documents deemed necessary or appropriate by the Bank for the purposes of giving full force and effect to the terms, conditions, undertakings, and security granted or to be granted hereunder.

When a conflict or inconsistency exists between the Security and this Offering Letter, this Offering Letter shall govern to the extent necessary to remove such conflict or inconsistency. Notwithstanding the foregoing, if there is any right or remedy of the Bank set out in any of the Security or any part of which is not set out or provided for in this Offering Letter, such additional right shall not constitute a conflict or inconsistency.

ACCOUNT DEBITS:

Each Loan Party hereby irrevocably authorizes the Bank to debit periodically or from time to time, any bank account it may maintain at the Bank in order to pay all or part of the amounts

any Loan Party may owe to the Bank hereunder.

**PERSONAL PROPERTY
SECURITY ACT
REQUIREMENTS:**

Each Loan Party hereby waives the requirement for the Bank to provide copies of *Personal Property Security Act* (Alberta) (collectively with the equivalent legislation in other jurisdictions, the "PPSA") registrations, verification statements, or financing statements undertaken by the Bank.

Each Loan Party hereby agrees to provide to the Bank written notice of a change in its name or address immediately.

ASSIGNMENT:

No rights or obligations of any Loan Party hereunder and no amount of the Credit Facilities may be transferred or assigned by any Loan Party, any such transfer or assignment being null and void insofar as the Bank is concerned and rendering any balance then outstanding of the loan immediately due and payable at the option of the Bank and releasing the Bank from any and all obligations of making any further advances hereunder.

DEMAND:

Notwithstanding any of the terms of this Offering Letter, all obligations, liabilities and indebtedness of any Loan Party hereunder are repayable to the Bank at any time upon its demand, and the Bank may cancel the availability thereof (including any undrawn portion) at any time without notice or demand, acting in its sole discretion; for certainty, upon demand by the Bank: (a) the entire principal amount of all Advances then outstanding from Borrower and all accrued and unpaid interest thereon; (b) an amount equal to the face amount at maturity of all BAs issued by the Borrower which are unmaturing; (c) an amount equal to the maximum amount then available to be drawn under all unexpired L/C/Gs; and (d) all other obligations outstanding hereunder, shall become immediately due and payable by the Borrower to the Bank, all without any other notice and without presentment, protest, demand, notice of dishonour or any other demand whatsoever (all of which are hereby expressly waived by the Borrower). In such event and if the Borrower does not immediately pay all such amounts upon receipt of such demand, the Bank may, in its discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against the Borrower authorized or permitted by law for the recovery of all the indebtedness and liabilities of the Borrower to the Bank and proceed to exercise any and all rights hereunder and under the Security and no such remedy for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

ADJUSTMENT:

Notwithstanding any maximum amount, Availability, Pricing Grid, interest rate, margin calculation, Applicable Margin, Availability Fee, Stamping Fee, L/C/G Fee or other fee quoted herein, the Bank shall have the right to adjust such maximum amount,

Availability, Pricing Grid, interest rate, margin calculation, Applicable Margin, Availability Fee, Stamping Fee, L/C/G Fee or other fee, at the Bank's sole discretion.

NO OBLIGATION:

Upon the Bank's demand for repayment or upon the occurrence of a Default, the Bank shall have no obligation or liability to make further advances under the Credit Facilities.

ACCESS TO INFORMATION:

Each Loan Party hereby authorizes the Bank to use the necessary information pertaining to it which the Bank has or may have for the purpose of granting credit and insurance products (where permitted by law) and further authorize(s) the Bank to disclose such information to its affiliates and subsidiaries for this same purpose. Moreover, it hereby authorizes the Bank to obtain personal information pertaining to it from any party likely to have such information (credit or information bureau, financial institution, creditor, employer, tax authority, public entity, Persons with whom they might have business relations, and affiliates or Bank subsidiaries) in order to verify the accuracy of all information provided to the Bank and to ensure the solvency of each Loan Party at all times.

ANTI-MONEY LAUNDERING LEGISLATION:

Each Loan Party acknowledges that, pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and other applicable anti money laundering, anti terrorist financing, government sanction and "know your client" laws, whether within Canada or elsewhere (collectively, including any guidelines or orders thereunder, "AML Legislation"), the Bank may be required to obtain, verify and record information regarding any Loan Party, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of such Loan Party, and the transactions contemplated hereby. Each Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by the Bank, or any prospective assign or participant of the Bank, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

NOTICE:

Notices to be given under this Offering Letter, the Security or any other document in respect thereto any of Loan Party or the Bank shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended Notices shall be given by personal delivery or transmitted by facsimile and shall be deemed to be received on the Business Day of receipt (unless such delivery or transmission is received after 1:00 p.m. Mountain Time, in which case it shall be deemed to have been received on the following Business Day) unless the law deems a particular notice to be received earlier. The address for the Bank and each Loan Party shall be:

If to the Bank:

National Bank of Canada
311-6th Avenue SW
Calgary, AB T2P 3H2

Attention: Erin Welte
Fax: (403) 294-3078
Email: erin.welte@nbc.ca

If to the Borrower:

Manitok Energy Inc.
2600, 585-8th Ave SW
Calgary, Alberta T2P 1G1

Attention: Robert Dion
Fax: (403) 984-1749
Email: rdion@manitok.com

**AUTHORIZING
REGARDING
INSTRUCTIONS SENT
ELECTRONICALLY:**

Each Loan Party authorizes the Bank to do all things as authorized by such Loan Party even if such authorization is sent by fax or by e-mail and the Bank may deem such authorization valid and sufficient and the aforementioned presumption of accuracy shall apply to the authorization, whether it is required for transmitting information, a debit, issuing drafts or certified cheques or for any other purpose. Moreover, the Bank will not be held liable for any fees or delays which may be caused when an instruction is sent whether due to a technical problem attributable to the systems in use at the Bank or otherwise.

PAYMENTS:

Unless otherwise indicated herein, the obligation of each Loan Party to make all payments under this Offering Letter and the Security shall be absolute and unconditional and shall not be limited or affected by any circumstance, including, without limitation:

1. Any set-off, compensation, counterclaim, recoupment, defence or other right which such Loan Party may have against the Bank of anyone else for any reason whatsoever; or
2. Any insolvency, bankruptcy, reorganization or similar proceedings by or against such Loan Party.

All payments to be made under this Offering Letter shall be made in Canadian Dollars.

All payments made under this Offering Letter shall be made on or prior to 1:00 p.m. Mountain Time on the day such payment is due. Any payment received after 1:00 p.m. Mountain Time shall

be deemed to have been received on the following day. Whenever a payment is due on a day which is not a Business Day, such due day shall be extended to the next Business Day and such extension of time shall be included in the computation of any interest payable.

SET-OFF:

The Bank shall have the right to set-off and apply any funds of any Loan Party deposited with or held by the Bank from time to time, and any other indebtedness owing to any Loan Party by the Bank, against any of the amounts outstanding under this Offering Letter from time to time.

JUDGMENT CURRENCY:

If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Offering Letter it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then such conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose, rate of exchange means the rate at which the Bank would, on the relevant day, be prepared to sell a similar amount of such currency against the Judgment Currency.

RIGHTS AND REMEDIES CUMULATIVE:

The rights, remedies and powers of the Bank under this Offering Letter, the Security, at law and in equity are cumulative and not alternative and are not in substitution for any other remedies, rights or powers of the Bank, and no delay or omission in exercise of any such right, remedy or power shall exhaust such rights, remedies and powers to be construed as a waiver of any of them.

WAIVERS AND AMENDMENTS:

No term, provision or condition of this Offering Letter or any of the Security, may be waived, varied or amended unless in writing and signed by a duly authorized officer of the Bank.

INTEREST ACT (CANADA):

Any interest rate set forth in this Offering Letter based on a period less than a year expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such interest rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based. The Borrower hereby waives, to the fullest extent it may do so under law, any provisions of law, including specifically the *Interest Act* (Canada) or the *Judgment Interest Act* (Alberta), which may be inconsistent with this Offering Letter.

GAAP / IFRS:

All financial statements required to be furnished by the Borrower to the Bank hereunder shall be prepared in accordance with GAAP. Each accounting term used in this Offering Letter, unless otherwise defined herein, has the meaning assigned to it under GAAP and, except as otherwise provided herein, reference to

any balance sheet item, statement of income item or statement of cash flows item means such item as computed from the applicable financial statement prepared in accordance with GAAP. If there occurs a change in GAAP (an "Accounting Change"), including as a result of a conversion to International Financial Reporting Standards ("IFRS"), and such change would result in a change (other than an immaterial change) in the calculation of any financial covenant, standard or term used hereunder, then at the request of the Borrower or the Bank, the Borrower and the Bank shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of the Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by the Borrower or the Bank, the Borrower and the Bank have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change.

GOVERNING LAW:

This Offering Letter shall be construed and governed in accordance with the laws of the Province of Alberta. Each Loan Party irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.

REVIEW BY THE BANK:

The Borrower hereby acknowledges and agrees that the Bank may, in the Bank's sole and unfettered discretion:

- (a) conduct a review of the Offering Letter, Security, any Additional Security, Credit Facilities and any and all other documents, instruments, agreements, or transactions in connection therewith at any time including following the early settlement of any Financial Instruments by the Borrower, the sale or other disposition by the Borrower of any assets of the Borrower subject to the Bank's security; and
- (b) conduct a review of the borrowing base in respect of the Credit Facilities on June 1, 2016,

(collectively, the "Review"). The Bank shall in its absolute discretion be permitted to conduct a Review. Any such Review is and shall be subject to the Bank's ongoing right to demand repayment of any and all amounts outstanding, pursuant to the Offering Letter or Credit Facilities, at any time in the Bank's sole and unfettered discretion.

EXPIRY DATE:

This Offering Letter is open for acceptance until January 16, 2016, (as may be extended from time to time as follows, the "Expiry Date") at which time it shall expire unless extended by mutual consent in writing. We reserve the right to cancel our offer at any time prior to acceptance.

If the foregoing terms and conditions are acceptable, please sign two copies of this Offering Letter and return one copy to the Bank by the Expiry Date. This Offering Letter may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. The delivery of a facsimile or other electronic copy of an executed counterpart of this Offering Letter shall be deemed to be valid execution and delivery of this Offering Letter, but the party delivering a facsimile or other electronic copy shall deliver an original copy of this Offering Letter as soon as possible after delivering the facsimile or other electronic copy.

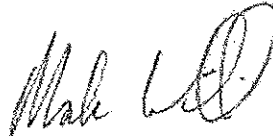
National Bank of Canada appreciates the opportunity of providing this Offering Letter to Manitok Energy Inc. We look forward to a continuing and mutually beneficial relationship.

Yours truly,

NATIONAL BANK OF CANADA



Erin R. Welte
Director
Energy Group



Mark Williamson
Managing Director and Head Credit Capital
Markets Calgary

AGREED AND ACCEPTED this ___ day of January, 2016

MANITOK ENERGY INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

If the foregoing terms and conditions are acceptable, please sign two copies of this Offering Letter and return one copy to the Bank by the Expiry Date. This Offering Letter may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. The delivery of a facsimile or other electronic copy of an executed counterpart of this Offering Letter shall be deemed to be valid execution and delivery of this Offering Letter, but the party delivering a facsimile or other electronic copy shall deliver an original copy of this Offering Letter as soon as possible after delivering the facsimile or other electronic copy.

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Yours truly,

NATIONAL BANK OF CANADA

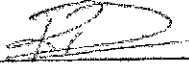
Erin R. Welte
Director
Energy Group

Mark Williamson
Managing Director and Head Credit Capital
Markets Calgary

AGREED AND ACCEPTED this 15 day of January, 2016

MANITOK ENERGY INC.

Per: 
Name: **Massimo M. Geremia**
Title: **President & CEO**

Per: 
Name: **Robert G. Dion**
Title: **Vice President, Finance & CFO**

APPENDIX A

<u>CREDIT:</u>	Energy Group National Bank of Canada 311 — 6 Avenue SW, Suite 1800 Calgary, AB T2P 3H2	Director: Telephone: Facsimile: E-mail:	Mr. Erin Welte (403) 294-4951 (403) 294-3078 erin.welte@nbc.ca
		Associate: Telephone: Facsimile: E-mail:	Ms. Audrey Ng (403) 294-4966 (403) 294-3078 audrey.ng@nbc.ca
<u>ADMINISTRATION:</u>	BA Administration; Current Account Documents; L/C/Gs; MasterCard; Loan/Account Balances; CAD/USD Money Orders/Bank Drafts; Bank Confirmations; Investments; General Inquiries	Account Representative: Telephone: Facsimile: E-mail:	Mrs. Marj Brown (403) 294-4956 (403) 294-3078 marj.brown@nbc.ca
		Senior Secretary: Telephone: Facsimile: E-mail:	Ms. Yelania May (403) 355-3584 (403) 294-3078 yelania.may@nbc.ca
<u>BRANCH:</u>	Calgary Downtown Branch National Bank of Canada 301 — 6 Avenue SW Calgary, AB T2P 4M9	Telephone: Facsimile:	(403) 294-4900 (403) 294-4965
	Calgary MacLeod Trail Branch National Bank of Canada 430 - 7337 MacLeod Trail South Calgary, AB T2H 0L8	Telephone: Facsimile:	(403) 592-8515 (403) 265-0831
<u>INTERNET TELEPHONE BANKING:</u>	Order Cheques, Loan/Account Balances; Traces; Stop Payments, List of Current Account Transactions; Pay Bills; Transfer Between Accounts	Website: Telephone:	www.nbc.ca (888) 483-5628
<u>OTHER:</u>	Internet Banking	Manager, Global Cash Management: Telephone: Facsimile: E-mail:	Ms. Kathy Holland (403) 294-4948 (403) 476-1000 kathy.holland@nbc.ca
	Foreign Exchange & Interest Rates National Bank of Canada 311 - 6 Avenue SW, 6 th Floor Calgary, AB T2P 3H2	Director, Risk Management Solutions: Telephone: Facsimile: E-mail:	Mr. George Androulidakis (403) 440-1126 (403) 294-4923 george.androulidakis@tres.bnc.ca
	Commodity Derivatives 311 - 6 Avenue SW, 6 th Floor Calgary, AB T2P 3H2	Telephone: Facsimile: E-mail:	(403) 294-4935 (403) 294-4923 energy@nbcenergy.com

APPENDIX B

COMPLIANCE CERTIFICATE

To: National Bank of Canada
311— 6 Avenue SW, Suite 1800
Calgary, AB

I _____, of the City of _____, in the Province of _____
hereby certify as at the date of this Certificate as follows:

1. I am the _____ of _____ (the "Borrower") and I am authorized to provide this Certificate to you for and on behalf of the Borrower;
2. This Certificate applies to the fiscal quarter ended _____;
3. I am familiar with and have examined the provisions of the Offering Letter dated _____, between the Borrower and National Bank of Canada and I have made such investigations of corporate records and inquiries of other officers and senior personnel of each Loan Party as I have deemed reasonably necessary for purposes of the Certificate;
4. As of the date hereof, the Borrower confirms that all of its subsidiaries (if any) are Loan Parties.
5. The representations and warranties set forth in the Offering Letter are in all material respects true and correct on the date hereof;
6. No Default has occurred and is continuing of which we are aware;
7. As required, I have calculated the Adjusted Working Capital Ratio for the fiscal quarter ended as follows:
_____ : 1.00;
8. As required, I have calculated the Net Debt to Cash Flow Ratio for the fiscal quarter ended as follows:
_____ : 1.00; and
9. All relevant calculations and financial statements are attached.

Except where the context otherwise requires, all capitalized terms used herein have the same meanings as given thereto in the Offering Letter.

This Certificate is given by the undersigned officer in their capacity as an officer of the Borrower without any personal liability on the part of such officer.

Executed at the City of _____, in the Province of _____ this ____ day of _____, 20____.

Yours truly,

MANITOK ENERGY INC.

Per: _____

Name:

Title:

MANITOK ENERGY INC.
COMPLIANCE CERTIFICATE

Calculation of Adjusted Working Capital Ratio

Current Assets	
Current assets	\$
Less: Unrealized Hedging Gains	()
Add: Undrawn Availability under Credit Facility A	<u>\$ (A)</u>
 Current Liabilities	
Current liabilities	\$
Less: Unrealized Hedging Losses	()
Less: Current Portion of Bank Debt	()
	<u>\$ (B)</u>

Adjusted Working Capital Ratio calculated as follows:

$$\frac{A}{B} =$$

Calculation of Net Debt to Cash Flow Ratio Net Debt

Net Debt	
Debt	\$
+ Working Capital Deficit (any positive working capital deducted)	\$
Net Debt	<u>\$</u>

Quarterly Cash Flow

Net earnings for the fiscal quarter ending	\$
+ Depletion, depreciation, accretion, and amortization	\$
+ Deferred income taxes	\$
+ Other charges to operations not requiring a current cash payment	\$
- Non-cash income	\$
- Unrealized mark to market gains	\$
- Capital Lease payments	\$

- Abandonment costs paid in cash	\$
- Stock based compensation	\$
- Extraordinary or nonrecurring earnings, gains, and losses	\$
+/- Such other amounts as reasonably requested by the Bank.	\$
Quarterly Cash Flow	<u>\$</u>

Quarterly Cash Flow (annualized) \$ _____ x 4 = \$

Net Debt to Cash Flow Ratio calculated as follows:

$$\frac{\text{Net Debt}}{\text{Annualized Cash Flow}} =$$

APPENDIX C

DEFINITIONS

In the Offering Letter, including all Appendices to the Offering Letter, and in all notices given pursuant to the Offering Letter, unless something in the subject matter or context is inconsistent therewith, capitalized words and phrases shall have the meanings given to them in the Offering Letter in their proper context, and capitalized words and phrases not otherwise defined in the Offering Letter shall have the following meanings:

"Adjusted Working Capital Ratio" means the ratio of (i) Current Assets plus undrawn Availability under Credit Facility A to (ii) Current Liabilities.

"Advance" means an advance of funds made by the Bank under a Credit Facility to the Borrower, or if the context so requires, an advance of funds under one or more of the Credit Facilities or under one or more of the availability options of one or more of the Credit Facilities, and any reference relating to the amount of Advances shall mean the sum of the principal amount of all outstanding Prime Rate Loans, plus the Face Amount of all outstanding BAs and the stated amount of all L/C/Gs as applicable.

"Appendix" means an appendix to the Offering Letter.

"Applicable Margin" means, at any time, a margin, expressed as a rate per annum for Availability Fees and payable to the Bank, as set out in the Pricing Grid for Facility A under the then Net Debt to Cash Flow Ratio applicable.

"Availability" means the availability of a Credit Facility as described under the section heading "AVAILABILITY", with respect to the applicable Credit Facility.

"Basket Amount" means, at any time, the amount equal to 5% of the then maximum amount of Credit Facility A.

"bps" means one one-hundredth of one percent.

"Business Day" means a day on which banks are open for business in Calgary, Alberta, Montreal, Quebec and Toronto, Ontario; but does not, in any event, include a Saturday or Sunday.

"Calgary Branch of the Bank" means the branch of the Bank at 301 — 6 Avenue SW, Calgary, AB T2P 4M9, fax (403) 294-4965, or such other address as the Bank may notify the Borrower from time to time.

"Canadian Dollars", "Cdn Dollars", "Cdn\$", "CAS" and "\$" mean the lawful money of Canada.

"Capital Lease" means, with respect to any Person, any lease or other arrangement relating to real or personal property which should, in accordance with GAAP, be accounted for as a capital lease on a balance sheet of such Person but excluding any lease that would in accordance with GAAP be determined to be an operating lease.

"Cash Flow" means, at any time, the annualized cash flow of the Borrower on a consolidated basis for the most recent fiscal quarter as determined from its quarterly financial statements for

that fiscal quarter, which for certainty means an annualized aggregate amount expressed in Canadian Dollars of the sum, without duplication, of its:

- (a) net earnings (but excluding from the determination of net earnings, non-cash income, unrealized mark to market gains, Capital Lease payments, any abandonment costs paid in cash, cash taxes and any extraordinary or nonrecurring earnings, gains, and losses);
- (b) depletion, depreciation, accretion and amortization;
- (c) exploration and evaluation expenses to the extent deducted from net income;
- (d) future income taxes; and
- (e) other charges to operations not requiring a current cash payment,

it being acknowledged that such annualized cash flow shall be adjusted for such other amounts as reasonably requested by the Bank during such fiscal quarter.

"Change of Control" means the occurrence of any of the following events, with respect to any Loan Party:

- (a) any Person or Persons acting jointly or in concert (within the meaning of the *Securities Act (Alberta)*), shall beneficially, directly or indirectly, hold or exercise control or direction over and/or has the right to acquire or control or exercise direction over (whether such right is exercisable immediately or only after the passage of time) more than 30% of the issued and outstanding Voting Shares of such Loan Party; or
- (b) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of such Loan Party cease, for any reason, to constitute at least a majority of the board of directors of such Loan Party unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period (the **"Incumbent Directors"**) and in particular, any new director who assumes office in connection with or as a result of any actual or threatened proxy or other election contest of the board of directors of the Borrower shall never be an Incumbent Director; or
- (c) such Loan Party ceases to own, control or direct 100% of the Voting Shares of a subsidiary.

"Compliance Certificate" means a certificate of an officer of the Borrower signed on its behalf by the president, chief executive officer, chief operating officer, chief financial officer or any vice president of the Borrower, substantially in the form annexed hereto as Appendix B, to be given to the Bank by the Borrower from time to time pursuant to the Offering Letter.

"Credit Facilities" means, collectively, Credit Facility A, Credit Facility B, Credit Facility C and the Risk Management Facility, each to be made available to the Borrower by the Bank in accordance with the provisions of the Offering Letter.

"Current Assets" means, as at any date of determination, the current assets of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding the impact of any Unrealized Hedging Gains.

"Current Liabilities" means, as at any date of determination, the current liabilities of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding: (i) Current Portion of Bank Debt; and (ii) the impact of any Unrealized Hedging Losses.

"Current Portion of Bank Debt" means any current liabilities under the Credit Facilities other than those that arise due to total advances under a Credit Facility exceeding the maximum amount of such Credit Facility, whether by reduction of maximum amount, fluctuations in exchange rates, reduction due to mandatory repayments, or due to the occurrence of a Default, or due to the Bank's demand for repayment.

"Debt" means, as at any date of determination, all obligations, liabilities and indebtedness of the Borrower which would, in accordance with generally accepted accounting principles, be classified upon a consolidated balance sheet of the Borrower for such date as indebtedness for borrowed money and, without limiting the generality of the foregoing, whether or not so classified, shall include (without duplication):

- (a) obligations under BAs;
- (b) issued and drawn L/C/Gs;
- (c) obligations under guarantees, indemnities, or such other agreements providing financial assistance;
- (d) Capital Leases or sales/lease-backs;
- (e) obligations under deferred purchase price agreements;
- (f) deferred revenues relating to third party obligations;
- (g) the redemption amount of any capital where the holder of such capital has the option to require the redemption of such capital for cash or property and payment of the redemption amounts;
- (h) any distributions declared but not yet paid; and
- (i) all mark to market losses under any Financial Instruments that are due and owing.

"Default" means any event or condition which, with the giving of notice, lapse of time or both, or upon a declaration or determination being made (or any combination thereof), would constitute an Event of Default.

"Environmental Defect" means any environmental liabilities relating to the Assets or any portion of them which would not be acceptable to a prudent purchaser of the Assets acting reasonably and which materially adversely affects the market value or use of the particular Assets affected thereby.

"Face Amount" means (i) in respect of a BA, the amount payable to the holder thereof on its maturity, and (ii) in respect of a L/C/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C/G.

"Financial Instrument" means any currency swap agreement, cross-currency agreement, interest swap agreement, agreement for the making or taking of delivery of any commodity, commodity swap agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar risk management agreement or arrangement, or any combination thereof, to be entered into by the Borrower where (i) the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt) (ii) the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time, or (iii) the subject matter of the same is any commodity or the price, value or amount payable thereunder is dependent or based upon the price of any commodity or fluctuations in the price of any commodity.

"Generally Accepted Accounting Principles" or **"GAAP"** means generally accepted accounting principles consistently applied which are in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants and other primary sources recognized from time to time by the Canadian Institute of Chartered Accountants.

"Governmental Authority" means any federal, provincial, state, regional, municipal or local government or any department, agency, board, tribunal or authority thereof or other political subdivision thereof and any entity or person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government or the operation thereof

"Governmental Authorization" means an authorization, order, permit, approval, grant, license, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree or demand or the like issued or granted by law or by rule or regulation of any Governmental Authority.

"ISDA Master Agreement" means an International Swap and Derivatives Association, Inc. Master Agreement (Multi Currency - Cross-Border) as from time to time amended, restated or replaced by the International Swap and Derivatives Association, Inc., including the schedule thereto and any confirmation thereunder as entered into by the Borrower with any counterparty thereto.

"Material Adverse Effect" means a material adverse effect on:

- (a) the business, financial condition, operations, assets or capitalization of the Borrower on a consolidated basis and taken as a whole;
- (b) the ability of any Loan Party to pay or perform the obligations under this Offering Letter or the ability of any Loan Party to pay or perform any of its obligations or contingent obligations under any Security or any underlying agreements or document delivered pursuant to this Offering Letter or the Security;

- (c) the ability of any Loan Party to perform its obligations under any material contract, if it would also have a material adverse effect on the ability of such Loan Party to pay or perform its obligations under this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security;
- (d) the validity or enforceability of this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security; and
- (e) the priority ranking of any security interests granted by this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security, or the rights or remedies intended or purported to be granted to the Bank under or pursuant to this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security.

"Net Debt" means at any time, on a consolidated basis, the aggregate amount (without duplication) expressed in Canadian Dollars of (a) Working Capital Deficit plus (b) Debt.

"Net Debt to Cash Flow Ratio" means at any time, the ratio of (i) Net Debt to (ii) Cash Flow.

"Offering Letter" means the offering letter to which this appendix is appended, and any appendices thereto, as amended, supplemented, modified, restated or replaced from time to time.

"Permitted Contest" means action taken by a Loan Party in good faith by the appropriate proceedings diligently pursued to contest a tax, claim or security interest, provided that:

- (a) such Loan Party has established reasonable reserves therefor in accordance with GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the property, assets or undertaking of any Loan Party.

"Permitted Encumbrance" means at any particular time any of the following encumbrances on the property or any part of the property of any Loan Party:

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (b) liens under or pursuant to any judgment rendered, or claim filed, against a Loan Party, which such Loan Party shall be contesting at the time by a Permitted Contest;

- (c) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law against any Loan Party or which relate to obligations not due or delinquent, or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (d) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of any Loan Party;
- (e) security given by any Loan Party to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of such Loan Party, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of any Loan Party;
- (f) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (g) security interests in favour of the Bank securing the obligations of any Loan Party under the Offering Letter or the Security;
- (h) the Security;
- (i) liens for Purchase Money Security Interests and Capital Leases of up to \$3,500,000;
- (j) liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of petroleum or natural gas interests, related production or processing facilities in which such Person has an interest or the transmission of petroleum or natural gas as security in favour of any other Person conducting the exploration, development, operation or transmission of the property to which such liens relate, for any Loan Party's portion of the costs and expenses of such exploration, development, operation or transmission, provided that such costs or expenses are not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (k) liens for penalties arising under non-participation or independent operations provisions of operating or similar agreements in respect of any Loan Party's petroleum or natural gas interests, provided that such liens do not materially detract from the value of any material part of the property of any Loan Party;

- (l) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to all or any of the petroleum or natural gas interests of any Loan Party;
- (m) any encumbrance or agreement entered into in the ordinary course of business relating to pooling or a plan of unitization affecting the property of any Loan Party, or any part thereof;
- (n) the right reserved or vested in any municipality or governmental or other public authority by the terms of any petroleum or natural gas leases or similar agreements in which any Loan Party has any interest or by any statutory provision to terminate petroleum or natural gas leases or similar agreements in which any Loan Party has any interest, or to require annual or other periodic payments as a condition of the continuance thereof;
- (o) obligations of any Loan Party to deliver petroleum, natural gas, chemicals, minerals or other products to buyers thereof in the ordinary course of business;
- (p) royalties, net profits and other interests and obligations arising in accordance with standard industry practice and in the ordinary course of business, under petroleum or natural gas leases or similar agreements in which any Loan Party has any interest; and
- (q) a farmout or overriding royalty interest created in respect of petroleum or natural gas interests or facilities that is granted or entered into in the ordinary course of business, in compliance with the terms of the Offering Letter and in accordance with sound industry practice to facilitate the orderly exploration or development thereof.

"Person" or **"person"** means and includes an individual, a partnership, a corporation, a joint stock company, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

"Prime Rate" means the rate of interest per annum, based on a 365 or 366 day period, as the case may be, in effect from time to time that is equal to the greater of:

- (a) the rate of interest publicly announced by the Bank from time to time as being its reference rate then in effect for determining interest rates for commercial loans in Canadian Dollars made by the Bank in Canada; and
- (b) the average annual rate (rounded upwards, if necessary, to 0.01%) as determined by the Bank as being the average of the "BA 1 month" CDOR Rate applicable to bankers' acceptances in Canadian Dollars displayed and identified as such on the "Reuters Screen CDOR Page" (as defined in the International Swap and Derivatives Association, Inc. definitions, as modified and amended from time to time) plus 1.00%; provided that if such rates do not appear on the Reuters Screen CDOR Page as contemplated, then the CDOR Rate on any day shall be calculated as the arithmetic average of the 30-day discount rates applicable to bankers' acceptances in Canadian Dollars quoted by three major Canadian Schedule I chartered banks chosen by the Bank as of approximately

10:00 a.m. on such day, or if such day is not a Business Day, then on the immediately preceding Business Day.

"Stamping Fee" means, at any time, a margin, expressed as a rate per annum based on a 365 day period, charged by the Bank for accepting and stamping BAs.

"Unrealized Hedging Gains" means mark to market unrealized gains in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"Unrealized Hedging Losses" means mark to market unrealized losses in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"Voting Shares" means:

- (a) in respect of a corporation or limited liability company, shares of any class or equity ownership interests of such entity:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;

provided that subparagraph (ii) above shall not include voting rights created solely by statute, such as those rights created pursuant to section 183(4) of the Business Corporations Act (Alberta) as in effect on the date of the Offering Letter;

- (b) in respect of a trust, trust units of the trust:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;
- (c) in respect of a partnership, the partnership interests or partnership units:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and is continuing.

"Working Capital Deficit" means Current Liabilities minus Current Assets.



NATIONAL
BANK

Writer's Direct Line
(403) 294-4951

December 31, 2015

BY COURIER

Manitok Energy Inc.
585 — 8 Avenue SW, Suite 2600
Calgary, Alberta T2P 1G1

ATTENTION:

Massimo M. Geremia
President & CEO

Rob Dion
VP Finance & CFO

Dear Sirs:

RE: CREDIT FACILITIES — NATIONAL BANK OF CANADA / MANITOK ENERGY INC.

Reference is made to the amended and restated Offering Letter (the "Offering Letter") dated December 31, 2015 between National Bank of Canada and Manitok Energy Inc. Capitalized terms used in this letter have the same meaning in the Offering Letter. The Bank hereby confirms and agrees with the Borrower that, notwithstanding any stipulation in the Offering Letter that any amounts advanced thereunder are repayable upon demand, the Bank will not issue a demand for repayment prior to June 1, 2016 unless an Event of Default or Default occurs.

Yours truly,

NATIONAL BANK OF CANADA

Erin R. Welte
Director
Energy Group

Luke Puxley
Director
Energy Group

Writer's Direct Line
(403) 294-4937

October 27, 2016

BY COURIER

Manitok Energy Inc.
585 — 8 Avenue SW, Suite 2600
Calgary, Alberta T2P 1G1

ATTENTION: Massimo M. Geremia
President & CEO

Rob Dion
VP Finance & CFO

Dear Sirs:

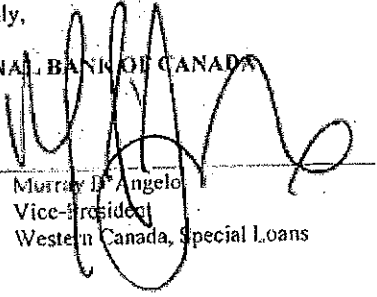
RE: CREDIT FACILITIES – NATIONAL BANK OF CANADA / MANITOK ENERGY INC.

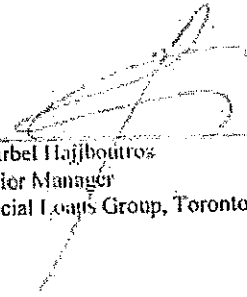
National Bank of Canada is pleased to advise that we have approved and offer Manitok Energy Inc. the following uncommitted demand Credit Facilities, on and subject to the terms and conditions described in this offering letter (as amended, amended and restated, supplemented, modified or replaced from time to time, the "Offering Letter"). This Offering Letter amends and restates in its entirety the offering letter dated December 31, 2015, as amended by a first amending agreement dated June 1, 2016, between the Bank and the Borrower. All obligations, liabilities and indebtedness outstanding under that offering letter are deemed to be Obligations under this Offering Letter under the related Credit Facility.

National Bank of Canada appreciates the opportunity of providing this Offering Letter to Manitok Energy Inc.. We look forward to our continuing and mutually beneficial relationship.

Yours truly,

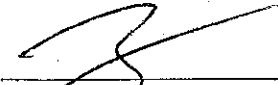
NATIONAL BANK OF CANADA

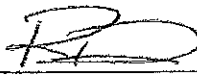

Name: Murray D. Angelo
Title: Vice-President
Western Canada, Special Loans


Name: Charbel Hajiboutros
Title: Senior Manager
Special Loans Group, Toronto

AGREED AND ACCEPTED this 27 day of October, 2016.

MANITOK ENERGY INC., as Borrower

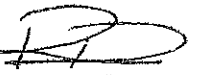
Per: 
Name: Massimo M. Geremia
Title: President & CEO

Per: 
Name: Robert G. Dion
Title: Vice President, Finance & CFO

ACKNOWLEDGED AND ACCEPTED this 27 day of October, 2016.

RAIMOUNT OIL AND GAS INC., as Guarantor

Per: 
Name: Massimo M. Geremia
Title: President & CEO

Per: 
Name: Robert G. Dion
Title: Vice President, Finance & CFO

BORROWER: Manitok Energy Inc. (the "Borrower" or "Loan Party").

GUARANTOR: Raimount Oil and Gas Inc. ("Raimount" or "Loan Party")

LENDER: National Bank of Canada (the "Bank").

CREDIT FACILITY A: The Bank hereby establishes in favour of the Borrower an uncommitted demand revolving credit facility ("Credit Facility A") for up to \$30,000,000 in Canadian Dollars (the "Credit Facility A Maximum Amount").

Purpose: Credit Facility A shall only be used for the Borrower's general corporate purposes and capital expenditures. For clarity, the Borrower shall not use Credit Facility A to fund any corporate transaction or fees payable to counterparties in connection therewith including, without limitation, break fees, other than with the Bank's prior written consent.

Accommodations and Notice: Subject to the other provisions hereof, Credit Facility A is available at the Borrower's option by way of any one or more of the following:

- (a) Advances in Canadian Dollars with interest thereon calculated with reference to the Prime Rate ("Prime Rate Loans") plus the Applicable Margin. Prime Rate Loans shall revolve in whole multiples of Cdn.\$50,000. Advances by way of Prime Rate Loans shall not require any notice to the Bank, and for certainty, any cheque, payment instructions or other debit authorization resulting in any Canadian Dollar account of the Borrower with the Bank will be deemed to be a request for an Advance by way of Prime Rate Loan under Credit Facility A, in each case, in accordance with the terms hereof; and
- (b) letters of credit and/or letters of guarantee ("L/C/Gs") having a maximum term of one year. The aggregate face amount of all issued and outstanding L/C/Gs shall at no time exceed \$5,000,000. Advances by way of L/C/Gs shall require at least 3 Business Days' prior written notice from the Borrower to the Bank in the form of an Advance Request;

Availability: Credit Facility A may revolve in multiples as permitted under this Offering Letter, and the Borrower may borrow, repay, re-borrow and convert between different types of accommodations, up to the amounts and subject to the terms and conditions of this Offering Letter. Notwithstanding any other provision hereof to the contrary, Credit Facility A is uncommitted in nature and is not automatically available upon satisfaction of the terms and conditions set out herein. The Bank may cancel the availability of Credit Facility A at any time without notice or demand, acting in its sole and unfettered discretion. Notwithstanding any such cancellation, all fees paid to the Bank hereunder with respect to Credit Facility A shall be considered earned by the Bank and payable by the Borrower, other than with the Bank's prior written consent.

Interest Rates and Fees: Prime Rate Loans
The Borrower shall pay interest calculated daily and payable monthly, not in advance, on the outstanding principal amount of Prime Rate Loans drawn under Credit Facility A at a rate per annum equal to the Prime Rate as designated from time to time by the Bank, plus 3% per annum. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month (or, if such day is not a Business Day, on the next Business Day) until all amounts owing to the Bank are paid in full. Interest shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

L/C/Gs

The issuance fee for each L/C/G issued under Credit Facility A shall be equal to 4.25% per annum and shall be determined based on the face amount of the L/C/G issued and the number of months that the L/C/G is outstanding in a year of 365 or 366 days, as the case may be, with any portion of 31 days to be considered a complete month (the "L/C/G Fee"). The foregoing L/C/G Fee shall be payable in its entirety upon issuance and shall be non-refundable. The L/C/G Fee shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

Availability Fee

The Borrower shall pay to the Bank a non-refundable fee equal to the Applicable Margin, based on a 365 or 366 day year, as the case may be, on the undrawn portion of Credit Facility A (the "CFA Availability Fee"), calculated daily and payable monthly in arrears on the first Business Day of each month commencing June 1, 2017.

Repayment on Demand:

Notwithstanding any provision to the contrary in this Offering Letter, Credit Facility A is uncommitted and payable by the Borrower in full on demand by the Bank and the Bank may terminate the availability thereof (including any undrawn portion) at any time without notice; for certainty, upon demand by the Bank:

- (a) the entire principal amount of all Advances then outstanding from Borrower and all accrued and unpaid interest thereon;
- (b) an amount equal to the maximum amount then available to be drawn under all unexpired L/C/Gs;
- (c) all other obligations outstanding hereunder,

shall become immediately due and payable by the Borrower to the Bank, all without any other notice and without presentment, protest, demand, notice of dishonour or any other demand whatsoever (all of which are hereby expressly waived by the Borrower). In such event and if the Borrower does not immediately pay all such amounts upon receipt of such demand, the Bank may, in its discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against the Borrower authorized or permitted by law for the recovery of all the indebtedness and liabilities of the Borrower to the Bank and proceed to exercise any and all rights hereunder and under the Security and no such remedy for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

CREDIT FACILITY B:

The Bank hereby establishes in favour of the Borrower an uncommitted demand credit facility ("Credit Facility B") for up to \$14,200,000 in Canadian Dollars (the "Credit Facility B Maximum Amount").

Purpose:

Credit Facility B shall only be used by the Borrower for general corporate purposes.

Availability:

Credit Facility B is available by way of one Advance as a Prime Rate Loan, such Advance having been fully made (for greater certainty, no further amounts are available under Credit Facility B). Credit Facility B is non-revolving. Amounts repaid under Credit Facility B may not be re-borrowed. Notwithstanding any other provision hereof to the contrary, Credit Facility B is uncommitted in nature and is not automatically available upon satisfaction of the terms and conditions set out herein. The Bank may cancel the availability of Credit Facility B at any time without notice or demand, acting in its sole and unfettered discretion. Notwithstanding any such cancellation, all fees paid to the Bank hereunder with respect to Credit Facility B shall be considered earned by the Bank and payable by the Borrower. The parties hereto agree that Credit Facility B is fully drawn.

Principal Repayments:

Subject to the Bank's ongoing right to demand repayment of Credit Facility B, the Borrower hereby covenants and agrees to pay \$300,000 per month on the first Business Day of each month until all obligations under Credit Facility B have been fully, indefeasibly and irrevocably repaid. The Borrower may at any time, without bonus, premium or penalty, repay the aggregate principal amount outstanding under Credit Facility B.

Interest Rates and Fees:

Prime Rate Loans

The Borrower shall pay interest calculated daily and payable monthly, not in advance, on the outstanding principal amount of Prime Rate Loans drawn under Credit Facility B at a rate per annum equal to the Prime Rate as designated from time to time by the Bank, plus 5% per annum. Interest at the aforesaid rate shall be due and payable on the 26th day of each and every month (or, if such day is not a Business Day, on the next Business Day) until all amounts owing to the Bank are paid in full. Interest shall be paid via automatic debit to the Borrower's account at the Calgary Branch of the Bank.

Repayment on Demand:

Notwithstanding any provision to the contrary in this Offering Letter, Credit Facility B is uncommitted and payable by the Borrower in full on demand by the Bank and the Bank may terminate the availability thereof (including any undrawn portion) at any time without notice; for certainty, upon demand by the Bank:

- (a) the entire principal amount of all Advances then outstanding from Borrower and all accrued and unpaid interest thereon; and
- (b) all other obligations outstanding hereunder,

shall become immediately due and payable by the Borrower to the Bank, all without any other notice and without presentment, protest, demand, notice of dishonour or any other demand whatsoever (all of which are hereby expressly waived by the Borrower). In such event and if the Borrower does not immediately pay all such amounts upon receipt of such demand, the Bank may, in its discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against the Borrower authorized or permitted by law for the recovery of all the indebtedness and liabilities of the Borrower to the Bank and proceed to exercise any and all rights hereunder and under the Security and no such remedy for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

CREDIT FACILITY C:

The Bank hereby establishes in favour of the Borrower a MasterCard facility ("Credit Facility C") for up to \$100,000 in Canadian Dollars (the "Credit Facility C Maximum Amount").

Purpose:

Credit Facility C shall only be used by the Borrower to facilitate travel, entertainment, and supplier expenses for company officers and employees.

Repayment:

Payment in full, monthly or on demand, whichever is earliest.

Interest Rate:

Standard rates as established from time to time by MasterCard.

Evidence of Debt:

MasterCard monthly statements and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter.

CREDIT FACILITY D:

The Bank hereby establishes in favour of the Borrower a risk management facility ("Credit Facility D").

Purpose:

Credit Facility D shall be used by the Borrower for the provision by the Bank and its Affiliates of Financial Instruments.

Availability:

At the Borrower's request, the Bank or its Affiliates may enter in one or more Financial Instruments with the Borrower, subject to the provisions hereof, to Bank availability and to a cross default limit of \$1,000,000. The maximum term of any such Financial Instruments shall not extend beyond December 31, 2017 and shall not be made with any counterparty other than the Bank or its Affiliate.

Settlement:

Settlement as per contract maturities. The Borrower may, with the prior approval of the Bank, such approval to be in the Bank's sole and unfettered discretion and on such terms and conditions as the Bank may stipulate, agree with the counterparty to terminate and settle Financial Instruments prior to the maturity of any such Financial Instrument.

Evidence of Usage:

Executed treasury contracts, executed ISDA Master Agreement with appropriate annexes, other documentation acceptable to the Bank, and the records of the Bank. Such records maintained by the Bank shall constitute in the absence of manifest error prima facie evidence of the obligations of the Borrower to the Bank in respect of Advances made. The failure by the Bank to correctly record any such amount or date shall not adversely affect the obligations of the Borrower to pay amounts due hereunder to the Bank in accordance with this Offering Letter. Absent any other agreement to the contrary, all settlements under Credit Facility D shall be made by automatic debit and credit to the Borrower's account at the Calgary Branch of the Bank.

GENERAL TERMS AND CONDITIONS

DEFINITIONS:

In this Offering Letter, including the Appendices hereto and in all notices given pursuant to this Offering Letter, capitalized words and phrases shall have the meanings given to them in this Offering Letter in their proper context, and words and phrases not otherwise defined in this Offering Letter but defined in Appendix C to this Offering Letter shall have the meanings given to them in Appendix C to this Offering Letter.

INTERPRETATION:

In this Offering Letter, unless otherwise specifically provided, words importing the singular will include the plural and vice versa, words importing gender shall include the masculine, the feminine and the neuter, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile.

INTEREST AND FEE CALCULATION AND PAYMENT:

Interest is payable both before and after demand and judgment. Notwithstanding any other provision hereof, in the event that any amount due hereunder (including, without limitation, any interest payment) is not paid when due (whether by demand or otherwise), the Borrower shall pay interest on such unpaid amounts (including, without limitation, interest on interest), if and to the fullest extent permitted by applicable law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is received for value at the required place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded monthly and be payable on demand, after as well as before demand and judgment, at a rate per annum that is equal to the Prime Rate plus the Applicable Margin plus 2.00% per annum for amounts due in Cdn.\$.

Changes in the Prime Rate shall cause an immediate adjustment of the interest rate applicable to Prime Based Loans, respectively, and all overdue obligations, liabilities and indebtedness (in each case) without the necessity of any notice to the Borrower.

Whenever a rate of interest or other rate per annum hereunder is calculated on the basis of a year (the "deemed year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest or other rate per annum shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Offering Letter; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after demand and judgment. The rates of interest specified in this Offering Letter are intended to be nominal rates and not effective rates. Interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

FEES:

The Borrower shall pay to the Bank a non-refundable amendment fee in the amount of \$10,000, due and payable upon execution of this Offering Letter.

This fee is in addition to and not in substitution for any other fees due and payable under this Offering Letter.

CHANGE IN APPLICABLE MARGIN:

Whenever this Offering Letter calls for a change in the Applicable Margin or fees by reason of a change in the Net Debt to Cash Flow Ratio, each such change shall be

effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided.

In respect of Availability Fees, the Borrower shall pay the fee at the new Applicable Margin effective on the first day of the fourth month following the end of the fiscal quarter for which the Compliance Certificate was provided, notwithstanding that any Advance was made prior to such date and notwithstanding that Availability Fees prior to delivery of the Compliance Certificate were calculated and paid based upon the Applicable Margins previously in effect.

In the event that the Borrower should fail to provide a Compliance Certificate as and when required hereunder, then, at the discretion of the Bank, the Applicable Margin in all cases shall automatically be increased to the highest Net Debt to Cash Flow Ratio level in the pricing grid set out in the definition of "Applicable Margin" until such time as the Compliance Certificate is delivered.

**INDEMNITY; L/C/G
LIABILITIES:**

In consideration of the Bank issuing L/C/Gs under the Credit Facilities from time to time, the Borrower hereby undertakes and agrees to indemnify the Bank to the extent of any payment the Bank makes under any L/C/Gs issued hereunder. Furthermore, the Borrower agrees to indemnify and save the Bank, its successors and assigns, harmless from and against any and all losses, costs, damages, or expenses which the Bank may suffer or incur in any manner whatsoever by reason of the Bank issuing the said L/C/Gs from time to time. The Borrower's obligation to reimburse the Bank for payments and disbursements made by the Bank under any L/C/G is absolute and unconditional under any and all circumstances and irrespective of any set-off, counterclaim or defence to payment which the Borrower may have or have had against the Bank or the beneficiary of the L/C/G.

The Bank shall not have any responsibility or liability for, or any duty to inquire into the authorization, execution, signature, endorsement, correctness, genuineness, or legal effect of any certificate or other document presented to the Bank pursuant to any L/C/G and which, on its face, complies with the drawing requirements of the L/C/G and the Borrower fully and unconditionally assumes all risks with respect to same. Without limiting the generality of the foregoing, it is agreed that any payment made by the Bank in good faith under and in accordance with the terms of any L/C/G shall be binding upon the Borrower and shall not result in any liability of the Bank to the Borrower and shall not lessen the obligations of the Borrower hereunder.

It is understood and agreed that any demand or request made upon the Bank for payment under any L/C/Gs issued hereunder by any beneficiary in material compliance with the terms of any such L/C/G will be the Bank's sufficient authority to pay thereunder and the Bank shall not be required to determine the validity or sufficiency of such demand or request.

It is further understood and agreed that until otherwise instructed by the Borrower, the Bank may extend or renew any L/C/Gs issued hereunder in accordance with its terms, without requiring a further authorization or request from the Borrower and that this indemnity and the other provisions of this Offering Letter shall apply to any such extension or renewal.

**L/C/G
REIMBURSEMENT:**

The Borrower shall forthwith reimburse the Bank for all drawings made on L/C/Gs on the date such drawings are made, failing which, such drawings shall be converted to: a Prime Based Loan for Canadian Dollar drawings. If any L/C/G is issued in a currency other than Canadian Dollars and the Borrower has not reimbursed the Bank for all drawings made on such L/C/G on the date such drawings were made, such drawings

shall be converted to a Prime Based Loan in Canadian Dollars at the rate of exchange that the Bank could normally purchase Canadian Dollars on such date.

SECURITY:

The following security shall be completed, duly executed, delivered, and registered, where necessary, to the entire satisfaction of the Bank and its counsel. All present and future security (the "Security") and the terms thereof shall be held by the Bank as continuing security for all Obligations including, without limitation, for the repayment of all loans and Advances made hereunder and for other loans and Advances that may be made from time to time in the future whether hereunder or otherwise. For greater certainty, Obligations under any Financial Instruments entered into at any time with the Bank (or any of its subsidiaries or Affiliates from time to time) are deemed to be Obligations hereunder and are secured by the Security on a *pari passu* basis and shall rank *pari passu* with all other Obligations. Where applicable, the Security will be in the Bank's standard form.

Security Currently Held:

- (a) a \$200,000,000 Demand Debenture, dated February 4, 2013, granted by the Borrower in favour of the Bank;
- (b) a Debenture Pledge Agreement, dated February 4, 2013, granted by the Borrower, in favour of the Bank; and
- (c) a General Assignment of Book Debts, dated February 4, 2013, granted by the Borrower in favour of the Bank;
- (d) An acknowledgement of Debt Revolving Demand Credit Agreement in the face amount of \$30,000,000 dated January 15, 2016;
- (e) a Variable Rate Demand Promissory Note dated January 20, 2016 in the face amount of \$30,000,000 duly executed and delivered to the Bank by the Borrower;
- (f) a guarantee of Raimount dated September 1, 2016 in favour of the Bank;
- (g) a \$200,000,000 Demand Debenture, dated September 1, 2016 granted by the Raimount, in favour of the Bank;
- (h) a Debenture Pledge Agreement, dated September 1, 2016, granted by Raimount, in favour of the Bank; and
- (i) a General Assignment of Book Debts, dated September 1, 2016, granted by Raimount, in favour of the Bank.

Agreement To Be Obtained:

- (j) the Intercreditor Agreement;

RELEASE:

The Borrower shall not be discharged from the Security or any part thereof except by a written release and discharge signed by the Bank.

FORM/REGISTRATION:

The Security will be in such form or forms as will be required by the Bank, acting reasonably, and will be registered by the Bank or its counsel in such public registry offices in Canada or any province thereof as the Bank, acting reasonably, may from time to time require to protect and perfect the liens created thereby. Should the Bank determine at any time and from time to time, acting reasonably, that the form and nature of the then existing Security is deficient in any way or does not fully provide the Bank with the liens and priority to which each is entitled hereunder, the Borrower will forthwith execute and deliver or cause to be executed and delivered to the Bank,

at the Borrower's expense, such amendments to the Security or provide such new security as the Bank may reasonably request.

AFTER-ACQUIRED PROPERTY:

All property acquired by or on behalf of the Borrower or any other Loan Party which forms part of the property of the Borrower or any other Loan Party (hereafter collectively referred to as "After-Acquired Property"), will be subject to the Security without any further conveyance, mortgage, pledge, charge, assignment or other act. Without limiting the effect of the preceding sentence, the Borrower will, or will cause the applicable Loan Party to, from time to time execute and deliver and the Bank will register, all at the Borrower's expense, such instruments supplemental to the Security, in form and substance satisfactory to the Bank, acting reasonably, as may be necessary or desirable to ensure that the Security as amended and supplemented constitutes in favour of the Bank an effective lien to the extent created by the Security over such After-Acquired Property as required hereunder, subject only to Permitted Encumbrances which under applicable law rank in priority thereto.

FIXED CHARGES:

The Borrower, at the request of the Bank, will forthwith grant or cause to be granted to the Bank, a fixed charge in all or any of the Borrower's and the other Loan Parties' property (including any After-Acquired Property) which is intended by the terms of the Loan Documents to be subject to a fixed charge pursuant to the section above titled "SECURITY".

CONTINUING SECURITY:

Each item or part of the Security shall for all purposes be treated as a separate and continuing collateral security and shall be deemed to have been given in addition to and not in place of any other item or part of the Security or any other security now held or hereafter acquired by the Bank. No item or part of the Security shall be merged or be deemed to have been merged in or by this Offering Letter or any documents, instruments or acknowledgements delivered hereunder, or any simple contract debt or any judgment, and any realization of or steps taken under or pursuant to any security, instrument or agreement shall be independent of and not create a merger with any other right available to the Bank under any security, instruments or agreements held by it or at law or in equity.

DEALING WITH SECURITY:

The Bank may grant extensions of time or other indulgences, take and give up securities (including the Security or any part or parts thereof), accept compositions, grant releases and discharges and otherwise deal with the Borrower and other parties and with security (including the Security and each part thereof) as the Bank may see fit, without prejudice to or in any way limiting the liability of the Borrower under this Offering Letter or under any of the Security or any other collateral security.

EFFECTIVENESS:

The Security and the security created by any other document constituted or required to be created shall be effective, and the undertakings as to the Security herein or in any other document required to be delivered hereunder shall be continuing, whether any Advances are then outstanding or any amounts thereby secured or any part thereof shall be owing before or after, or at the same time as, the creation of such security interests or before or after or upon the date of execution of any amendments to this Offering Letter.

FURTHER ASSURANCES:

The Borrower will and will cause each other Loan Party, in connection with the provision of any Security (including any amended, new or replacement Security) to do, make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, agreements, financing statements, assignments, opinions, acts, matters and things which may be reasonably required by the Bank to give effect to the Security or the foregoing.

CONFIRMATION:

The Loan Parties agree with and confirm to the Bank that as of the date hereof, all Security is and shall remain in full force and effect in all respects and shall continue to

exist and apply to all of the Obligations. This confirmation of Security is in addition to and shall not limit, derogate from or otherwise affect any provisions of the Security.

**REPRESENTATIONS
AND WARRANTIES:**

Each Loan Party represents and warrants to the Bank (all of which representations and warranties each Loan Party hereby acknowledges are being relied upon by the Bank in entering into this Offering Letter) that:

- (a) each Loan Party is a corporation or partnership validly existing and in good standing under the laws of its governing jurisdiction and has the power and authority to carry on its business, own property, borrow or incur, as the case may be, monies and other obligations from and to the Bank and its Affiliates, and enter into agreements in respect thereof, execute and deliver the documents required hereunder, and observe and perform the terms and provisions of this Offering Letter and the Security to which it is a party;
- (b) this Offering Letter and the Security has been duly authorized, executed and delivered by the Borrower, and is valid and binding on and enforceable against each, as applicable, except as enforceability may be limited by general principles of equity and laws affecting creditor's rights generally;
- (c) the execution and delivery of this Offering Letter and the Security and the performance by the Borrower of its obligations thereunder do not violate the provisions of the Borrower's constituting documents or by-laws or any law, order, rule or regulation applicable to it;
- (d) each Loan Party has the right to pledge, charge, mortgage, assign or lien its assets in accordance with the Security contemplated by this Offering Letter;
- (e) no default hereunder or under the Security or other documents or agreements required to be delivered hereunder or any Insolvency Event has occurred nor has any event occurred which, in time, would constitute a default under this Offering Letter, the Security such other documents and agreements, or which would constitute a default under any other material agreement to which the Borrower is a party;
- (f) there are no laws, statutes or regulations applicable to or binding on the Borrower and no provisions in the Borrower's articles or by-laws, resolutions, material licenses, material permits, contracts, material agreements, or arrangements that would be contravened, breached or violated by the execution, delivery, performance or observance of any terms of this Offering Letter or the Security nor result in or require the creation or imposition of any security interest upon any of the Borrower assets (other than Permitted Encumbrances);
- (g) the most recent financial statements of the Borrower delivered to the Bank fairly and accurately present the present consolidated financial position of the Borrower, and have been prepared by the Borrower and, as applicable, its auditors in accordance with GAAP, and since the date of such financial statements, no Material Adverse Effect has occurred and is continuing;
- (h) there are no actions, suits or proceedings, including appeals or applications for review, or, to the best of its knowledge, information and belief, any pending actions, suits or proceedings, against the Borrower or any Subsidiary thereof before any court or administrative agency which would or would reasonably be expected to have a Material Adverse Effect on the validity or enforceability of this Offering Letter, the Security or the other documents and agreements required to be delivered hereunder, or result in any Material Adverse Effect, nor are there any orders, judgments, writs, injunctions, decrees or determinations of any court,

- Governmental Authority or private dispute resolving body which could have any of the foregoing effects;
- (i) all information, materials and documents respecting the Borrower provided to the Bank by the Borrower are true, complete and correct in all material respects as of the respective dates thereof;
 - (j) all of the material remittances required to be made by the Borrower to the federal, provincial and municipal governments have been made, are up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, unemployment insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, payroll taxes and worker's compensation dues and pension fund obligations are currently paid and up to date;
 - (k) the Borrower is in material compliance with the requirements of all applicable laws, including for certainty, all Environmental Laws, and it has not received notice of any material non-compliance in respect thereof;
 - (l) the Borrower have good and valid title to all of its properties and assets subject only to minor defects of title which do not, in the aggregate, materially adversely affect the value thereof or as otherwise disclosed in writing to the Bank;
 - (m) the Borrower has no subsidiaries other than Raimount;
 - (n) the chief executive office (for the purposes of the PPSA) of the Borrower is located in Alberta; and
 - (o) No Loan Party is involved in any dispute or legal or regulatory proceedings likely to materially adversely affect its financial position or its capacity to operate its business.

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Offering Letter shall survive the execution of this Offering Letter and all Security, and shall be deemed to be repeated as of the date of each Advance and as of the date of delivery of each Compliance Certificate, subject to modifications requested by the Borrower to the Bank in writing and accepted by the Bank. The Bank shall be deemed to have relied upon such representations and warranties at each such time as a condition of making an Advance hereunder or continuing to extend the Credit Facilities hereunder.

**CONDITIONS
PRECEDENT:**

Conditions Precedent to Each Advance

Each Advance hereunder will be subject to the satisfaction of the following conditions precedent:

- (a) other than in respect of Prime Based Loans, the Bank shall have received an executed Advance Request in the form attached hereto as Appendix D (or, in the case of BAs, a request by way of email, telephone or facsimile) from the Borrower in accordance with the provisions hereof;
- (b) no default hereunder or under the Security or any Insolvency Event shall have occurred and be continuing, availability shall not have been cancelled and no demand for payment shall have been made hereunder;
- (c) each of the representations and warranties described in this Offering Letter are true and correct as of the date of the Advance; and

- (d) no event, development or circumstance has occurred or could occur that, in the opinion of the Bank, acting reasonably, has or will have a Material Adverse Effect.

Conditions Precedent to Effectiveness of Offering Letter

This Offering Letter shall not be effective until the Borrower has provided, executed or satisfied the following, to the Bank's satisfaction:

- (a) an accepted and executed copy of this Offering Letter;
- (b) all Security shall be duly completed, authorized, executed and delivered by each Loan Party which is a party thereto, and registered, all to the satisfaction of the Bank and its counsel;
- (c) a legal opinion from the Borrower's counsel, in form and substance satisfactory to the Bank and its counsel, that, *inter alia*, each Loan Party has been duly incorporated, is validly subsisting, and is in good standing, that this Offering Letter and the Intercreditor Agreement has been duly authorized, executed and delivered and is enforceable against the applicable Loan Parties a signatory thereto, and that each Loan Party a signatory thereto has the corporate power and capacity to enter into and perform the obligations contemplated by this Offering Letter and the Intercreditor Agreement;
- (d) a legal opinion from the Bank's counsel;
- (e) evidence of insurance coverage in accordance with industry standards designating the Bank as first loss payee in respect of the proceeds of the insurance;
- (f) certified copies of (i) the constating documents of each Loan Party, including all amendments thereto, and (ii) the resolutions of the board of directors of each Loan Party authorizing the execution and delivery of this Offering Letter and the Security, as applicable;
- (g) all fees due and payable to the Bank shall have been paid; and
- (h) any other documentation and information that may be reasonably requested by the Bank.

The above Conditions Precedent are inserted for the sole benefit of the Bank, and may be waived by the Bank in whole or in part (with or without terms or conditions) in respect of any particular Advance, provided that any waiver shall not be binding unless given in writing and shall not derogate from the right of the Bank to insist on the satisfaction of any condition not expressly waived in writing or to insist on the satisfaction of any condition waived in writing which may be requested in the future. Notwithstanding any other provision hereof to the contrary, the Credit Facilities are uncommitted in nature and are not automatically available upon satisfaction of the Conditions Precedent set out above.

**REPORTING
REQUIREMENTS:**

The Borrower shall provide to the Bank:

- (a) monthly production and revenue reports in form and substance satisfactory to the Bank within 60 calendar days of each month end;
- (b) quarterly unaudited consolidated financial statements (including balance sheet, income statement, and cash flow statement) and a Compliance Certificate within 60 calendar days of each fiscal quarter end for the first three fiscal quarters of each fiscal year;

- (c) annual audited consolidated financial statements and a Compliance Certificate within 120 calendar days of each fiscal year end;
- (d) annual independent engineering report in form and substance satisfactory to the Bank on the petroleum and natural gas reserves of the Borrower within 120 calendar days of each fiscal year end, prepared by an engineering firm acceptable to the Bank;
- (e) annual consolidated budget for the following fiscal year, including production, cash flow and capital expenditure forecasts, within 120 days of each fiscal year end; and
- (f) any other information the Bank may reasonably require from time to time.

**AFFIRMATIVE
COVENANTS:**

The Loan Party shall (each of the below being an "Affirmative Covenant"):

- (a) cause to be paid all amounts of principal, interest, fees and other amounts payable under this Offering Letter and the Security on the dates, times and at the place specified therein or under any other agreement entered into by it with the Bank, and shall perform and observe all of its obligations under this Offering Letter, the Security and the other documents and agreements required to be delivered hereunder;
- (b) do or cause to be done all things necessary or required to have all its properties, assets and operations owned, operated and maintained in accordance with diligent and prudent industry practice and applicable laws and at all times cause the same to be owned, operated, maintained and used in compliance with all terms of any applicable insurance policy;
- (c) cause to be done all things necessary to maintain in good standing its corporate or partnership existence and preserve and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements required or advisable for its business or operations in full force and effect;
- (d) cause to be paid or discharged all taxes, assessments and government charges when due or liens imposed on property, earnings, labour or materials;
- (e) comply in all material respects with all applicable laws, regulations and directives including, without limitation, Environmental Laws, whether for protection, preservation, clean-up or otherwise, and obtain and maintain all necessary permits, licenses and other authorizations in connection therewith;
- (f) keep and maintain books of account and other accounting records in accordance with GAAP, and upon reasonable notice, allow the Bank access to its books and records, and take excerpts therefrom or make copies thereof, and to visit and inspect its assets and place(s) of business;
- (g) maintain, with financially sound and reputable insurers, insurance with respect to its properties and business and against such casualties and contingencies and in such types and such amounts as shall be in accordance with prudent business practices for corporations or other entities of the size and type of business and operations as the Borrower;
- (h) promptly notify the Bank of any breach or default under this Offering Letter, the Security or any other Loan Document or the occurrence of any event,

circumstance or condition that has had or is reasonably likely to have a Material Adverse Effect, including any Insolvency Event;

- (i) observe the terms of and perform its obligations under this Offering Letter, the Security and all other Loan Documents;
- (j) use all Advances and the proceeds thereof solely for the applicable purposes stipulated herein;
- (k) promptly inform the Bank of any action, suit, or proceeding pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any Subsidiary thereof which, if determined adversely to the interests of the Borrower or any Subsidiary thereof, could reasonably be expected to have a Material Adverse Effect and furnish the Bank with details of any such action, suit, or proceeding;
- (l) obtain and maintain the licenses and permits reasonably required to operate its business;
- (m) promptly notify the Bank of the acquisition, creation or existence of each new Subsidiary after the date hereof, and no less than 10 Business Days following such acquisition, creation or existence, cause each such new Subsidiary to provide a guarantee and such other Security as required by the Bank, in its sole discretion;
- (n) open and maintain its current accounts at the Calgary Branch of the Bank through which it shall conduct all of its banking activities;
- (o) promptly notify the Bank if a Change of Control occurs;
- (p) immediately notify the Bank in the event a material contaminant spill or emission occurs or is discovered with respect to its property or operations or those of any neighbouring property and report to the Bank forthwith any notice, order, decree, or fine that it receives or is ordered to pay with respect to the Environmental Laws relating to its business or property;
- (q) at the request of the Bank and in accordance with the conditions set forth by the Bank, and at its own cost, provide any information or document which the Bank may reasonably require with respect to its environmental state or circumstances, including any study or report prepared by a firm acceptable to the Bank. In the event that such studies or reports reveal that any Environmental Laws are not being materially complied with, the applicable Loan Party shall effect the necessary work to ensure that its business and property comply with such Environmental Laws within a period acceptable to the Bank;
- (r) as soon as practicable following receipt by the Loan Party of a request by the Bank to provide additional security documentation (and in any event not more than 5 Business Days following such request), furnish or cause to be furnished to the Bank, at the sole cost and expense of the Loan Party, such additional security;
- (s) pay \$300,000 permanent monthly reductions with the first payment due July 1, 2016 and continuing on the first day of each month thereafter;
- (t) provide the Bank with any information or document that it may reasonably require from time to time;
- (u) provide the bank with copies of any notices of default received under the Note Indenture immediately following its receipt of same;

- (v) provide the Bank with 30 days prior written notice of an optional redemption under the Note Indenture; and
- (w) provide the Bank with written notice of the exercise of the noteholders right to convert any portion of their Notes into equity of a Loan Party immediately upon its receipt of same from the noteholders; and
- (x) provide notice of early redemption of the Permitted Notes promptly upon receipt of the same.

**NEGATIVE
COVENANTS:**

No Loan Party shall, without the prior written approval of the Bank (each of the below being a "Negative Covenant"):

- (a) allow or effect a Change of Control;
- (b) enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of a Person other than a Loan Party whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise;
- (c) make any Distribution if (i) a default or demand for payment has occurred or has been made under any Loan Document, or (ii) a Material Adverse Effect exists or has occurred at such time, or, in each case, would reasonably be expected to result therefrom;
- (d) incur, assume or otherwise become liable for, or permit any Subsidiary to have, incur, assume or otherwise become liable for, any Debt, other than Permitted Debt;
- (e) create, issue, incur, assume or permit to exist any security interests on any of its property, undertakings or assets, other than Permitted Encumbrances;
- (f) make any contributions of capital or any other forms of equity investment in any Person or provide any Financial Assistance to any Person, other than the shares of Skeena Resources Limited which equity investment shall be limited to the Borrower's 1.45M shares currently held (in each case, other than another Loan Party, except if a default or demand for payment has occurred or has been made under any Loan Document, or a Material Adverse Effect exists or has occurred at such time, or, in each case, would reasonably be expected to result therefrom);
- (g) subject to paragraph (b) above, liquidate, dissolve or wind-up or take any steps or proceedings in connection therewith;
- (h) sell, transfer or otherwise dispose of any of its property or assets (including any sale-leasebacks), other than (i) the sale or disposition in the ordinary course of business of a Loan Party's (A) inventory or production, or (B) other tangible personal property that is obsolete, no longer useful for its intended purpose or being replaced in the ordinary course of business, and (ii) sales or dispositions of assets between any of the Loan Parties;
- (i) enter into any Financial Instrument, other than Permitted Hedging; provided that notwithstanding anything herein contained, no Loan Party shall enter into any Financial Instruments without the prior written consent of the Bank, which consent may be withheld or subject to any and all conditions, as determined by the Bank, in its sole and unfettered discretion;
- (j) perform, realize or otherwise effect any Hedge Monetizations;

- (k) make any material change in the nature of its business as carried on at the date hereof, or change its name, trade name, locations of business, chief executive office or fiscal year from those which exist on the date hereof without giving the Bank no less than 15 days prior written notice thereof;
- (l) use any Advance to finance a hostile takeover;
- (m) until Credit Facility B has been repaid in full and cancelled:
 - a. pay any dividends, complete a normal course issuer bid or make any other distribution;
 - b. acquire any assets, in one transaction or a series of transactions, which in aggregate have a fair market value exceeding \$500,000 without the Bank's prior written consent, in its sole discretion; or
 - c. incur any additional Debt other than Permitted Debt, without the prior written consent of the Bank, in its sole discretion;
- (n) exercise the "Manitok Option" under the financing agreements entered into between the Borrower and Stream Asset Financial or any Affiliate thereof, without the prior written consent of the Bank;
- (o) establish or maintain any operating accounts, deposit accounts or other bank or securities accounts with any financial institution except the Bank. Notwithstanding anything herein contained, a newly acquired subsidiary of the Borrower will have 45 days from the date of acquisition to transition its account provided that it holds not more than \$400,000 in such accounts, other than with the Bank's prior written consent;
- (p) amend the Notes or the Note Indenture (including, without limitation, increasing the interest rate contained therein) without the prior written consent of the Bank, in its sole discretion, other than administrative changes pursuant the Note Indenture or as otherwise permitted under the Intercreditor Agreement;
- (q) permit a default or breach of a term or condition to occur and continue under the Permitted Notes, Convertible Debenture Indenture, or any security documentation related thereto, which is not remedied within any applicable cure period provided for therein; or
- (r) pay any amounts owing to the noteholders under the Notes other than the regularly scheduled interest payments payable as set forth in the Notes and the Note Indenture; provided no payments may be so made if at the time of such payment, a demand has been issued, under this Agreement availability under Facility A has been cancelled or there is an existing and continuing Event of Default.

**FINANCIAL
COVENANTS:**

The Borrower covenants that the Borrower will maintain an Adjusted Working Capital Ratio of not less than 1.00:1.00 at all times.

**ENVIRONMENTAL
INDEMNITY:**

The Borrower shall indemnify and hold harmless the Bank and its shareholders, Affiliates, officers, directors and employees forthwith (collectively, the "Indemnified Parties") on demand by the Bank from and against any and all claims, suits, actions, debts, damages, costs, losses, liabilities, penalties, obligations, judgments, charges,

expenses and disbursements (including all reasonable legal fees and disbursements on a solicitor and his own client basis) of any nature whatsoever, suffered or incurred by the Indemnified Parties or any of them in connection with any Credit Facility, whether as beneficiaries under the Loan Documents, as successors in interest of the Borrower or any of its Subsidiaries, or voluntary transfer in lieu of foreclosure, or otherwise howsoever, with respect to any Environmental Claims relating to the property of the Borrower or any of its Subsidiaries arising under any Environmental Laws as a result of the past, present or future operations of the Borrower or any of its Subsidiaries (or any predecessor in interest to the Borrower or its Subsidiaries) relating to the property of the Borrower or its Subsidiaries, or the past, present or future condition of any part of the property of the Borrower or its Subsidiaries owned, operated or leased by the Borrower or its Subsidiaries (or any such predecessor in interest), including any liabilities arising as a result of any indemnity covering Environmental Claims given to any person by the Bank or a receiver, receiver manager or similar person appointed hereunder or under applicable law (collectively, the "Indemnified Third Party"); but excluding any Environmental Claims or liabilities relating thereto to the extent that such Environmental Claims or liabilities arise by reason of the gross negligence or wilful misconduct of the Indemnified Party or the Indemnified Third Party claiming indemnity hereunder as determined in a final, non-appealable judgment by a court of competent jurisdiction. The provisions, undertakings, and indemnification set out in this section shall survive the satisfaction and release of the Security and payment and satisfaction of the Obligations.

**INTEREST ON
OVERDUE AMOUNTS:**

Notwithstanding any other provision of this Offering Letter, in the event that any amount due hereunder (including, without limitation, any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the Bank interest on such unpaid amount (including, without limitation, interest on interest), if and to the fullest extent permitted by applicable law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 10:00 a.m. at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded on the last Business Day of each calendar month and be payable in the currency of the relevant Advance on demand, as well after as before maturity, default and judgment, at a rate per annum that is equal to the rate of interest then being charged on Prime Rate Loans under the applicable Credit Facility plus 2.00% per annum, for overdue amounts in Canadian Dollars under such Credit Facility. The Borrower hereby waives, to the fullest extent it may do so under applicable law, any provisions of applicable law, including specifically the *Interest Act* (Canada) or the *Judgment Interest Act* (Alberta), which may be inconsistent with this Offering Letter.

PREPAYMENT:

Prepayments of Advances under Credit Facility A are permitted on a Business Day at any time without penalty, subject to (a) the same notice as was required when the Advance to be prepaid was made; and (b) for L/C/Gs, to the cash collateralization in full of the maximum undrawn amount of the L/C/Gs, provided that if repayment or prepayment is made with funds obtained from a refinancing from another financial institution, a penalty of three months interest may, at the Bank's sole discretion, be payable.

COSTS AND EXPENSES:

The Borrower will pay all costs and expenses (including, without limitation, all fees, charges, expenses and disbursements of the Bank's legal counsel, on a solicitor and his own client full indemnity basis) incurred by the Bank in connection with the Credit Facilities, documentation thereof, any amendments, waivers or consents in respect hereof, the Bank's due diligence and this financing (regardless of whether the transactions contemplated hereunder are completed), as well as the reasonable costs and expenses of the Bank in connection with the enforcement of its rights hereunder and under the other Loan Documents, in each case, whether any amounts are advanced

hereunder or not (including but not limited to legal and documentation fees). This indemnity will survive the repayment, cancellation or termination of this Offering Letter.

CHANGE IN LAWS:

If the adoption of any applicable law, regulation, treaty or official directive (whether or not having the force of law) or any change therein or in the interpretation or application thereof by any court or by any Governmental Authority or any other entity charged with the interpretation or administration thereof or compliance by the Bank with any request or direction (whether or not having the force of law) of any such court, Governmental Authority or other entity in each case after the date hereof:

- (a) subjects the Bank to, or causes the withdrawal or termination of a previously granted exemption with respect to, any taxes (other than taxes imposed on or measured by the Bank's overall new income or overall capital), or changes the basis of taxation of payments due to the Bank, or increases any existing taxes (other than taxes imposed on or measured by the Bank's overall net income or overall capital) on payments of principal, interest or other amounts payable by the Borrower to the Bank under this Offering Letter;
- (b) imposes, modifies or deems applicable any reserve, liquidity, special deposit, regulatory or similar requirement against assets or liabilities held by, or deposits in or for the account of, or loans by the Bank, or any acquisition of funds for loans or commitments to fund loans or obligations in respect of undrawn, committed lines of credit or in respect of bankers' acceptances or guaranteed notes accepted by the Bank;
- (c) imposes on the Bank or requires there to be maintained by the Bank any capital adequacy or additional capital requirements (including a requirement which affects the Bank's allocation of capital resources to its obligations) in respect of any Advance or obligation of the Bank hereunder, or any other condition with respect to this Agreement; or
- (d) directly or indirectly affects the cost to the Bank of making available, funding or maintaining any Advance (other than changes in taxes imposed on or measured by the Bank's overall net income or overall capital) or otherwise imposes on the Bank any other condition or requirement affecting this Offering Letter or any Advance or any obligation of the Bank hereunder;

and the result of (a), (b), (c) or (d) above, in the sole determination of the Bank acting in good faith, is:

- (e) to increase the cost to the Bank of performing its obligations hereunder with respect to any Credit Facility or Advance;
- (f) to reduce any amount received or receivable by the Bank hereunder or its effective return hereunder or on its capital in respect of any Credit Facility or Advance; or
- (g) to cause the Bank to make any payment with respect to or to forego any return on or calculated by reference to, any amount received or receivable by the Bank hereunder with respect to any Credit Facility or Advance;

the Bank shall determine that amount of money which shall compensate the Bank for such increase in cost, payments to be made or reduction in income or return or interest foregone (herein referred to as "Additional Compensation"). Upon the Bank having determined that it is entitled to Additional Compensation in accordance with the provisions of this section, the Bank shall promptly so notify the Borrower. The Bank shall provide the Borrower with a photocopy of the relevant law, rule, guideline,

regulation, treaty or official directive (or, if it is impracticable to provide a photocopy, a written summary of the same) and a certificate of a duly authorized officer of the Bank setting forth the Additional Compensation and the basis of calculation therefor, which shall be conclusive evidence of such Additional Compensation in the absence of manifest error. The Borrower shall pay to the Bank within 10 Business Days of the giving of such notice the Bank's Additional Compensation. The Bank shall be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this section are then applicable notwithstanding that any Bank has previously been paid any Additional Compensation.

Notwithstanding anything herein to the contrary, (a) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or by United States, Canadian or foreign regulatory authorities, in each case pursuant to Basel III and (b) *the Dodd-Frank Wall Street Reform and Consumer Protection Act* (United States) and all regulations, requests, rules, guidelines, requirements and directives thereunder or issued in connection therewith or in implementation thereof ((a) and (b), collectively, the "New Rules") shall, in each case, be deemed to be a change in applicable law for purposes of this section regardless of the date enacted, adopted, issued or implemented, in each case (i) to the extent such New Rules are materially different from the applicable laws in effect on the date hereof and (ii) to the extent that such New Rules have general application to substantially all banks or their Affiliates which are subject to the New Rules in question.

The Bank agrees that it will not claim Additional Compensation from the Borrower under this section if it is not generally claiming similar compensation from its other customers in similar circumstances or in respect of any period greater than 3 months prior to the delivery of notice in respect thereof by the Bank, unless, in the latter case, the adoption, change or other event or circumstance giving rise to the claim for Additional Compensation is retroactive or is retroactive in effect.

CURRENCY EXCESS:

If the Bank shall determine that the aggregate outstanding principal of the outstanding Advances under a Credit Facility exceeds the maximum principal amount of such Credit Facility (the amount of such excess is herein called the "Currency Excess"), then, upon written request by the Bank (which request shall detail the applicable Currency Excess), the Borrower shall repay an amount of Advances within two (2) Business Days such that such repayments are, in the aggregate, at least equal to the Currency Excess.

**ENTIRE AGREEMENT/
CONFLICT OF TERMS:**

This Offering Letter, the Security and the other Loan Documents expressly contemplated hereby constitute the whole and entire agreement between the parties regarding the Credit Facilities and cancel and supersede any prior agreements, discussions, undertakings, declarations, commitments, representations, written or oral, in respect thereof, other than any prior written consents provided by the Bank in respect of the Notes or other matters. If there is any conflict between the provisions of this Offering Letter and any of the Security or other Loan Documents, this Offering Letter shall prevail.

CONFIDENTIALITY:

The Bank, the Borrower and its Subsidiaries agree not to disclose information provided by any other party to this Offering Letter that is not publicly available (through no fault or action by any such party) except:

- (a) in connection with any person exercising rights or dealing with rights or obligations under this Offering Letter or the Security and whether or not those rights or obligations are actually exercised or dealt with;

- (b) to a Person considering entering into (or who enters into) a credit swap with the Bank involving credit events relating to the Borrower or any of its Subsidiaries providing such Person is advised that such information is confidential and may not be used or disclosed except for the purposes contemplated herein and otherwise in accordance with this Offering Letter;
- (c) to officers, employees, legal and other advisers and auditors of the Bank, the Borrower and its Subsidiaries, as applicable, on a need to know basis, provided always that such officers, employees, legal and other advisers and auditors are advised that such information is confidential and may not be used or disclosed except for the purposes contemplated herein and otherwise in accordance with this Offering Letter;
- (d) to any party to this Agreement or any subsidiary of the Bank or the Borrower (as the case may be);
- (e) to the Note Secured Parties and the Collateral Agent, and their respective officers, employees, legal and other advisors and auditors, provided always that such officers, employees, legal and other advisors and auditors are advised that such information is confidential and may not be used or disclosed except for the purposes contemplated herein and otherwise in accordance with this Offering Letter;
- (f) with the applicable party's consent (as the case may be); or
- (g) as required by any law, or directive of any stock exchange upon which the securities of the Borrower are listed.

ACCOUNT DEBITS:

Each Loan Party hereby irrevocably authorizes the Bank to debit periodically or from time to time, any bank account it may maintain at the Bank in order to pay all or part of the amounts any Loan Party may owe to the Bank hereunder.

ASSIGNMENT:

The Borrower shall not assign or transfer its rights or obligations under this Offering Letter or any of the Security or other Loan Documents. The Bank may assign or grant a participation in all or any part of the Advances and/or Credit Facilities and its rights under this Offering Letter and the Security, at any time, without consent of the Borrower, but subject to the terms of the Intercreditor Agreement.

DEMAND:

Notwithstanding any of the terms of this Offering Letter, the Borrower shall repay the principal amount of all Advances to the Bank (for certainty, in the case of L/C/Gs, by paying to the Bank an amount equal to the maximum undrawn amount thereunder) and shall pay to the Bank all accrued and unpaid interest and fees and all other obligations outstanding under or pursuant to the Credit Facilities upon demand for payment by the Bank. Nothing whatsoever in this Offering Letter, the Security or any other Loan Documents shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon default or demand for payment hereunder or under any other Loan Document, the Bank shall cancel the availability of the Credit Facilities and shall have no obligation or liability to make further Advances under the Credit Facilities.

ACCESS TO INFORMATION:

Each Loan Party hereby authorizes the Bank to use the necessary information pertaining to it which the Bank has or may have for the purpose of granting credit and insurance products (where permitted by law) and further authorize(s) the Bank to disclose such information to its Affiliates and subsidiaries for this same purpose. Moreover, it hereby authorizes the Bank to obtain personal information pertaining to it

from any party likely to have such information (credit or information bureau, financial institution, creditor, employer, tax authority, public entity, Persons with whom they might have business relations, and Affiliates or Bank subsidiaries) in order to verify the accuracy of all information provided to the Bank and to ensure the solvency of each Loan Party at all times.

**ANTI-MONEY
LAUNDERING
LEGISLATION:**

Each Loan Party acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti money laundering, anti-terrorist financing, government sanction and "know your client" laws, whether within Canada or elsewhere (collectively, including any guidelines or orders thereunder, "AML Legislation"), the Bank may be required to obtain, verify and record information regarding any Loan Party, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of such Loan Party, and the transactions contemplated hereby. Each Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by the Bank, or any prospective assign or participant of the Bank, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

**ANTI-CASH
HOARDING:**

Until all of the obligations of the Borrower to the Bank have been unconditionally and irrevocably repaid in full, the Borrower will not accumulate and/or maintain cash or cash equivalents in depository or investment accounts of the Borrower outside of the ordinary course of business and its working capital facility requirements in excess of \$250,000.

NOTICE:

Any demand, notice, request or other communication required or permitted to be given in connection with this Offering Letter shall be given in writing and deemed to have been properly given when delivered in Person, or when sent by facsimile transmission or when sent by other electronic means and electronic confirmation of error free receipt is received addressed to the party at the address set forth below.

If to the Borrower:

Manitok Energy Inc.
2600, 585-8th Ave SW
Calgary, Alberta T2P 1G1

Attention: Robert Dion
Facsimile No.: (403) 984-1749
Email: rdion@manitok.com

If to the Bank:

National Bank of Canada
1800, 311 - 6th Avenue S.W.
Calgary, AB T2P 3H2

Attention: Account Representative
Facsimile No: (403) 294-3078
E-mail: EGAdmin@nbc.ca

Any party may change its address for notices in the manner set forth above.

REFERENCES:

Reference herein to any agreement, instrument, licence or other document shall be deemed to include reference to such agreement, instrument, licence or other document

as the same may from time to time be amended, modified, supplemented or restated in accordance with the provisions of this Offering Letter if and to the extent such provisions are applicable; and reference herein to any enactment shall be deemed to include reference to such enactment as re-enacted, amended or extended from time to time and to any successor enactment.

**ELECTRONIC
AUTHORIZATION:**

Each Loan Party authorizes the Bank to do all things as authorized by such Loan Party even if such authorization is sent by fax or by e-mail and the Bank may deem such authorization valid and sufficient and the aforementioned presumption of accuracy shall apply to the authorization, whether it is required for transmitting information, a debit, issuing drafts or certified cheques or for any other purpose. Moreover, the Bank will not be held liable for any fees or delays which may be caused when an instruction is sent whether due to a technical problem attributable to the systems in use at the Bank or otherwise.

PAYMENTS:

Unless otherwise indicated herein, the obligation of each Loan Party to make all payments under this Offering Letter and the Security shall be absolute and unconditional and shall not be limited or affected by any circumstance, including, without limitation, (a) any set-off, compensation, counterclaim, recoupment, defence or other right which such Loan Party may have against the Bank of anyone else for any reason whatsoever; or (b) any insolvency, bankruptcy, reorganization or similar proceedings by or against such Loan Party.

All payments to be made under this Offering Letter shall be made in Canadian Dollars.

All payments made under this Offering Letter shall be made on or prior to 1:00 p.m. Mountain Time on the day such payment is due. Any payment received after 1:00 p.m. Mountain Time shall be deemed to have been received on the following day. Whenever a payment is due on a day which is not a Business Day, such due day shall be extended to the next Business Day and such extension of time shall be included in the computation of any interest payable.

INSOLVENCY EVENT:

Upon the occurrence of an Insolvency Event, the entire principal amount of all Advances and other indebtedness and obligations under the Credit Facilities shall automatically forthwith become due and payable by the Borrower to the Bank without any requirement for demand of payment or other notice whatsoever.

SET-OFF:

In addition to, and not in derogation of, any of its other rights of set-off or bankers' lien under applicable law, the Bank will have a right of set-off against any obligations of the Bank to the Borrower upon the occurrence and during the continuance of an Insolvency Event, consolidation or upon a demand for payment being made hereunder, and the Bank is authorized, but not obligated, at any time, to apply any credit balance, whether or not then due, to which the Borrower is entitled on any account in any currency at any branch or office of the Bank in or towards satisfaction of the obligations of the Borrower to the Bank under this Offering Letter, whether absolute or contingent, matured or not. The Bank is authorized to use any such credit balance to buy such other currencies as may be necessary to effect such application.

CURRENCY INDEMNITY:

Cdn.\$ denominated Advances must be paid with Cdn.\$.

**RIGHTS AND REMEDIES
CUMULATIVE:**

The rights, remedies and powers of the Bank under this Offering Letter, the Security, at law and in equity are cumulative and not alternative and are not in substitution for any other remedies, rights or powers of the Bank, and no delay or omission in exercise of any such right, remedy or power shall exhaust such rights, remedies and powers to be construed as a waiver of any of them.

**WAIVERS AND
AMENDMENTS:**

No term, provision or condition of this Offering Letter or any of the Security, may be waived, varied or amended unless in writing and signed by a duly authorized officer of the Bank.

GAAP / IFRS:

All financial statements required to be furnished by the Borrower to the Bank hereunder shall be prepared in accordance with GAAP. Each accounting term used in this Offering Letter, unless otherwise defined herein, has the meaning assigned to it under GAAP and, except as otherwise provided herein, reference to any balance sheet item, statement of income item or statement of cash flows item means such item as computed from the applicable financial statement prepared in accordance with GAAP. If there occurs a change in GAAP (an "Accounting Change"), including as a result of a conversion to IFRS, and such change would result in a change (other than an immaterial change) in the calculation of any financial covenant, standard or term used hereunder, then at the request of the Borrower or the Bank, the Borrower and the Bank shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of the Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by the Borrower or the Bank, the Borrower and the Bank have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change.

**NON-MERGER/BENEFIT
OF AGREEMENT:**

The provisions of this Offering Letter shall not merge with any Security provided to the Bank but shall continue in full force for the benefit of the parties hereto. This Offering Letter shall enure to the benefit of and be binding upon the Borrower, the Bank and their respective successors and permitted assigns.

NON-WAIVER:

Should there be a breach of or non-compliance with any term or condition hereof, the Bank may at its option exercise any rights or remedies it may have hereunder or under the Security or which may otherwise be available to it, but the failure of the Bank to exercise any such rights or remedies shall not be deemed to be a waiver of such term or condition and will not prevent the Bank from exercising such rights and remedies pursuant to that default or subsequent defaults at any later time.

INDEMNIFICATION:

In addition to any liability of the Borrower to the Bank or any Affiliate of the Bank hereunder, the Borrower shall indemnify and hold harmless the Indemnified Parties against any and all loss, cost (including legal fees, on a solicitor and his own client full indemnity basis), expense, claim, liability or alleged liability arising out of or relating to the Credit Facilities, including, without limitation, (a) any default by the Borrower hereunder or under any Security, and (b) any representation or warranty being incorrect, except to the extent arising from the gross negligence or wilful misconduct of any of the Indemnified Parties.

TIME:

Time shall be of the essence in all provisions of this Offering Letter.

HEADINGS; REFERENCES:

The insertion of headings in this Offering Letter are for convenience of reference only and shall not affect the construction or interpretation of this Offering Letter. The terms "this Offering Letter", "hereof", "hereunder" and similar expressions refer to this Offering Letter and not to any particular section or other portion hereof and include any agreement supplemental hereto.

**NUMBER; PERSONS;
INCLUDING:**

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, words importing persons shall include individuals, partnerships,

associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

GOVERNING LAW:

This Offering Letter shall be construed and governed in accordance with the laws of the Province of Alberta. Each Loan Party irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.

LAPSE DATE:

Unless all Conditions Precedent hereunder have been met prior to October 30, 2016, this Offering Letter shall, at the Bank's option, expire. Notwithstanding any such expiration, all fees paid to the Bank hereunder shall be considered earned by the Bank.

REVIEW:

Without detracting from the demand nature of the Credit Facilities, Credit Facilities are subject to periodic review by the Bank in its sole discretion (each such review is referred to in this Offering Letter as a "Review"). The next two Reviews are scheduled on or before December 1, 2016 and June 1, 2017 respectively, but may be set at an earlier or later date at the sole discretion of the Bank.

The Bank reserves the right, at its sole discretion, to engage a financial consultant (the "Consultant") to review and provide advice with respect to, but not limited to, the Borrower's and any other subsidiaries' or related entities' operations, financial records, management documents and records, and any other matters the Bank deems appropriate. Furthermore, the Borrower covenants and agrees to provide the Consultant with full, complete, and unfettered access to their books, records, offices, and other properties upon reasonable notice during regular business hours and in compliance with the Borrower's health and safety policies so as to allow the Consultant to conduct any necessary review or inquiry. The Borrower acknowledges and agrees that the fees and expenses charged by the Consultant shall be for the sole account of the Borrower, shall form part of the Indebtedness, shall be secured by the Security, and the Borrower irrevocably authorizes the Bank to debit its accounts for all such fees and expenses.

**STREAM ASSET FINANCIAL
MANITOK:**

The Bank acknowledges and agrees that the no interest letter dated June 11, 2015 made by the Bank in favour of the Borrower and Prairie Sky Royalty Ltd., the no interest letter, consent and acknowledgement dated June 12, 2015 made among the Borrower, the Bank and Stream Asset Financial Manitok LP and the interest clarification and acknowledgement agreement dated June 11, 2015 made among the Bank, Freehold Royalties Partnership and the Borrower (each a "Tripartite Agreement") each remain in full force and effect, unamended by any provisions of this Offering Letter or otherwise, and the matters described therein shall be governed by the terms of the applicable Tripartite Agreement notwithstanding anything to the contrary contained in this Offering Letter.

EXPIRY DATE:

This Offering Letter is open for acceptance until October __, 2016 (as may be extended from time to time as follows, the "Expiry Date") at which time it shall expire unless extended by mutual consent in writing. The Bank reserves the right to cancel its offer at any time prior to acceptance.

If the foregoing terms and conditions are acceptable, please sign two copies of this Offering Letter and return one copy to the Bank on or before the Expiry Date. This Offering Letter may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. The delivery of a facsimile or other electronic copy of an executed counterpart of this Offering Letter shall be deemed to be valid execution and delivery of this Offering Letter, but the party delivering a facsimile or

other electronic copy shall deliver an original copy of this Offering Letter as soon as possible after delivering the facsimile or other electronic copy.

APPENDIX A

CREDIT:

Energy Group
National Bank of Canada
311 - 6 Avenue SW, Suite
1800
Calgary, AB T2P 3H2

Director:
Telephone:
Facsimile:
E-mail:

Mr. Erin Welte
(403) 294-4951
(403) 294-3078
erin.welte@nbc.ca

Associate:
Telephone:
Facsimile:
E-mail:

Ms. Kristen Ridgeway
(403) 355-6646
(403) 294-3078
kristen.ridgeway@nbc.ca

ADMINISTRATION:

BA Administration; Current
Account Documents; L/C/Gs;
MasterCard; Loan/Account
Balances; CAD/USD Money
Orders/Bank Drafts; Bank
Confirmations; Investments;
General Inquiries

Account Representative:
Telephone:
Facsimile:
E-mail:

Mrs. Marj Brown
(403) 294-4956
(403) 294-3078
marj.brown@nbc.ca

Administrative Assistant:
Telephone:
Facsimile:
E-mail:

Ms. Ashley Gautreau
(403) 294-4992
(403) 294-3078
ashley.gautreau@nbc.ca

BRANCH:

Calgary Downtown Branch
National Bank of Canada
301 - 6 Avenue SW
Calgary, AB T2P 4M9

Telephone:
Facsimile:

(403) 294-4900
(403) 294-4965

Calgary MacLeod Trail Branch
National Bank of Canada
430 - 7337 MacLeod Trail
South
Calgary, AB T2H 0L8

Telephone:
Facsimile:

(403) 592-8515
(403) 265-0831

INTERNET/ TELEPHONE BANKING

Order Cheques, Loan/Account
Balances; Traces; Stop
Payments, List of Current
Account Transactions; Pay
Bills; Transfer Between
Accounts

Website:
Telephone:

www.nbc.ca
(888) 483-5628

OTHER:

Internet Banking and
Cash Management Services

Treasury Manager,
Credit Capital Markets
Telephone:
Facsimile:
E-mail:

Ms. Quennie Cabaron
(403) 441-6447
(403) 294-3078
quennie.cabaron@nbc.ca

Foreign Exchange & Interest
Rates
National Bank of Canada
311 - 6 Avenue SW, 6th Floor
Calgary, AB T2P 3H2

Director, Risk
Management Solutions:
Telephone:
Facsimile:
E-mail:

Mr. George Androulidakis
(403) 440-1126
(403) 294-4923
george.androulidakis@tres.bn
c.ca

Commodity Derivatives
311 - 6 Avenue SW, 6th Floor
Calgary, AB T2P 3H2

Telephone:
Facsimile:
E-mail:

(403) 294-4935
(403) 294-4923
energy@nbcenergy.com

APPENDIX B

COMPLIANCE CERTIFICATE

To: National Bank of Canada
311 - 6 Avenue SW, Suite 1800
Calgary, AB

I _____, of the City of _____, in the Province of _____, hereby certify as at the date of this Certificate as follows:

1. I am the _____ of Manitok Energy Inc. (the "Borrower") and I am authorized to provide this Certificate to you for and on behalf of the Borrower;
2. This Certificate applies to the fiscal quarter ended _____, _____ (the "Calculation Date");
3. I am familiar with and have examined the provisions of the Offering Letter dated September __, 2016 between the Borrower, and National Bank of Canada and I have made such investigations of corporate records and inquiries of other officers and senior personnel of each Loan Party as I have deemed reasonably necessary for purposes of the Certificate;
4. As of the date hereof, the Borrower confirms that it has no Subsidiaries other than Raimount Oil and Gas Inc. ;
5. The representations and warranties set forth in the Offering Letter are true and correct on the date hereof;
6. The Adjusted Working Capital Ratio as at the Calculation Date is as follows:
_____ : 1.00; and
7. The Net Debt to Cash Flow Ratio as at the Calculation Date is as follows:
_____ : 1.00; and]
8. The Obligations of the Loan Parties under all Financial Instruments as at the Calculation Date are as follows:
 - (a) Commodity Swap Agreements are Cdn.\$ _____ net [in/out of] the money in aggregate;
 - (b) The total quantity of petroleum substances subject to Commodity Swap Agreements is _____ MMCF of natural gas (excluding natural gas liquids) and _____ barrels of oil and natural gas liquids.
 - (c) [Aggregate production volumes hedged under all Commodity Swap Agreements cover:
 - (i) _____ % of the average daily oil and natural gas liquid production of the Loan Parties (calculated on a trailing 3 month basis, net of royalties) and _____ % of the average daily natural gas production of the Loan Parties (calculated on a trailing 3 month basis, net of royalties), in each case, in the [first] year after the entry of such Commodity Swap Agreements;
 - (ii) _____ % of the average daily oil and natural gas liquid production of the Loan Parties (calculated on a trailing 3 month basis, net of royalties) and _____ % of the average daily natural gas production of the Loan Parties (calculated on a trailing 3 month basis, net of

royalties), in each case, in the [second] year after the entry of such Commodity Swap Agreements; and

(iii) _____% of the average daily oil and natural gas liquid production of the Loan Parties (calculated on a trailing 3 month basis, net of royalties) and _____% of the average daily natural gas production of the Loan Parties (calculated on a trailing 3 month basis, net of royalties), in each case, in the [third] year after the entry of such Commodity Swap Agreements;

(d) Interest Rate Hedging Agreements: Cdn.\$_____ and the notional amounts hedged thereunder is Cdn.\$_____, covering _____% of the Credit Facility A Maximum Amount;

9. All relevant calculations and financial statements are attached.

Except where the context otherwise requires, all capitalized terms used herein have the meanings given to them in the Offering Letter.

This Certificate is given by the undersigned officer in their capacity as an officer of the Borrower without any personal liability on the part of such officer.

Executed at the City of _____, in the Province of _____ this _____ day of _____, 20__.

Yours truly,

MANITOK ENERGY INC.

Per: _____

Name:
Title:

MANITOK ENERGY INC.
COMPLIANCE CERTIFICATE

Calculation of Adjusted Working Capital Ratio

Current Assets

Current assets	\$
Less: Unrealized Hedging Gains	()
Add: Undrawn Availability under Credit Facility A	<u>\$ (A)</u>

Current Liabilities

Current liabilities	\$
Less: Unrealized Hedging Losses	()
Less: Current Portion of Bank Debt	()
	<u>\$ (B)</u>

Adjusted Working Capital Ratio calculated as follows:

$$\frac{A}{B} =$$

[Commencing June 2017, include] Calculation of Net Debt to Cash Flow Ratio

Net Debt

Debt	\$
+ Working Capital Deficit (any positive working capital deducted)	\$
	<u>\$</u>

Quarterly Cash Flow

Net earnings for the fiscal quarter ending	\$
+ Depletion, depreciation, accretion, and amortization	\$
+ Deferred income taxes	\$
+ Other charges to operations not requiring a current cash payment	\$
- Non-cash income	\$
- Unrealized mark to market gains	\$
- Capital Lease payments	\$
- Abandonment costs paid in cash	\$
- Stock based compensation	\$
- Extraordinary or nonrecurring earnings, gains, and losses	\$
+/- Such other amounts as reasonably requested by the Bank.	\$
<i>Quarterly Cash Flow</i>	<u>\$</u>

Quarterly Cash Flow (annualized) \$ _____ x 4 = \$ _____

Net Debt to Cash Flow Ratio calculated as follows:

$$\frac{\text{Net Debt}}{\text{Annualized Cash Flow}} =$$

APPENDIX C

DEFINITIONS

In the Offering Letter, including all Appendices to this Offering Letter, unless something in the subject matter or context is inconsistent therewith, capitalized words and phrases (to the extent used in the Offering Letter) shall have following meanings:

“**Accounting Change**” has the meaning given to it under the section titled “GAAP / IFRS”.

“**Additional Compensation**” has the meaning given to it under the section titled “CHANGE IN LAWS”.

“**Adjusted Working Capital Ratio**” means the ratio of (i) Current Assets plus any undrawn availability under Credit Facility A to (ii) Current Liabilities.

“**Advance**” means an advance of funds made by the Bank under a Credit Facility to the Borrower, or if the context so requires, an advance of funds under one or more of the Credit Facilities in the form of one or more of the accommodation options of one or more of the Credit Facilities, and any reference relating to the amount of Advances shall mean the sum of the principal amount of all outstanding Prime Rate Loans plus the Face Amount of all outstanding L/C/Gs, as applicable.

“**Advance Request**” means, in relation to Advances, a notice by the Borrower to the Bank substantially in the form of Appendix D, with the blanks completed.

“**Affiliate**” has the meaning attributed to it in the *Securities Act* (Alberta).

“**AML Legislation**” has the meaning given to it under the section titled “ANTI-MONEY LAUNDERING LEGISLATION”.

“**Appendix**” means an appendix to the Offering Letter.

“**Applicable Margin**” means, at any time, a margin, expressed as a rate per annum based on a 365 or 366 day period, as the case may be, for payment of Availability Fees, and in any case payable to the Bank, as set out in the pricing grid below. The Applicable Margins for Advances shall be adjusted quarterly in accordance with the Net Debt to Cash Flow Ratio, determined based upon the quarterly Compliance Certificate of the Borrower required to be delivered in accordance herewith.

Type of Advance	Net Debt to Cash Flow Ratio					
	≤ 1.00	>1.00 ≤ 1.50	>1.50 ≤ 2.00	>2.00 ≤ 2.50	>2.50 ≤ 3.00	> 3.00
CFA Availability Fee	20 bps	25 bps	30 bps	35 bps	40 bps	45 bps

“**Availability Fees**” means, the CFA Availability Fee

“**bps**” means one one-hundredth of one percent.

“**Business Day**” means a day on which banks are open for business in Calgary, Alberta, Montreal, Quebec, Toronto, Ontario, and New York, New York and, for purposes of LIBOR Based Loans, also must be a LIBOR Banking Day; but does not, in any event, include a Saturday or Sunday.

“**Calgary Branch of the Bank**” means the branch of the Bank at 301 – 6 Avenue SW, Calgary, AB T2P 4M9, fax (403) 294-4965, or such other address as the Bank may notify the Borrower from time to time.

“**Canadian Dollars**”, “**Cdn Dollars**”, “**Cdn\$**”, “**CAS**” and “**\$**” mean the lawful money of Canada.

“**Capital Lease**” means, with respect to any Person, any lease or other arrangement relating to real or personal property which should, in accordance with GAAP, be accounted for as a capital lease on a balance sheet of such Person but excluding any lease that would in accordance with GAAP be determined to be an operating lease.

“**Cash Flow**” means, at any time, the annualized cash flow of the Borrower on a consolidated basis for the most recent fiscal quarter as determined from its quarterly financial statements for that fiscal quarter, which for certainty means an annualized aggregate amount expressed in Canadian Dollars of the sum, without duplication, of its:

- (a) net earnings (but excluding from the determination of net earnings, non-cash income, unrealized mark to market gains, Capital Lease payments, any abandonment costs paid in cash, cash taxes and any extraordinary or nonrecurring earnings, gains, and losses);
- (b) depletion, depreciation, accretion and amortization;
- (c) exploration and evaluation expenses to the extent deducted from Net Income;
- (d) future income taxes; and
- (e) other charges to operations not requiring a current cash payment,

“**CFA Availability Fee**” has the meaning given to it under the paragraph titled “Interest Rates and Fees” of the section titled “CREDIT FACILITY A”.

“**Change of Control**” means the occurrence of any of the following events, with respect to any Loan Party:

- (a) any Person or Persons acting jointly or in concert (within the meaning of the *Securities Act* (Alberta)), shall beneficially, directly or indirectly, hold or exercise control or direction over and/or has the right to acquire or control or exercise direction over (whether such right is exercisable immediately or only after the passage of time) more than 30% of the issued and outstanding Voting Shares of such Loan Party; or
- (b) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of such Loan Party cease, for any reason, to constitute at least a majority of the board of directors of such Loan Party unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period (the “**Incumbent Directors**”) and in particular, any new director who assumes office in connection with or as a result of any actual or threatened proxy or other election contest of the board of directors of the Borrower shall never be an Incumbent Director; or
- (c) such Loan Party ceases to own, control or direct 100% of the Voting Shares of a Subsidiary.

“**Collateral Agent**” means Computershare Trust Company of Canada in its capacity as the holder of the security interests granted to the Note Secured Parties as security for of the Notes, and its successors and permitted assigns in such capacity.

“**Commodity Swap Agreement**” means any agreement for the making or taking of delivery of any commodity (including, without limitation, petroleum substances, but excluding agreements for the sale of petroleum substances in the ordinary course of business which are terminable on less than 31 days’ notice without penalty or costs), any commodity swap agreement, floor, cap or collar agreement or commodity future or option or other similar agreements or arrangements, or any combination thereof, entered into by a Loan Party, the purpose and effect of which is to mitigate or eliminate such Loan Party’s exposure to fluctuations in commodity prices, including such agreements relating to physical transactions.

“**Compliance Certificate**” means a certificate of an officer of the Borrower signed on its behalf by the president, chief executive officer, chief operating officer, chief financial officer or any vice president of the Borrower, substantially in the form annexed hereto as Appendix B, to be given to the Bank by the Borrower from time to time pursuant to the Offering Letter.

“**Conditions Precedent**” means, collectively, each of the conditions listed in the section titled “CONDITIONS PRECEDENT”.

“**Credit Facilities**” means the credit facilities and the risk management facility to be made available to the Borrower by the Bank in accordance with the provisions of the Offering Letter.

“**Credit Facility A Maximum Amount**” has the meaning given to it under the section titled “CREDIT FACILITY A”.

“**Credit Facility B Maximum Amount**” has the meaning given to it under the section titled “CREDIT FACILITY B”.

“**Credit Facility C Maximum Amount**” has the meaning given to it under the section titled “CREDIT FACILITY C”.

“**Currency Excess**” has the meaning given to it under the section titled “CURRENCY EXCESS”.

“**Currency Hedging Agreement**” means any currency swap agreement, cross-currency agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by any Loan Party, the purpose and effect of which is to mitigate or eliminate such Loan Party’s exposure to fluctuations in currency exchange rates.

“**Current Assets**” means, as at any date of determination, the current assets of the Borrower on a consolidated basis for such date as determined in accordance with GAAP but excluding the impact of any Unrealized Hedging Gains.

“**Current Liabilities**” means, as at any date of determination, the current liabilities of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding: (i) Current Portion of Bank Debt; and (ii) the impact of any Unrealized Hedging Losses.

“**Current Portion of Bank Debt**” means any current liabilities under the Credit Facilities other than those that arise due to total advances under a Credit Facility exceeding the maximum amount of such Credit Facility, whether by reduction of maximum amount, fluctuations in exchange rates, mandatory repayments, or due to the Bank’s demand for repayment.

“**Debt**” means, as at any date of determination, all obligations, liabilities and indebtedness of the Borrower which would, in accordance with GAAP, be classified upon a consolidated balance sheet of the Borrower for such date as indebtedness for borrowed money and, without limiting the generality of the foregoing, whether or not so classified, shall include (without duplication):

- (a) obligations under BAs;
- (b) issued and drawn L/C/Gs;
- (c) obligations under guarantees, indemnities, or such other agreements providing Financial Assistance;
- (d) Capital Leases or sale/lease-backs;
- (e) obligations under deferred purchase price agreements;
- (f) deferred revenues relating to third party obligations;
- (g) the redemption amount of any capital where the holder of such capital has the option to require the redemption of such capital for cash or property and payment of the redemption amounts;
- (h) any distributions declared but not yet paid; and
- (i) all mark to market losses under any Financial Instruments that are due and owing,

but excluding for greater certainty, any Permitted Notes which by their terms are convertible into securities of a Loan Party.

“**deemed year**” has the meaning given to it under the section titled “INTEREST AND FEE CALCULATION AND PAYMENT”.

“**Distribution**” means any:

- (a) payment of any cash dividend on or in respect of any shares, units or other ownership interests of any class in the capital of a Loan Party (including any thereof acquired through the exercise of warrants or rights of conversion, exchange or purchase);
- (b) redemption, retraction, purchase or other acquisition or retirement, in whole or in part, of shares, units or other ownership interests of any class in the capital of a Loan Party (including any thereof acquired through the exercise of warrants or rights of conversion, exchange or purchase);

- (c) payment of principal, interest or other amounts in whole or in part, of any Debt of a Loan Party (including any Debt incurred or assumed by a Loan Party pursuant to a Capital Lease or operating lease) to any shareholder of the Borrower which owns more than 10% of the outstanding shares of the Borrower or any Affiliate of such shareholder, whether made or paid in or for cash, property or both;

to (in the case of paragraphs (a) and (c) of this definition) or by or from (in the case of paragraph (b) of this definition) any shareholder or any Affiliate of a shareholder of a Loan Party, whether made or paid in or for cash, property or both, or

- (d) transfer of any property for consideration of less than fair market value by a Loan Party to any shareholder or to any Affiliate of a shareholder of a Loan Party;

but excluding any such payment, acquisition or transfer between Loan Parties.

“Environmental Claim” means any and all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations, inspections, inquiries or proceedings relating in any way to any Environmental Laws or to any permit issued under any such Environmental Laws, including, without limitation, (a) any claim by a Governmental Authority for enforcement, clean up, removal, response, remedial or other actions or damages pursuant to any Environmental Laws, and (b) any claim by a person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive or other relief resulting from or relating to hazardous materials, including any release thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment.

“Environmental Laws” means all applicable laws with respect to the environment or environmental or public health and safety matters contained in statutes, regulations, rules, ordinances, orders, judgments, approvals, notices, permits or policies, guidelines or directives having the force of law.

“Expiry Date” has the meaning given to it under the section titled “EXPIRY DATE”.

“Face Amount” means (i) in respect of a BA, the amount payable to the holder thereof on its maturity, and (ii) in respect of a L/C/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C/G.

“Financial Assistance” means, with respect to any person and without duplication, any loan, guarantee, undertaking to assume, endorsement (other than the routine endorsement of cheques in the ordinary course of business), indemnity, assurance, acceptance, extension of credit, loan purchase, share purchase, equity or capital contribution, investment or other form of direct or indirect financial assistance or support of any other person or any obligation (contingent or otherwise), in each case, primarily for the purpose of enabling another person to incur or pay any Indebtedness or to comply with agreements relating thereto or otherwise to assure or protect creditors of the other person against loss in respect of Debt of the other person and includes any guarantee of or indemnity in respect of the Debt of the other person and, in any event includes, any absolute or contingent obligation to (directly or indirectly):

- (a) advance or supply funds for the payment or purchase of any Debt of any other person;
- (b) purchase, sell or lease (as lessee or lessor) any property, assets, goods, services, materials or supplies primarily for the purpose of enabling any person to make payment of Debt or to assure the holder thereof against loss;
- (c) guarantee, indemnify, hold harmless or otherwise become liable to any creditor of any other person from or against any losses, liabilities or damages in respect of Debt;
- (d) make a payment to another for goods, property or services regardless of the non-delivery or non-furnishing thereof to the Borrower or any Subsidiary (as applicable); or
- (e) make an advance, loan or other extension of credit to or to make any subscription for equity, equity or capital contribution, or investment in or to maintain the capital, working capital, solvency or general financial condition of another person.

The amount of any Financial Assistance is the amount of any loan or direct or indirect financial assistance or support, without duplication, given, or all Debt of the obligor to which the Financial Assistance relates, unless the Financial Assistance is limited to a determinable amount, in which case the amount of the Financial Assistance is the determinable amount.

"Financial Instrument" means any Commodity Swap Agreement, Interest Rate Hedging Agreement or Currency Hedging Agreement.

"Generally Accepted Accounting Principles" or **"GAAP"** means generally accepted accounting principles consistently applied which are in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants and other primary sources recognized from time to time by the Canadian Institute of Chartered Accountants ("CICA"), including, for certainty, IFRS.

"Governmental Authority" means any federal, provincial, state, regional, municipal or local government or any department, agency, board, tribunal or authority thereof or other political subdivision thereof and any entity or person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government or the operation thereof.

"Hedge Monetization" means the termination, restructuring or unwinding of any Commodity Swap Agreement (but, for certainty, excluding the termination thereof on the scheduled maturity date thereof).

"IFRS" means International Financial Reporting Standards including International Accounting Standards and Interpretations together with their accompanying documents which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the "IASC Foundation"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation.

"Incumbent Directors" has the meaning given to in the definition for Change of Control.

"Indemnified Parties" has the meaning given to it under paragraph (d) of the section titled "ENVIRONMENTAL OBLIGATIONS".

"Indemnified Third Party" has the meaning given to it under paragraph (d) of the section titled "ENVIRONMENTAL OBLIGATIONS".

"Insolvency Event" means any event, the occurrence of which the Borrower or any Subsidiary thereof shall be or become Insolvent.

"Insolvent" in respect of any Person, means:

- (a) such Person is unable to pay its debts as such debts become due;
- (b) a decree or order of a court of competent jurisdiction is entered adjudging such Person a bankrupt or insolvent under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or ordering the winding up or liquidation of its affairs;
- (c) any case, proceeding or other action shall be instituted in any court of competent jurisdiction against such Person, seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition, proposal or arrangement with creditors, a readjustment of debts, the appointment of trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers with respect to such Person or of all or any substantial part of its assets, or any other like relief in respect of such Person under any bankruptcy or insolvency law and (i) such case, proceeding or other action results in an entry of an order for such relief or any such adjudication or appointment, or (ii) such case, proceeding or other action shall continue undismissed, or unstayed and in effect, for any period of ten (10) consecutive Business Days; or

- (d) such Person makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, administration or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such assignment, proposal, relief, petition, proposal, appointment or proceeding.

"Intercreditor Agreement" means the intercreditor agreement dated as of the date hereof made among the Borrower, Raimount, the Collateral Agent and the Bank, as the same may be amended, amended and restated or otherwise modified from time to time.

"Interest Rate Hedging Agreement" means any interest swap agreement, forward rate agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by a Loan Party, the purpose and effect of which is to mitigate or eliminate such Loan Party's exposure to fluctuations in interest rates.

"ISDA Master Agreement" means an International Swap and Derivatives Association, Inc. Master Agreement (Multi Currency - Cross-Border) as from time to time amended, restated or replaced by the International Swap and Derivatives Association, Inc., including the schedule thereto and any confirmation thereunder as entered into by the Borrower with any counterparty thereto.

"L/C/G Fee" has the meaning given to it under the paragraph titled "Interest Rates and Fees" of the section titled "CREDIT FACILITY A".

"L/C/Gs" has the meaning given to it under the paragraph titled "Accommodations and Notice" of the section titled "CREDIT FACILITY A".

"Loan Documents" means this Offering Letter, the Security, and all certificates, notices, instruments and other agreements or documents delivered or to be delivered by the Borrower or a Subsidiary thereof to the Bank in relation to the Credit Facilities pursuant hereto or thereto and, when used in relation to any Person, the term **"Loan Documents"** shall mean and refer to the Loan Documents executed and delivered by such person.

"Loan Party" has the meaning given to it under the section titled "BORROWER".

"Material Adverse Effect" means a material adverse effect on:

- (a) the business, financial condition, operations, assets or capitalization of the Borrower on a consolidated basis and taken as a whole;
- (a) the ability of any Loan Party to pay or perform the obligations under this Offering Letter or the ability of any Loan Party to pay or perform any of its obligations or contingent obligations under any Security or any underlying agreements or document delivered pursuant to this Offering Letter or the Security;
- (b) the ability of any Loan Party to perform its obligations under any material contract, if it would also have a material adverse effect on the ability of such Loan Party to pay or perform its obligations under this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security;
- (c) the validity or enforceability of this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security; and

- (d) the priority ranking of any security interests granted by this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security, or the rights or remedies intended or purported to be granted to the Bank under or pursuant to this Offering Letter, the Security, or any underlying agreements or documents delivered pursuant to this Offering Letter or the Security.

“**Net Debt**” means at any time in respect of the Borrower, on a consolidated basis, the aggregate amount (without duplication) expressed in Canadian Dollars of its (a) Working Capital Deficit plus (b) Debt.

“**Net Debt to Cash Flow Ratio**” means at any time, the ratio of (i) Net Debt to (ii) Cash Flow.

“**New Rules**” has the meaning given to it under the section titled “CHANGE IN LAWS”.

“**Note Indenture**” means the note indenture dated as of the date hereof among the Borrower, any guarantors a party thereto and Computershare Trust Company of Canada, as trustee, as the same may be amended, amended and restated, replaced or otherwise modified from time to time in accordance with the terms of the Intercreditor Agreement and this Agreement.

“**Note Secured Parties**” means the Parity Lien Secured Parties as defined in the Intercreditor Agreement.

“**Notes**” means the senior second lien notes due October 27, 2021 in an aggregate principal amount not exceeding \$21,207,100 issued by the Borrower subject to the terms of the Note Indenture.

“**Obligations**” means, collectively and at any time and from time to time, all of the obligations, indebtedness and liabilities (present or future, direct or indirect, absolute or contingent, matured or not) of the Borrower and its Subsidiaries to the Bank under, pursuant or relating to the Credit Facilities or the Loan Documents and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and including all principal, interest, fees, legal and other costs, charges and expenses and other amounts payable by the Borrower under this Offering Letter.

“**Permitted Contest**” means action taken by a Loan Party in good faith by the appropriate proceedings diligently pursued to contest a tax, claim or security interest, provided that:

- (a) such Loan Party has established reasonable reserves therefor in accordance with GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the property, assets or undertaking of any Loan Party.

“**Permitted Debt**” means:

- (a) the Obligations;
- (b) any Debt owing by a Loan Party to another Loan Party;
- (c) Debt of the Loan Party arising in connection with operating leases entered into in the ordinary course of business (which, for certainty, shall not include any operating leases entered into in connection with any sale-leaseback) which would have been operating leases under GAAP as in effect on December 31, 2010;
- (d) Debt consisting of Financial Assistance permitted under paragraph (f) of the section titled “NEGATIVE COVENANTS”;
- (e) Debt arising in connection with the Notes, provided that such Debt is subject to the Intercreditor Agreement;

- (f) other Debt (including Capital Leases, Purchase Money Obligations, and operating leases (but excluding any operating leases entered into in connection with any sale-leaseback)) which is not otherwise Permitted Debt; and
- (g) Debt which has been absolutely postponed and subordinated in right of payment and collection to the repayment of the Obligations, on terms acceptable to the Bank, in its sole discretion.

“Permitted Encumbrance” means at any particular time any of the following encumbrances on the property or any part of the property of any Loan Party:

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (b) liens under or pursuant to any judgment rendered, or claim filed, against a Loan Party, which such Loan Party shall be contesting at the time by a Permitted Contest;
- (c) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law against any Loan Party or which relate to obligations not due or delinquent, or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (d) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of any Loan Party;
- (e) security given by any Loan Party to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of such Loan Party, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of any Loan Party;
- (f) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (g) security interests in favour of the Bank securing the obligations of any Loan Party under the Offering Letter or the Security;
- (h) the Security;
- (i) liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of petroleum or natural gas interests, related production or processing facilities in which such Person has an interest or the transmission of petroleum or natural gas as security in favour of any other Person conducting the exploration, development, operation or transmission of the property to which such liens relate, for any Loan Party's portion of the costs and expenses of such exploration, development, operation or transmission, provided that such costs or expenses are not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;
- (j) liens for penalties arising under non-participation or independent operations provisions of operating or similar agreements in respect of any Loan Party's petroleum or natural gas interests, provided that such liens do not materially detract from the value of any material part of the property of any Loan Party;

- (k) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to all or any of the petroleum or natural gas interests of any Loan Party;
- (l) any encumbrance or agreement entered into in the ordinary course of business relating to pooling or a plan of unitization affecting the property of any Loan Party, or any part thereof;
- (m) the right reserved or vested in any municipality or governmental or other public authority by the terms of any petroleum or natural gas leases or similar agreements in which any Loan Party has any interest or by any statutory provision to terminate petroleum or natural gas leases or similar agreements in which any Loan Party has any interest, or to require annual or other periodic payments as a condition of the continuance thereof;
- (n) obligations of any Loan Party to deliver petroleum, natural gas, chemicals, minerals or other products to buyers thereof in the ordinary course of business;
- (o) royalties, net profits and other interests and obligations arising in accordance with standard industry practice and in the ordinary course of business, under petroleum or natural gas leases or similar agreements in which any Loan Party has any interest;
- (p) liens for Purchase Money Obligations and Capital Leases of up to \$3,500,000; and
- (q) security interests in favour of the Collateral Agent, for and on behalf of the Note Secured Parties, securing the Notes under the Note Indenture, provided that such security interests are subject to the Intercreditor Agreement.

“Permitted Hedging” means Financial Instruments which (i) are entered into solely for hedging purposes and not for speculative purposes, (ii) are entered into only in the ordinary course of business, (iii) are entered into in accordance with the then current hedging policies approved by the board of directors of the Borrower, and (iv) in the case of Commodity Swap Agreements, for a term not to extend beyond December 31, 2017, and the aggregate amounts hedged under all Commodity Swap Agreements at the time any Commodity Swap Agreement is entered into and after giving effect thereto cannot exceed fifty percent (50%) of production volumes, except for an additional twenty percent (20%) dedicated exclusively to other structures providing upside participation and as approved by the Lender on a case by case basis at its sole discretion, calculated on a trailing three month basis (net of royalties) split by commodity. For certainty, differential/basis swaps and put options shall not be included for the purposes of the calculation of the percentages above.

“Person” or **“person”** means and includes an individual, a partnership, a corporation, a joint stock company, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

“Purchase Money Obligation” means any monetary obligation created or assumed as part of the purchase price of real or tangible personal property, whether or not secured, any extensions, renewals or refundings of any such obligation, provided that the principal amount of such obligation outstanding on the date of such extension, renewal or refunding is not increased and further provided that any security given in respect of such obligation shall not extend to any property other than the property acquired in connection with which such obligation was created or assumed and fixed improvements, if any, erected or constructed thereon and the proceeds thereof.

“Prime Rate” means the rate of interest per annum, based on a 365 or 366 day period, as the case may be, in effect from time to time that is equal to the greater of:

- (a) the rate of interest publicly announced by the Bank from time to time as being its reference rate then in effect for determining interest rates for commercial loans in Canadian Dollars made by the Bank in Canada; and
- (b) the average annual rate (rounded upwards, if necessary, to 0.01%) as determined by the Bank as being the average of the “BA 1 month” CDOR Rate applicable to bankers’ acceptances in Canadian Dollars displayed and identified as such on the “Reuters Screen CDOR Page” (as defined in the International Swap and Derivatives Association, Inc. definitions, as modified and amended from time to time) plus 1.00%; provided that if such rates do not appear on the Reuters Screen CDOR Page as contemplated,

then the CDOR Rate on any day shall be calculated as the arithmetic average of the 30-day discount rates applicable to bankers' acceptances in Canadian Dollars quoted by three major Canadian Schedule I chartered banks chosen by the Bank as of approximately 10:00 a.m. on such day, or if such day is not a Business Day, then on the immediately preceding Business Day; further provided that if the CDOR Rate as determined above is less than zero, then the CDOR Rate shall be deemed to be zero.

"**Prime Rate Loans**" has the meaning given to it under the paragraph titled "Accommodations and Notice" of the section titled "CREDIT FACILITY A".

"**Review**" has the meaning given to it under the section titled "REVIEW".

"**Security**" has the meaning given to it under the section titled "SECURITY".

"**Subsidiary**" means, with respect to any Person ("X"):

- (a) any corporation of which at least a majority of the outstanding shares having by the terms thereof ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time shares of any other class or classes of such corporation might have voting power by reason of the happening of any contingency, unless the contingency has occurred and then only for as long as it continues) is at the time directly, indirectly or beneficially owned or controlled by X or one or more of its Subsidiaries, or X and one or more of its Subsidiaries;

any partnership of which, at the time, X, or one or more of its Subsidiaries, or X and one or more of its Subsidiaries: (i) directly, indirectly or beneficially own or control more than 50% of the income, capital, beneficial or ownership interests (however designated) thereof; and (ii) is a general partner, in the case of limited partnerships, or is a partner or has authority to bind the partnership, in all other cases; or

- (b) any other Person of which at least a majority of the income, capital, beneficial or ownership interests (however designated) are at the time directly, indirectly or beneficially owned or controlled by X, or one or more of its Subsidiaries, or X and one or more of its Subsidiaries,

provided that, unless otherwise expressly provided or the context otherwise requires, references herein to "**Subsidiary**" or "**Subsidiaries**" shall be and shall be deemed to be references to Subsidiaries of the Borrower.

"**Unrealized Hedging Gains**" means mark to market unrealized gains in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"**Unrealized Hedging Losses**" means mark to market unrealized losses in respect of Financial Instruments or other risk management products recorded in accordance with generally accepted accounting principles.

"**Voting Shares**" means:

- (a) in respect of a corporation or limited liability company, shares of any class or equity ownership interests of such entity:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;

provided that subparagraph (ii) above shall not include voting rights created solely by statute, such as those rights created pursuant to section 183(4) of the *Business Corporations Act* (Alberta) as in effect on the date of the Offering Letter;

- (b) in respect of a trust, trust units of the trust:
 - (i) carrying voting rights in all circumstances; or

- (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and be continuing;
- (c) in respect of a partnership, the partnership interests or partnership units:
 - (i) carrying voting rights in all circumstances; or
 - (ii) which carry the right to vote conditional on the happening of an event if such event shall have occurred and is continuing.

“Working Capital Deficit” means Current Liabilities minus Current Assets.

APPENDIX D

FORM OF ADVANCE REQUEST

TO: National Bank of Canada ("NBC")

RE: Amended and Restated Offering Letter dated September _____, 2016 among Manitok Energy Inc. (the "Borrower"), and NBC (as amended, extended, replaced, amended and restated, or otherwise modified from time to time, the "Offering Letter")

DATE: [•] _____

1. The date of the requested Advance is the ____ day of _____, 20____.
2. Pursuant to the Offering Letter, the undersigned hereby irrevocably requests that the following Advances be made available under the applicable Credit Facility:

Credit Facility A:

<u>TYPE OF ADVANCE</u>	<u>PRINCIPAL AMOUNT</u>	<u>TERM</u>
Prime Rate Loans	_____	N/A
L/C/Gs	_____	_____

3. As of the date of this Advance Request, no default or demand for payment under any Loan Document has occurred and is continuing and each of the representations and warranties of the Loan Parties set forth in the Offering Letter is true and correct as of the date of the requested Advance.
4. Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Offering Letter.

DATED at Calgary, Alberta effective the date and year first above written.

MANITOK ENERGY INC.

Per: _____

Name: [•]

Title: [•]

FIRST AMENDING AGREEMENT

This First Amending Agreement is made effective as of December 21, 2016

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016 (the "Offering Letter");

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this First Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) "First Amending Agreement" means this first amending agreement, as amended, modified, supplemented or restated from time to time;

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this First Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this First Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this First Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 AMENDMENTS

2.1 Amendments

- (a) The paragraph entitled "**CREDIT FACILITY B**" on page 5 of the Offering Letter is amended by deleting it in its entirety and replacing it with the following:

"The Bank hereby establishes in favour of the Borrower an uncommitted demand credit facility ("**Credit Facility B**") for up to \$13,300,000 in Canadian Dollars, which amount shall be reduced to \$13,000,000 in Canadian Dollars from and after December 31, 2016, and further reduced monthly by \$500,000 in Canadian Dollars on the last Business Day of each month commencing January 31, 2017 until the earlier of demand and the time at which all obligations under Credit Facility B have been fully, indefeasibly and irrevocably paid".

- (b) The paragraph entitled "**AFFIRMATIVE COVENANTS**" on page 15 of the Offering Letter is amended by adding a new subparagraph (y) in chronological order containing the following

"on or before December 15, 2016, the Borrower shall provide satisfactory evidence of its ability to raise equity in a minimum amount of \$3,000,000 with closing and funding to occur on or before December 31, 2016."

- (c) The paragraph entitled "**REVIEW**" on page 25 of the Offering Letter is amended by deleting "December 31, 2016 and June 1, 2017 respectively" and replacing it with "May 31, 2017".

- (d) The definition of "**Current Liabilities**" in Appendix C is amended by deleting the definition in its entirety and replacing it with the following:

"**Current Liabilities**" means, as at any date of determination, the current liabilities of the Borrower on a consolidated basis for such date as determined in accordance with generally accepted accounting principles but excluding: (i) Current Portion of Bank Debt; (ii) the impact of any Unrealized Hedging Losses, and (iii) any non-operating related liability."

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this First Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing;
- (b) the representations and warranties contained in the Offering Letter (on the basis that this First Amending Agreement is a Loan Document), other than those stated to be made as

at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and

- (c) no circumstance or event has occurred which would reasonably be expected to have a Material Adverse Effect, and no material adverse change has occurred in the operations or financial condition of the Borrower or of its assets, taken as a whole, since the date of the most recent audited financial statements provided to the Bank.

ARTICLE 4 CONDITIONS PRECEDENT

4.1 Conditions Precedent

This First Amending Agreement shall be effective upon:

- (a) receipt by the Bank of a duly executed copy of this First Amending Agreement;
- (b) no further defaults shall have occurred under the Offering Letter or related Security documents;
- (c) all reasonable legal fees and costs of the Bank's legal counsel, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (d) the Borrower shall have paid the Amendment Fee referenced in Section 5.2 hereof;
- (e) the Bank obtaining internal credit committee approval for this First Amending Agreement; and
- (f) the Bank receiving such other information that the Bank has reasonably requested.

ARTICLE 5 MISCELLANEOUS

5.1 Ratification

This First Amending Agreement is supplemental to the Offering Letter and forms part of, and has the same effect as though incorporated in, the Offering Letter. Except as amended herein, the Offering Letter shall remain in full force and effect and is hereby ratified and confirmed in all respects.

5.2 Amendment Fee

The Borrower shall pay to the Bank on the date hereof an amendment fee in the amount of \$150,000 ("Amendment Fee") payable by way of automatic debit of the Borrower's account with the Bank.

5.3 Further Assurances

The Borrower and the Bank shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this First Amending Agreement.

5.4 Governing Law

The parties agree that this First Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein.

5.5 Time of Essence

Time shall be of the essence of this First Amending Agreement.

5.6 Counterpart and Electronic Execution

This First Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this First Amending Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this First Amending Agreement.

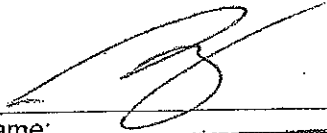
[signature page follows]

EXECUTION VERSION

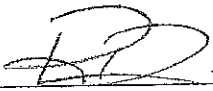
IN WITNESS WHEREOF the parties hereto have caused this Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY LTD.

Per


Name: _____
Title: **Massimo M. Geremia**
President & CEO

Per


Name: _____
Title: **Robert G. Dion**
Vice President, Finance & CFO

NATIONAL BANK OF CANADA, as Bank

Per

Name:
Title:

Per

Name:
Title:

[SIGNATURE PAGE TO FIRST AMENDING AGREEMENT]

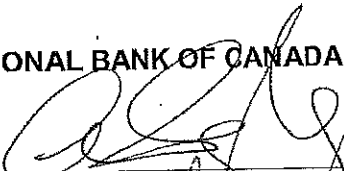
IN WITNESS WHEREOF the parties hereto have caused this Amending Agreement to be duly executed on the date and year first above written.

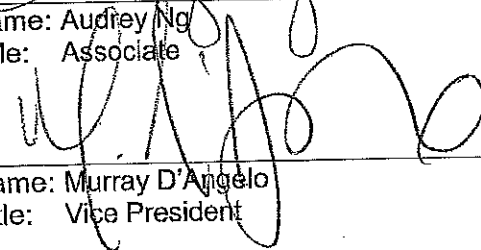
MANITOK ENERGY INC.

Per _____
Name:
Title:

Per _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per  _____
Name: Audrey Ng
Title: Associate

Per  _____
Name: Murray D'Angelo
Title: Vice President

[SIGNATURE PAGE TO FIRST AMENDING AGREEMENT]

SECOND AMENDING AGREEMENT

This Second Amending Agreement is made effective as of May 31, 2017

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016, as amended by a first amending agreement dated December 21, 2016 and by a waiver and amending agreement dated as of May 29, 2017 (as so amended, the "**Offering Letter**");

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Second Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) "**Second Amending Agreement**" means this second amending agreement, as amended, modified, supplemented or restated from time to time.
- (b) "**Amended Offering Letter**" means the Offering Letter, as amended by the Second Amending Agreement.

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Second Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Second Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this Second Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 AMENDMENTS

2.1 Amendments

- (a) The paragraph entitled "**CREDIT FACILITY B**" on page 5 of the Offering Letter is hereby amended by deleting it in its entirety and replacing it with the following:

"The Bank hereby establishes in favour of the Borrower an uncommitted demand credit facility ("**Credit Facility B**") for up to \$13,300,000 in Canadian Dollars, which amount shall be reduced to \$13,000,000 in Canadian Dollars from and after December 31, 2016, and further reduced monthly by \$500,000 in Canadian Dollars on the last Business Day of each month beginning January 31, 2017 until the earlier of (A) demand and (B) the time at which all obligations under Credit Facility B have been fully, indefeasibly and irrevocably paid, provided that the principal amount of Credit Facility B shall not be reduced during the months ending May 31, 2017 and June 30, 2017."

- (b) The paragraph entitled "**AFFIRMATIVE COVENANTS**" on page 14 of the Offering Letter is hereby amended as follows:

- (i) by deleting the word "and" at the end of paragraph (x); and
- (ii) by deleting the period at the end of paragraph (y) and replacing it with the following:

"; and

- (z) the Borrower shall have Alvarez & Marsal engaged until the Credit Facilities have been repaid in full;
- (aa) on or before June 22, 2017, the Borrower shall provide to the Bank: (i) an execution version of the Questfire Arrangement Agreement; and (ii) a substantially settled copy of the Summit Credit Agreement and shall thereafter provide the Bank with an executed copy of the Summit Credit Agreement contemporaneously with the closing of the transactions contemplated thereunder;
- (bb) on or before July 6, 2017, the Borrower shall provide to the Bank a filed copy of the interim order issued by the Court of Queen's Bench of Alberta, Judicial Centre of Calgary authorizing the calling of a shareholders' meeting to approve the Questfire Arrangement Agreement;

- (bb) on or before July 28, 2017, the Borrower shall provide the Bank satisfactory evidence that the shareholders of Questfire Energy Corp. have approved the transactions contemplated by the Questfire Arrangement Agreement at a special meeting of the shareholders called for that purpose; and
- (cc) on or before July 31, 2017, the Borrower shall provide the Bank satisfactory evidence that the arrangement transactions between the Borrower and Questfire Energy Corp. have closed pursuant to and in accordance with the terms of the Questfire Arrangement Agreement, the proceeds of which shall be used by the Borrower to repay in full all outstanding Obligations hereunder."
- (c) The paragraph entitled "**FINANCIAL COVENANTS**" on page 17 of the Offering Letter is hereby amended by (i) deleting the reference to "45th" and replacing it with "60th" and (ii) by adding the following phrase before the period at the end of such paragraph: "and as at the 120th day following the end of each fiscal year".
- (d) The paragraph entitled "**REVIEW**" on page 25 of the Offering Letter is hereby amended by deleting "May 31, 2017" and replacing it with "July 31, 2017".
- (e) The section entitled "**DEFINITIONS**" in Appendix C to the Offering Letter is hereby amended by adding the following new definitions in alphabetical order:

"**Questfire Arrangement Agreement**" means the arrangement agreement between the Borrower and Questfire Energy Corp. pursuant to which the parties will enter into an arrangement transaction in accordance with the terms and conditions set out therein."

"**Summit Credit Agreement**" means the senior secured credit agreement to be entered into among the Borrower, as borrower, **[Summit Capital]** and the other financial institutions which from time to time become lenders thereunder, and **[Summit Capital]**, as administrative agent, pursuant to which credit facilities in the amount of \$110,000,000 with an additional accordion of \$15,000,000 will be made available to the Borrower, as the same may be amended, modified, supplemented or restated from time to time."

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this Second Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing under the Amended Offering Letter;
- (b) the representations and warranties contained in the Amended Offering Letter, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and

- (c) no circumstance or event has occurred which would reasonably be expected to have a Material Adverse Effect, and no material adverse change has occurred in the operations or financial condition of the Borrower or of its assets, taken as a whole, since the date of the most recent audited financial statements provided to the Bank.

ARTICLE 4 ACKNOWLEDGEMENT

4.1 Demand Credit Facilities

The Borrower acknowledges and agrees that nothing whatsoever in this Second Amending Agreement shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon default or demand for payment under the Amended Offering Letter or any other Loan Document, the Bank shall cancel the availability of the Credit Facilities and shall have no obligation or liability to make further Advances under the Credit Facilities.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions Precedent

This Second Amending Agreement shall be effective upon:

- (a) receipt by the Bank of a duly executed copy of this Second Amending Agreement;
- (b) no further defaults shall have occurred under the Offering Letter or related Security documents;
- (c) all reasonable legal fees and costs of the Bank's legal counsel, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (d) the Borrower shall have paid the Extension Fee referenced in Section 6.2 hereof;
- (e) the Bank obtaining internal credit committee approval for this Second Amending Agreement; and
- (f) the Bank receiving such other information that the Bank has reasonably requested.

ARTICLE 6 MISCELLANEOUS

6.1 Ratification

This Second Amending Agreement is supplemental to the Offering Letter and forms part of, and has the same effect as though incorporated in, the Offering Letter. Except as amended herein, the Offering Letter shall remain in full force and effect and is hereby ratified and confirmed in all respects.

6.2 Extension Fee

The Borrower shall pay to the Bank on the date hereof an amendment fee in the amount of \$15,000 ("**Extension Fee**") payable by way of automatic debit of the Borrower's account with the Bank.

6.3 Further Assurances

The Borrower and the Bank shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Second Amending Agreement.

6.4 Confirmation of Security

The Borrower agrees with and confirms to the Bank that as of the date hereof, the Security granted pursuant to the Offering Letter is and shall remain in full force and effect in all respects and shall continue to exist and apply to all of the obligations of the Borrower under, pursuant or relating to the Amended Offering Letter. This confirmation of Security is in addition to and shall not limit, derogate from or otherwise affect any provisions of the Security.

6.5 Governing Law

The parties agree that this Second Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein.

6.6 Time of Essence

Time shall be of the essence of this Second Amending Agreement.


6.7 Counterpart and Electronic Execution

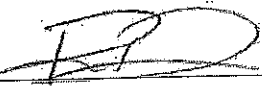
This Second Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Second Amending Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this Second Amending Agreement.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have caused this Second Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per 
Name: Massimo M. Geremia
Title: President & CEO

Per 
Name: Robert G. Dion
Title: Vice President, Finance & CFO

NATIONAL BANK OF CANADA, as Bank

Per _____
Name:
Title:

Per _____
Name:
Title:

[SIGNATURE PAGE TO SECOND AMENDING AGREEMENT]

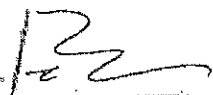
IN WITNESS WHEREOF the parties hereto have caused this Second Amending Agreement to be duly executed on the date and year first above written.

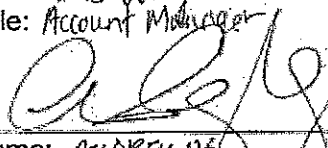
MANITOK ENERGY INC., as Borrower

Per _____
Name:
Title:

Per _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per  _____
Name: Iris Wong
Title: Account Manager

Per  _____
Name: AUDREY P.S.O.
Title: SENIOR MANAGER

[SIGNATURE PAGE TO SECOND AMENDING AGREEMENT]

ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR

The undersigned hereby:

- (a) acknowledges the execution and delivery of the Second Amending Agreement;
- (b) acknowledges and agrees that the entering into of the Second Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Second Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

By: 

Name: _____

Massimo M. Geremia

Title: _____

President & CEO

By: 

Name: _____

Robert G. Dion

Title: _____

Vice President, Finance & CFO

THIRD AMENDING AGREEMENT

This Third Amending Agreement is made effective as of July 20, 2017

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016, as amended by a first amending agreement dated December 21, 2016, by a waiver and amending agreement dated as of May 29, 2017 and by a second amending agreement dated as of May 31, 2017 (as so amended, the "Offering Letter");

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Third Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) **"Third Amending Agreement"** means this third amending agreement, as amended, modified, supplemented or restated from time to time.
- (b) **"Amended Offering Letter"** means the Offering Letter, as amended by the Third Amending Agreement.

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Third Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Third Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this Third Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 AMENDMENTS

2.1 Amendments

- (a) The paragraph entitled "**CREDIT FACILITY B**" on page 5 of the Offering Letter is hereby amended by deleting it in its entirety and replacing it with the following:
- "The Bank hereby establishes in favour of the Borrower an uncommitted demand credit facility ("**Credit Facility B**") for up to \$13,300,000 in Canadian Dollars, which amount shall be reduced to \$13,000,000 in Canadian Dollars from and after December 31, 2016, and further reduced monthly by \$500,000 in Canadian Dollars on the last Business Day of each month beginning January 31, 2017 until the earlier of (A) demand and (B) the time at which all obligations under Credit Facility B have been fully, indefeasibly and irrevocably paid, provided that the principal amount of Credit Facility B shall not be reduced during the months ending May 31, 2017, June 30, 2017 and July 31, 2017."
- (b) The section entitled "**REPORTING REQUIREMENTS**" on page 13 of the Offering Letter is hereby amended by deleting the word "and" at the end of paragraph (e) and by deleting paragraph (f) in its entirety and replacing it with the following:
- (f) a rolling thirteen (13) week cash flow forecast to be updated on a weekly basis and provided to the Bank on the first business day of the week by 4:00 p.m. (Calgary time); and
- (g) any other information the Bank may reasonably require from time to time.
- (c) The paragraph entitled "**AFFIRMATIVE COVENANTS**" on page 14 of the Offering Letter is hereby amended as follows:
- (i) by deleting the reference to "June 22" in paragraph (aa) and replacing it with "July 7"; and
- (ii) by deleting all subsequent paragraphs and replacing them with the following:
- (bb) on or before July 21, 2017, the Borrower shall provide to the Bank a filed copy of the interim order issued by the Court of Queen's Bench of Alberta, Judicial Centre of Calgary authorizing the calling of a shareholders' meeting to approve the Questfire Arrangement Agreement;
- (cc) on or before August 21, 2017, the Borrower shall provide the Bank satisfactory evidence that the shareholders of Questfire Energy Corp. have

approved the transactions contemplated by the Questfire Arrangement Agreement at a special meeting of the shareholders called for that purpose;

- (dd) on or before August 31, 2017, the Borrower shall provide the Bank satisfactory evidence that the arrangement transactions between the Borrower and Questfire Energy Corp. have closed pursuant to and in accordance with the terms of the Questfire Arrangement Agreement, the proceeds of which shall be used by the Borrower to indefeasibly repay in full in cash all outstanding Obligations hereunder; and
 - (ee) on or before August 31, 2017, the Borrower shall indefeasibly repay in full in cash all outstanding Obligations hereunder.”
- (d) The paragraph entitled “**NEGATIVE COVENANTS**” on page 16 of the Offering Letter is hereby amended as follows:
- (i) by deleting the word “or” at the end of paragraph (q); and
 - (ii) by deleting the period at the end of paragraph (r) and replacing it with the following:
“; or
 - (s) permit its weekly average oil and natural gas production volumes to fall below 5,000 barrels of oil equivalent per day, provided that the Borrower shall notify the Bank within 24 hours of having knowledge that such volumes have fallen below 5,000 barrels of oil equivalent per day. For the purposes of calculating the foregoing, production volumes associated with plant turn-arounds and facility downtime shall be added to the Borrower's weekly average oil and natural gas production volumes for any given period being measured.
- (e) The paragraph entitled “**REVIEW**” on page 25 of the Offering Letter is hereby amended by deleting “July 31, 2017” and replacing it with “August 31, 2017”.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this Third Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing under the Amended Offering Letter;
- (b) the representations and warranties contained in the Amended Offering Letter, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and

- (c) no circumstance or event has occurred which would reasonably be expected to have a Material Adverse Effect, and no material adverse change has occurred in the operations or financial condition of the Borrower or of its assets, taken as a whole, since the date of the most recent audited financial statements provided to the Bank.

ARTICLE 4 ACKNOWLEDGEMENT

4.1 Demand Credit Facilities

The Borrower acknowledges and agrees that nothing whatsoever in this Third Amending Agreement shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon default or demand for payment under the Amended Offering Letter or any other Loan Document, the Bank shall cancel the availability of the Credit Facilities and shall have no obligation or liability to make further Advances under the Credit Facilities.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions Precedent

This Third Amending Agreement shall be effective upon:

- (a) receipt by the Bank of a duly executed copy of this Third Amending Agreement;
- (b) no further defaults shall have occurred under the Offering Letter or related Security documents;
- (c) all reasonable legal fees and costs of the Bank's legal counsel, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (d) the Bank obtaining internal credit committee approval for this Third Amending Agreement; and
- (e) the Bank receiving such other information that the Bank has reasonably requested.

ARTICLE 6 MISCELLANEOUS

6.1 Ratification

This Third Amending Agreement is supplemental to the Offering Letter and forms part of, and has the same effect as though incorporated in, the Offering Letter. Except as amended herein, the Offering Letter shall remain in full force and effect and is hereby ratified and confirmed in all respects.

6.2 Extension Fee

The Borrower shall pay to the Bank on July 25, 2017 an extension fee in the amount of \$50,000 ("Extension Fee") payable by way of automatic debit of the Borrower's account with the Bank.

6.3 Further Assurances

The Borrower and the Bank shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Third Amending Agreement.

6.4 Confirmation of Security

The Borrower agrees with and confirms to the Bank that as of the date hereof, the Security granted pursuant to the Offering Letter is and shall remain in full force and effect in all respects and shall continue to exist and apply to all of the obligations of the Borrower under, pursuant or relating to the Amended Offering Letter. This confirmation of Security is in addition to and shall not limit, derogate from or otherwise affect any provisions of the Security.

6.5 Governing Law

The parties agree that this Third Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein.

6.6 Time of Essence

Time shall be of the essence of this Third Amending Agreement.

6.7 Counterpart and Electronic Execution

This Third Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Third Amending Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this Third Amending Agreement.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have caused this Third Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per _____

Name: _____

Title: **Massimo M. Geremia**
President & CEO

Per _____

Name: _____

Title: **Robert G. Dion**
Vice President, Finance & CFO

NATIONAL BANK OF CANADA, as Bank

Per _____

Name: _____

Title: _____

Per _____

Name: _____

Title: _____

[SIGNATURE PAGE TO THIRD AMENDING AGREEMENT]

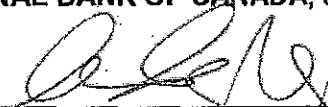
IN WITNESS WHEREOF the parties hereto have caused this Third Amending Agreement to be duly executed on the date and year first above written.

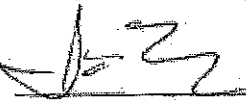
MANITOK ENERGY INC., as Borrower

Per _____
Name:
Title:

Per _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per  _____
Name: Audrey Ng
Title: Senior Manager, Special Loans

Per  _____
Name: Iris Wong
Title: Account Manager, Special Loans

[SIGNATURE PAGE TO THIRD AMENDING AGREEMENT]

ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR

The undersigned hereby:

- (a) acknowledges the execution and delivery of the Third Amending Agreement;
- (b) acknowledges and agrees that the entering into of the Third Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Third Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

By: 

Name: **Massimo M. Geremia**

Title: **President & CEO**

By: 

Name: **Robert G. Dion**

Title: **Vice President, Finance & CFO**

FOURTH AMENDING AGREEMENT

This Fourth Amending Agreement is made effective as of August 31, 2017

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016, as amended by a first amending agreement dated December 21, 2016, by a waiver and amending agreement dated as of May 29, 2017, by a second amending agreement dated as of May 31, 2017 and by a third amending agreement dated as of July 20, 2017 (as so amended, the "Offering Letter");

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Fourth Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) **"Fourth Amending Agreement"** means this fourth amending agreement, as amended, modified, supplemented or restated from time to time.
- (b) **"Amended Offering Letter"** means the Offering Letter, as amended by the Fourth Amending Agreement.

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Fourth Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Fourth Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this Fourth Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 AMENDMENTS

2.1 Amendments

- (a) The paragraph entitled "**CREDIT FACILITY B**" on page 5 of the Offering Letter is hereby amended by deleting it in its entirety and replacing it with the following:

"The Bank hereby establishes in favour of the Borrower an uncommitted demand credit facility ("**Credit Facility B**") for up to \$13,300,000 in Canadian Dollars, which amount shall be reduced to \$13,000,000 in Canadian Dollars from and after December 31, 2016, and further reduced monthly by \$500,000 in Canadian Dollars on the last Business Day of each month beginning January 31, 2017 until the earlier of (A) demand and (B) the time at which all obligations under Credit Facility B have been fully, indefeasibly and irrevocably paid, provided that the principal amount of Credit Facility B shall not be reduced during the months ending May 31, 2017, June 30, 2017, July 31, 2017, August 31, 2017 and September 30, 2017."

- (b) The paragraph entitled "**REPRESENTATIONS AND WARRANTIES**" on page 11 of the Offering Letter is hereby amended by adding the words "and Corinthian Oil Corp." before the semicolon in paragraph (m).

- (c) The paragraph entitled "**AFFIRMATIVE COVENANTS**" on page 14 of the Offering Letter is hereby amended by deleting paragraph (ee) in its entirety and replacing it with the following:

"(ee) if on or before September 30, 2017 all conditions precedent to the effectiveness of the Summit Credit Agreement have been satisfied (except for the perfection of any security interests) and delivered in escrow, as applicable, and the initial advance under the Summit Credit Agreement has been disbursed pursuant to escrow conditions satisfactory to the Bank, the date for indefeasible repayment in full in cash of all outstanding Obligations hereunder shall be October 30, 2017."

- (d) The paragraph entitled "**REVIEW**" on page 25 of the Offering Letter is hereby amended by deleting "August 31, 2017" and replacing it with "September 30, 2017".
- (e) Paragraph 4 in Appendix B of the Offering Letter is hereby amended by adding the words "and Corinthian Oil Corp." before the semicolon in such paragraph.
- (f) The definition of "Permitted Debt" in Appendix C of the Offering Letter is hereby amended as follows:

- (i) by deleting the word "and" after the semicolon in paragraph (f); and
- (ii) by deleting the period at the end of paragraph (g) and replacing it with the following:
 - “; and
 - (h) Debt owing by the Borrower to Corinthian Oil Corp., provided such Debt is unsecured.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this Fourth Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing under the Amended Offering Letter;
- (b) the representations and warranties contained in the Amended Offering Letter, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and
- (c) no circumstance or event has occurred which would reasonably be expected to have a Material Adverse Effect, and no material adverse change has occurred in the operations or financial condition of the Borrower or of its assets, taken as a whole, since the date of the most recent audited financial statements provided to the Bank.

ARTICLE 4 ACKNOWLEDGEMENT

4.1 Demand Credit Facilities

The Borrower acknowledges and agrees that nothing whatsoever in this Fourth Amending Agreement shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon default or demand for payment under the Amended Offering Letter or any other Loan Document, the Bank shall cancel the availability of the Credit Facilities and shall have no obligation or liability to make further Advances under the Credit Facilities.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions Precedent

This Fourth Amending Agreement shall be effective upon:

- (a) receipt by the Bank of a duly executed copy of this Fourth Amending Agreement;

- (b) no defaults shall have occurred under the Offering Letter or related Security documents;
- (c) all reasonable legal fees and costs of the Bank's legal counsel, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (d) all reasonable fees and costs of the Bank's financial advisor, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (e) the Bank obtaining internal credit committee approval for this Fourth Amending Agreement; and
- (f) the Bank receiving such other information that the Bank has reasonably requested.

ARTICLE 6 MISCELLANEOUS

6.1 Ratification

This Fourth Amending Agreement is supplemental to the Offering Letter and forms part of, and has the same effect as though incorporated in, the Offering Letter. Except as amended herein, the Offering Letter shall remain in full force and effect and is hereby ratified and confirmed in all respects.

6.2 Further Assurances

The Borrower and the Bank shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Fourth Amending Agreement.

6.3 Confirmation of Security

The Borrower agrees with and confirms to the Bank that as of the date hereof, the Security granted pursuant to the Offering Letter is and shall remain in full force and effect in all respects and shall continue to exist and apply to all of the obligations of the Borrower under, pursuant or relating to the Amended Offering Letter. This confirmation of Security is in addition to and shall not limit, derogate from or otherwise affect any provisions of the Security.

6.4 Governing Law

The parties agree that this Fourth Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein.

6.5 Time of Essence

Time shall be of the essence of this Fourth Amending Agreement.

6.6 Counterpart and Electronic Execution

This Fourth Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed

counterpart of a signature page of this Fourth Amending Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this Fourth Amending Agreement.

[Signature Page Follows]

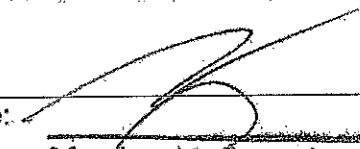
IN WITNESS WHEREOF the parties hereto have caused this Fourth Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per _____

Name: _____

Title: _____


Massimo M. Geremia
President & CEO

Per _____

Name: _____

Title: _____

NATIONAL BANK OF CANADA, as Bank

Per _____

Name: _____

Title: _____

Per _____

Name: _____

Title: _____

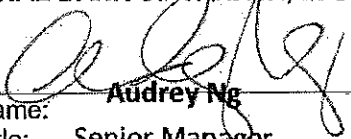
IN WITNESS WHEREOF the parties hereto have caused this Fourth Amending Agreement to be duly executed on the date and year first above written.

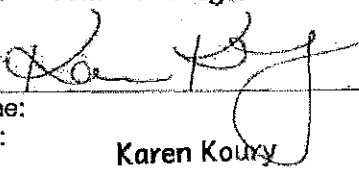
MANITOK ENERGY INC., as Borrower

Per _____
Name:
Title:

Per _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per  _____
Name: **Audrey Ng**
Title: **Senior Manager**

Per  _____
Name:
Title: **Karen Koury**
Senior Manager

ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR


The undersigned hereby:

- (a) acknowledges the execution and delivery of the Fourth Amending Agreement;
- (b) acknowledges and agrees that the entering into of the Fourth Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Fourth Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

By:

Name:


Massimo M. Geremia

Title:

President & CEO

By:

Name:

Title:

FIFTH AMENDING AGREEMENT

This Fifth Amending Agreement is made effective as of September 30, 2017

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016, as amended by a first amending agreement dated December 21, 2016, by a waiver and amending agreement dated as of May 29, 2017, by a second amending agreement dated as of May 31, 2017, by a third amending agreement dated as of July 20, 2017 and by a fourth amending agreement dated as of August 31, 2017 (as so amended, the "Offering Letter");

AND WHEREAS the Credit Facilities are repayable upon demand;

AND WHEREAS the Bank has heretofore determined to not demand repayment of all Obligations on the basis of representations by the Borrower that the Questfire Transaction (as hereinafter defined) will close in accordance with its terms, including representations by the Borrower that the Questfire Transaction would close and the Borrower would indefeasibly repay the Obligations in full on or before July 31, 2017, as subsequently extended and amended to August 31, 2017, as subsequently extended and amended to October 31, 2017 (the October 31, 2017 extension being premised on the basis that all conditions precedent to proposing the financing required to consummate the Questfire Transaction would be satisfied or waived on or before September 30, 2017 (the "September 30, 2017 Milestone Date") together with an initial advance made therefor);

AND WHEREAS the September 30, 2017 Milestone Date was not achieved by the Borrower;

AND WHEREAS the Borrower continues to pursue the Questfire Transaction which contemplates repayment of the Bank in full. The Borrower intends to, in parallel with its efforts to close the Questfire Transaction and as an alternative in case the Questfire Transaction does not close, conduct a sales process to market for sale the entirety of the Borrower's assets, property, and undertaking; and to implement a sales transaction that will close by not later than December 31, 2017, and provide for the indefeasible repayment in full, in cash, of the Obligations and the cancellation of all Credit Facilities under the Offering Letter;

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Fifth Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) "Amended Offering Letter" means the Offering Letter, as amended by the Fifth Amending Agreement.
- (b) "Bankruptcy Proceeding" means an application, relief sought or proceeding commenced involving any of the Loan Parties under or pursuant to any Insolvency Laws.
- (c) "DIP Financing" means a request of any Person to provide loans, financing or other credit prior to, at the commencement of or during the course of any Bankruptcy Proceeding.
- (d) "DIP Financing Particulars" is defined in section 3.1(d) of this Fifth Amending Agreement.
- (e) "DIP Offer" means any proposal, offer, term sheet, commitment letter, letter of intent or similar document from any Person to provide DIP Financing.
- (f) "DIP Offer Notice" is defined in section 3.1(d) of this Fifth Amending Agreement.
- (g) "Entice Facilities" has the meaning ascribed to it in the Stolberg and Entice Rental Agreement.
- (h) "Fifth Amending Agreement" means this fifth amending agreement, as amended, modified, supplemented or restated from time to time.
- (i) "Insolvency Laws" means the *Bankruptcy and Insolvency Act (Canada)*, the *Companies' Creditors Arrangement Act (Canada)*, the *Winding-Up and Restructuring Act (Canada)*, the *Canada Business Corporations Act (Canada)*, the *Business Corporations Act (Alberta)*, or any other federal, provincial, state or foreign law that involves protection from creditors or the compromise or arrangement of indebtedness.
- (j) "Questfire Transaction" means the transactions contemplated and to be consummated between the Borrower and Questfire Energy Corp. pursuant to the Arrangement Agreement dated July 5, 2017.
- (k) "Releasee" is defined in section 6.3 of this Fifth Amending Agreement.
- (l) "Stolberg Facilities" has the meanings ascribed to it in the Stolberg Joint Venture Agreement and the Stolberg and Entice Rental Agreement.
- (m) "Stream" means Stream Asset Financial Manitoak LP.

- (n) "Stream Agreements" means, collectively:
- (i) Rental Agreement made effective as of December 30, 2014 between the Borrower and Stream with respect to the Stolberg and Entice Facilities (the "Stolberg and Entice Rental Agreement");
 - (ii) Joint Venture Agreement made effective as of December 30, 2014 between the Borrower and Stream with respect to the Stolberg Facilities (the "Stolberg Joint Venture Agreement");
 - (iii) Rental Agreement made effective as of June 12, 2015 between the Borrower and Stream with respect to the Wayne Facilities (the "Wayne Rental Agreement"); and
 - (iv) Joint Venture Agreement made effective as of June 12, 2015 between the Borrower and Stream with respect to the Wayne Facilities (the "Wayne Joint Venture Agreement").
- (o) "Wayne Facilities" has the meanings ascribed to it in the Wayne Joint Venture Agreement and Wayne Rental Agreement;

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Fifth Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Fifth Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this Fifth Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 ACKNOWLEDGMENTS OF THE BORROWER

The Borrower acknowledges, confirms, represents, warrants, covenants, and agrees that:

- (a) each of the recitals set out above is true and accurate in all material respects, and that such recitals form a central part of this Fifth Amending Agreement upon which the Bank is relying;
- (b) Alvarez & Marsal Canada ULC, has been engaged as a financial advisor (the "Financial Advisor") by McCarthy Tétrault LLP, counsel to the Bank, to assist McCarthy Tétrault LLP in providing advice and representation to the Bank by providing

the Financial Advisor's evaluation of the Borrower's financial information, assets or business valuation, forecasts and reporting as well as evaluating the Questfire Transaction. The Borrower shall continue to give full access to the Financial Advisor to its management, properties, projects, systems, and books and records and will pay for the reasonable fees and disbursements of the Financial Advisor in accordance with the engagement letter between the Financial Advisor and McCarthy Tétrault LLP dated May 8, 2017;

- (c) the Loan Documents and the Obligations constitute legal, valid and binding obligations of the Borrower and Loan Party, enforceable against it in accordance with their respective terms, and the Bank has and shall continue to have valid, enforceable and perfected first priority security created pursuant to the Security, subject only to security expressly permitted in the Loan Documents and as may have otherwise been agreed to in writing by the Bank;
- (d) as of the date hereof, the aggregate amount owing by the Borrower to the Bank is \$36,197,000, together with the accrued and accruing interest, fees, costs, expenses and other charges now payable by the Borrower to the Lender in accordance with the Loan Documents and this Agreement (collectively, the "Existing Indebtedness");
- (e) the Existing Indebtedness is unconditionally owing by the Borrower to the Bank, without any valid claim for set-off, counterclaim, damages or any other defence of any kind, nature or description whatsoever;
- (f) the Obligations are repayable on demand and nothing contained in the Loan Documents or this Agreement shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon demand for payment under the Amended Offering Letter or any other Loan Document, the Bank shall cancel the availability of the Credit Facilities and shall have no obligation or liability to make further Advances under the Credit Facilities;
- (g) the Loan Parties do not have any claims of any kind whatsoever against the Bank, or any of its employees, advisors, officers, directors, affiliates or representatives arising from any acts or omissions occurring prior to the date of this Agreement;
- (h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Existing Indebtedness in accordance with the Loan Documents, in the applicable amounts and at the applicable rates set out therein and herein;
- (i) the Bank is and will be entitled to the rights, remedies and benefits provided for in the Loan Documents; this Agreement and under applicable Law; and
- (j) no waiver or indulgence by the Bank of any of its rights and remedies hereunder, or under the Loan Documents or applicable law shall be construed as a waiver of any other or subsequent right or remedy of the Bank, and no delay or omission in the exercise or enforcement by the Bank of its rights and remedies hereunder, under the Loan Documents or applicable law shall be construed as a waiver of any right or remedy of the Bank and it reserves all rights, claims and remedies that they have or may have against the Borrower and Loan Parties. Without limiting the foregoing:

- (i) the Bank has not waived, and is not by this Agreement waiving, and has no intention of waiving, any rights or remedies available to it; and
- (ii) the Bank reserves the right, in its sole discretion, to exercise any or all of its rights or remedies under any of the Loan Documents or applicable law.

**ARTICLE 3
AMENDMENTS TO OFFERING LETTER AND SECURITY**

3.1 Amendments

- (a) The section entitled "**CREDIT FACILITY A**" on page 3 of the Offering Letter is hereby amended by deleting the reference to "3%" in the first paragraph of the subsection entitled "**Interest Rate and Fees**" and replacing it with "5%".
- (b) The section entitled "**CREDIT FACILITY B**" on page 5 of the Offering Letter is hereby amended by:
 - (i) deleting the first paragraph in its entirety and replacing it with the following:

"The Bank hereby establishes in favour of the Borrower an uncommitted demand credit facility ("**Credit Facility B**") for up to Cdn\$13,300,000, which amount shall be reduced to Cdn\$13,000,000 from and after December 31, 2016, and further reduced monthly on the last Business Day of each month and payable on the first day of each month, initially by Cdn\$500,000 for the months ending January 31, 2017, February 28, 2017, March 31, 2017 and April 30, 2017 and thereafter by Cdn\$300,000 beginning October 31, 2017 until the earlier of (A) demand and (B) the time at which all obligations under Credit Facility B have been fully, indefeasibly and irrevocably paid, provided for greater certainty that the principal amount of Credit Facility B shall not be reduced during the months ending May 31, 2017, June 30, 2017, July 31, 2017, August 31, 2017 and September 30, 2017."; and
 - (ii) deleting the reference to "5%" in the subsection entitled "**Interest Rate and Fees**" and replacing it with "7%".
- (c) The section entitled "**REPORTING COVENANTS**" on page 13 of the Offering Letter is hereby amended by deleting paragraphs (f) and (g) in their entirety and replacing them with the following:
 - (f) effective immediately, and without limiting any reporting obligations of the Borrower under the Loan Documents, the Borrower shall promptly upon request provide to the Bank and the Financial Advisor timely, complete and accurate information regarding the Borrower and Loan Parties and their property, assets, affairs, activities and developments, including, without limitation:
 - (i) on each Monday (unless, in each case, such day is not a Business Day, in which case, the next Business Day), a comparison report of actual versus forecast results for the prior week and a material variance analysis against the borrower's

proforma cash-flow forecast, which report shall be in form and substance satisfactory to the Bank, and such be provided to the Bank by not later than 5:00 p.m. (Calgary time) on the applicable day for the weekly period ended on such day starting on Monday, October 16, 2017, in respect of the period from October 8, 2017 to October 15, 2017, inclusive;

- (ii) detailed updates on the status and progress of the Questfire Transaction on a weekly basis and in any case, promptly upon the request of the Bank, its counsel or the Financial Advisor;
 - (iii) a monthly detailed aged payable listing of each Loan Party, including a detailed list of any amounts owing to any governmental authority which could rank in priority to the Security; builders' liens, outstanding amounts that are subject to potential builders' liens and related claims and actions, any and all amounts that may become subject to potential liens and related claims and action as a result of any Loan Party's ability to pay such payables during the term of this Agreement along with such Loan Party's plan for addressing such payables; and
 - (iv) any other information the Bank may reasonably require from time to time."
- (d) The paragraph entitled "**AFFIRMATIVE COVENANTS**" on page 14 of the Offering Letter is hereby amended by deleting paragraphs (dd) and (ee) in their entirety and replacing them with the following:

- "(dd) use the proceeds of any disposition by the Borrower which is consented to by the Bank to repay indebtedness outstanding under Credit Facility B;
- (ee) If the Borrower becomes subject to proceedings under or pursuant to, or determines that it will make any filing, apply for any relief or protection, or commence any proceedings, under or pursuant to any Bankruptcy Proceeding, it shall immediately, and in any event a minimum of five (5) Business Days prior to making any filing, application for or commencing any proceedings in respect of a Bankruptcy Proceeding, provide the following information to the Bank:
 - (i) the jurisdiction that the Bankruptcy Proceeding will be initiated, commenced or filed in;
 - (ii) the entities that will be named in or be part of the Bankruptcy Proceeding;
 - (iii) whether the Borrower and Loan Party named in or part of the Bankruptcy Proceeding will be applying for any charges that may rank in priority to the Security and, if so, the nature of such charges;

- (iv) any other information that is relevant to the Bankruptcy Proceeding; and,
- (v) any other information reasonably requested by the Bank that is relevant to the Bankruptcy Proceeding;
- (ff) If the Borrower or any Loan Party makes a request of any person to provide any DIP Financing, the Borrower shall immediately provide the Lender with the following information:
 - (i) the amount of the DIP Financing;
 - (ii) the terms of the DIP Financing;
 - (iii) the interest rate charged on the DIP Financing;
 - (iv) the fees and expenses charged on the DIP Financing;
 - (v) the proposed use of the DIP Financing;
 - (vi) the nature and structure of the DIP Financing, including the nature and priority of any security required by the DIP Financing;
 - (vii) any other information that is relevant to the DIP Financing; and
 - (viii) any information reasonably requested by the Bank that is relevant to the DIP Financing (collectively, the "DIP Financing Particulars");
- (gg) If the Borrower or any Loan Party obtains or is provided with any DIP Offer, they:
 - (i) shall immediately provide the Bank with notice of the DIP Offer (the "DIP Offer Notice"), the DIP Financing Particulars relevant to the DIP Offer and all records, documents and information relevant to the DIP Offer; and
 - (ii) shall not enter into any agreement or take any other action in respect of or pertaining to the DIP Offer during the five (5) Business Days following the date that the DIP Offer Notice is provided to the Bank;
- (hh) The Borrower covenants and agrees that, if Bankruptcy Proceedings are commenced, the Borrower will include in any application that it will seek to have the Bank treated as an "unaffected creditor" which shall not be subject to any stay of proceedings imposed by Insolvency Laws or court order in such Bankruptcy Proceedings; and
- (ii) Nothing herein is intended to imply, or shall be construed as implying, the consent of the Lender to the Borrower or any Loan Party obtaining any DIP Financing or initiating any Bankruptcy Proceeding."

(e) The paragraph entitled "NEGATIVE COVENANTS" on page 16 of the Offering Letter is hereby amended as follows:

(i) by deleting paragraph (h) in its entirety and replacing it with the following:

"(h) sell, transfer or otherwise dispose of any of its property or assets (including any sale-leasebacks), other than the sale or disposition in the ordinary course of business of a Loan Party's (A) inventory or production, or (B) other tangible personal property that is obsolete, no longer useful for its intended purpose or being replaced in the ordinary course of business;"

(ii) by deleting the word "or" at the end of paragraph (r); and

(iii) by deleting paragraph (s) in its entirety and replacing it with the following:

"(s) permit its weekly average oil and natural gas production volumes to fall below (i) 4800 barrels of oil equivalent per day during the period beginning September 30, 2017 and ending November 30, 2017, and (ii) 4700 barrels of oil equivalent per day at any time thereafter, provided that during any period the Borrower shall notify the Bank within 24 hours of having knowledge that such volumes have fallen below the minimum required barrels of oil equivalent per day for such period. For the purposes of calculating the foregoing, production volumes associated with scheduled plant turn-arounds and facility downtime shall be added to the Borrower's weekly average oil and natural gas production volumes for any given period being measured, provided that repairs are being expedited and production resumes within 5 days of such plant turn-around or downtime;

(u) make any capital expenditures without the prior written consent of the Bank, provided that the Borrower shall be permitted to make capital expenditures in accordance with the Borrower's maintenance and repairs program provided for in the Cash Flow Forecast;

(v) the Borrower shall not, and shall not permit any Loan Party to, use the proceeds of the Credit Facilities to accumulate or maintain cash or cash equivalents in depository or investment accounts of the Borrower and the Loan Parties in an amount, in the aggregate, greater than Cdn. \$100,000 but excluding therefrom cash or cash equivalents accumulated or maintained therein for ordinary course of business or working capital requirements approved by the Bank; or

(w) repay any inter-corporate indebtedness to any subsidiary or affiliate including any Loan Party and including, without limitation, repay any amounts owing to Corinthian Oil & Gas Inc.

(f) The paragraph entitled "REVIEW" on page 25 of the Offering Letter is hereby amended by deleting "September 30, 2017" and replacing it with "December 15, 2017."

- (g) Appendix C on page 31 of the Offering Letter is hereby amended by adding the following new definition in alphabetical order:

"Fifth Amending Agreement" means the fifth amending agreement dated September 30, 2017 between the Bank and the Borrower, pursuant to which this Agreement is amended."

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this Fifth Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing under the Amended Offering Letter;
- (b) the representations and warranties contained in the Amended Offering Letter, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and
- (c) no circumstance or event has occurred which would reasonably be expected to have a Material Adverse Effect, and no material adverse change has occurred in the operations or financial condition of the Borrower or of its assets, taken as a whole, since the date of the most recent audited financial statements provided to the Bank.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions Precedent

This Fifth Amending Agreement shall be effective upon:

- (a) receipt by the Bank of the following:
 - (i) a duly executed copy of this Fifth Amending Agreement;
 - (ii) a duly executed copy of an acknowledgement of debt and revolving demand credit;
 - (iii) a duly executed copy of a debenture amending agreement in the form attached hereto as Schedule "A";
 - (iv) certified copies of the constating documents of each Loan Party, including all amendments thereto, and the resolutions of the board of directors of each Loan Party authorizing the execution and delivery of this Fifth Amending Agreement and the performance of their obligations under this Fifth Amending Agreement and the Amended Offering Letter, as applicable; and

- (v) a legal opinion from Borrower's counsel, in form and substance satisfactory to the Bank and its counsel;
- (b) payment by the Borrower of the Extension Fee referenced in Section 6.2 hereof;
- (c) all reasonable legal fees and costs of the Bank's legal counsel, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (d) all reasonable fees and costs of the Financial Advisor, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (e) the Bank obtaining internal credit committee approval for this Fifth Amending Agreement; and
- (f) the Bank receiving such other information that the Bank has reasonably requested.

ARTICLE 6 MISCELLANEOUS

6.1 Ratification

This Fifth Amending Agreement is supplemental to the Offering Letter and forms part of, and has the same effect as though incorporated in, the Offering Letter. Except as amended herein, the Offering Letter shall remain in full force and effect and is hereby ratified and confirmed in all respects.

6.2 Extension Fee

The Borrower shall pay to the Bank on the date hereof an extension fee in the amount of \$100,000 (the "Extension Fee") payable by way of automatic debit to the Borrower's account with the Bank.

6.3 General Release / Covenant Not to Sue

In consideration of, among other things, the Bank's execution and delivery of this Fifth Amending Agreement, each of the Loan Parties, on behalf of itself and their respective agents, representatives, officers, directors, shareholders, advisors, employees, subsidiaries, affiliates, successors and assigns (collectively, "Releasers"), hereby forever waives, releases and discharges, to the fullest extent permitted by applicable law, each Releasee from any and all claims (including, without limitation, crossclaims, counterclaims, claims of lender liability, rights of set-off and recoupment), actions, causes of action, suits, debts, accounts, interests, liens, promises, warranties, damages and consequential damages, demands, judgments, executions, costs, expenses or claims whatsoever (collectively, the "Claims"), that such Releaser now has or hereafter may have, of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Bank in any capacity and its respective affiliates, subsidiaries, shareholders and "controlling persons" (within the meaning of any applicable laws), and its respective successors and assigns and each and all of the officers, directors, employees, agents, attorneys and other representatives of each of the foregoing (collectively, the "Releasee"), in each case based in whole or in part on facts known to the Borrower and existing before the date of this Fifth Amending Agreement, that relate to, arise out of or otherwise are in connection with:

- (a) any or all of the Obligations, Loan Documents, transactions contemplated hereby or any actions or omissions in connection therewith; or
- (b) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Bank, on the other hand, relating to any or all of the indebtedness, documents, transactions, actions or omissions referenced in clause (i) hereof;

and the Loan Parties are not aware of any such Claims against the Releasee. The entering into of this Fifth Amending Agreement by the Loan Parties shall constitute a ratification, adoption, and confirmation by such Parties of the foregoing general release of such Claims against the Releasee that are based in whole or in part on facts, whether or not now known or unknown. In entering into this Fifth Amending Agreement, the Loan Parties consulted with, and have been represented by, legal counsel and expressly disclaim any reliance on any representations, acts or omissions by the Releasee and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity hereof. Each of the Loan Parties, on behalf of itself and all other Releasors, hereby absolutely, unconditionally and irrevocably, covenants and agrees with and in favor of the Releasee that it will not sue (at law, in equity, in any regulatory proceeding or otherwise), and will not encourage or support, directly or indirectly, any other Releasor or other Person in suing, or commencing any proceedings or exercising or purporting to exercise rights or remedies against, the Releasee on the basis of any Claim released, remised and discharged by the Borrower hereunder. The provisions of this Section 7.3 shall survive the termination of this Fifth Amending Agreement and the other Loan Documents, and payment in full of the Obligations. Notwithstanding the foregoing, the foregoing releases and covenants not to sue shall not apply, as to the Releasee, to any Claim which is determined by a court of competent jurisdiction, in a final and non-appealable judgment, to have resulted from the gross negligence, wilful misconduct, or breach of this Fifth Amending Agreement of or by such Releasee.

6.4 Further Assurances

The Borrower shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Fifth Amending Agreement.

6.5 Governing Law

The parties agree that this Fifth Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein.

6.6 Time of Essence

Time shall be of the essence of this Fifth Amending Agreement.

6.7 Counterpart and Electronic Execution

This Fifth Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Fifth Amending Agreement by facsimile or in electronic

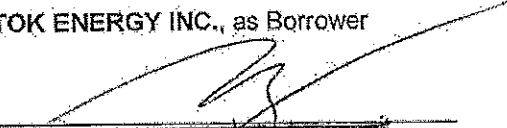
format shall be effective as delivery of a manually executed counterpart of this Fifth Amending Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the parties hereto have caused this Fifth Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per


Name: **Massimo M. Geremia**
Title: **President & CEO**

Per

Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per

Name:
Title:

Per

Name:
Title:

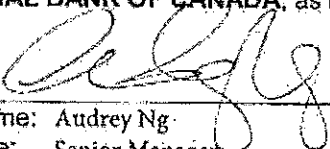
IN WITNESS WHEREOF the parties hereto have caused this Fifth Amending Agreement to be duly executed on the date and year first above written.


MANITOK ENERGY INC., as Borrower

Per _____
Name:
Title:

Per _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per  _____
Name: Audrey Ng
Title: Senior Manager

Per  _____
Name: Iris Wong
Title: Account Manager

ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR

The undersigned hereby:

- (a) acknowledges the execution and delivery of the Fifth Amending Agreement by the Borrower and agrees to be independently bound by all covenants, agreements, conditions and proviso contained therein applicable to it;
- (b) acknowledges and agrees that the entering into of the Fifth Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Fifth Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

By:

Name:

Massimo M. Geremia

Title:

President & CEO

By:

Name:

Title:

SCHEDULE "A"
DEBENTURE AMENDING AGREEMENT

This Demand Debenture Amending Agreement is made effective as of September 30, 2017.

BETWEEN:

NATIONAL BANK OF CANADA
(the "Bank")

- and -

MANITOK ENERGY INC.
(the "Borrower")

PREAMBLE:

- A. Manito Energy Inc. and National Bank of Canada are parties to an Offering Letter dated October 27, 2016 as the same has been amended, supplemented, restated or otherwise modified from time to time, including by way of Fifth Amending Agreement (the "Amended Offering Letter") of even date;
- B. To secure payment and performance of the obligations, the Borrower granted to the Bank the Demand Debenture (the "Debenture") dated February 4, 2013, containing a grant of security interest over the collateral described therein;
- C. As a condition to the Amended Offering Letter and the Bank continuing to make the Credit Facilities available to the Borrower, the Bank has requested and the Borrower has agreed to amend the Debenture on the terms and conditions as hereinafter set out;
- D. Capitalized words and phrases used but not otherwise defined herein will have the meanings set out in the Amended Offering Letter.

NOW THEREFORE in consideration of the payment of \$10.00 by the Bank to the Borrower, the Bank's agreement to enter into the Amended Offering Letter, together with such other good and valuable consideration, the receipt and sufficiency of which by the Borrower is hereby acknowledged, the parties agree as follows:

ARTICLE 1
AMENDMENT TO DEBENTURE

- 1.1 The Debenture be and is hereby amended as follows:
 - (a) Article 11 – Realization – be and is hereby deleted in its entirety and is replaced with the following:

"The Lender is entitled to demand payment of this Debenture or enforce the Security Interest concurrently upon demand by the Bank that the Debtor repay the then Principal Amount outstanding and in accordance with the provisions of section 244 of the *Bankruptcy and Insolvency Act*

(Canada) ("Section 244") and the Bank may, concurrent with such demand and in accordance with Section 244, exercise and enforce all the rights and remedies of a holder of this Debenture in accordance with and subject to the Credit Documents as if the Lender was the absolute owner hereof, provided that the Lender will not be bound to exercise any such right or remedy."

DATED in the City of Calgary in the Province of Alberta on this ____ day of _____, 2017.

MANITOK ENERGY INC., as Borrower

Per: _____

Name: Massimo M. Geremia
Title: President & CEO

NATIONAL BANK OF CANADA, as Bank

Per: _____

Name: _____
Title: _____

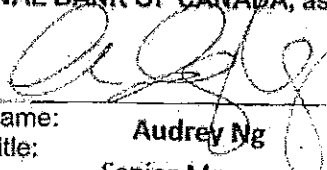
(Canada) ("Section 244") and the Bank may, concurrent with such demand and in accordance with Section 244, exercise and enforce all the rights and remedies of a holder of this Debenture in accordance with and subject to the Credit Documents as if the Lender was the absolute owner hereof, provided that the Lender will not be bound to exercise any such right or remedy."

DATED in the City of Calgary in the Province of Alberta on this 25th day of October, 2017.

MANITOK ENERGY INC., as Borrower

Per: _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per:  _____
Name: **Audrey Ng**
Title: **Senior Manager**


Iris Wong
Account Manager

SIXTH AMENDING AGREEMENT

This Sixth Amending Agreement is made effective as of November 1, 2017

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016, as amended by a first amending agreement dated December 21, 2016, by a waiver and amending agreement dated as of May 29, 2017, by a second amending agreement dated as of May 31, 2017, by a third amending agreement dated as of July 20, 2017, by a fourth amending agreement dated as of August 31, 2017 and by a fifth amending agreement dated as of September 30, 2017 (as so amended, the "Offering Letter");

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Sixth Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) "**Amended Offering Letter**" means the Offering Letter, as amended by the Sixth Amending Agreement.
- (b) "**Sixth Amending Agreement**" means this sixth amending agreement, as amended, modified, supplemented or restated from time to time.

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Sixth Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Sixth Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this Sixth Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 AMENDMENTS TO OFFERING LETTER

2.1 Amendments

- (a) The section entitled "AFFIRMATIVE COVENANTS" on page 14 of the Offering Letter is hereby amended by deleting the word "and" at the end of paragraph (kk), by deleting the period at the end of paragraph (ll) and replacing it with "; and", and by adding the following new paragraphs at the end of such section:
- "(jj) on or before November 8, 2017 the Borrower shall provide to the Bank the following in connection with the marketing of all of the Borrower's assets, property and undertaking (the "Sales Process"): (i) evidence that a teaser describing the opportunity to acquire all or substantially all of the Borrower's assets, property and undertaking has been delivered to a broad and comprehensive list of prospective purchasers. The teaser will indicate a deadline of November 27, 2017 for execution and delivery of all bids and letters of intent, and (ii) a draft confidentiality agreement;
 - (kk) on or before November 3, 2017, the Borrower shall provide to the Bank and the Financial Advisor access to the data room it has created relative to the Sales Process for the purpose of the Financial Advisor monitoring the Borrower's progress in connection with populating the data room. On or before November 8, 2017, the Borrower shall have provided evidence to the Bank that the data room has been opened and fully populated with material relevant to the Sales Process;
 - (ll) the Borrower shall immediately instruct Raymond James Ltd. (the "Marketing Agent"), in writing, to make full and complete disclosure to the Bank and the Financial Advisor in respect of the Sales Process by way of weekly written reports and/or weekly update calls, as instructed by the Bank to the Borrower and the Marketing Agent in its sole discretion, including, without limitation:
 - (i) a list of any new parties signing non-disclosure agreements or that have been given access to the data room in the past week;
 - (ii) any material written or oral communication between each potential purchaser and the Borrower, including with respect to:
 - (A) indication of interest or changes thereto (including contemplated structure, sources of financing, timeline and other relevant requirements);

- (B) withdrawal of participation in the Sales Process;
 - (C) feedback after any site visit;
 - (D) potential purchasers or their representatives attending site visits or participating in management meetings or communications with the Borrower or the Marketing Agent; and
 - (E) upon receipt of same by the Borrower and, in any event, not later than one (1) Business Day following receipt of same by the Borrower, a copy of any bid, offer, term sheet, proposal or agreement (whether binding or non-binding), process letter, correspondence, and any other documents with respect to the Sales Process or any proposal for purchase and sale of all or any part of any Loan Party's assets out of the ordinary course or any recapitalization, refinancing, restructuring or similar transaction and any material notices related thereto;
- (mm) on or before November 8, 2017, the Borrower shall provide to the Bank a final sales information package together with the list of prospective purchasers to whom the final sales information package will be distributed;
- (nn) on or before November 8, 2017, the Borrower shall provide to the Bank evidence that access to the data room prepared in connection with the Sales Process has been provided to interested parties who have executed confidentiality agreements with the Borrower;
- (oo) on or before November 28, 2017, the Borrower shall provide to the Bank a letter of intent for the purchase of the Borrower's assets, property and undertaking in an amount that will generate proceeds sufficient to allow the Borrower to indefeasibly repay the Obligations in full and in cash, in form and substance satisfactory to the Bank in its sole discretion;
- (pp) on or before December 8, 2017, a definitive agreement (the "**Definitive Agreement**") for the sale of the Borrower's assets, property and undertaking in an amount that will generate proceeds sufficient to allow the Borrower to indefeasibly repay the Obligations in full and in cash, in form and substance satisfactory to the Bank in its sole discretion (which includes, without limitation, a cash deposit in an amount that is reflective of the overall consideration to be paid and the ability of the counterparty to such agreement to consummate the transactions contemplated thereby), shall have been executed; and
- (qq) on or before January 15, 2018, all conditions precedent to the sale contemplated by the Definitive Agreement shall have been satisfied and the proceeds of such sale shall be used by the Borrower to indefeasibly repay in full in cash all outstanding Obligations hereunder."

**ARTICLE 3
CONSENT**

3.1 Stream Consent

- (a) On or before November 3, 2017, the Borrower shall inform Stream of the Sales Process, keep them informed of the Sales Process from time to time and provide evidence of such communications to the Bank; and
- (b) the Borrower hereby consents to the Bank and Stream sharing confidential information with respect to the Borrower and the terms of the Loan Documents and the Stream Asset Financial Manitok LP transaction documents in compliance with the confidentiality provisions of such documents.

3.2 Freehold Royalties Partnership Consent

- (a) On or before November 3, 2017, the Borrower shall inform Freehold Royalties Partnership ("Freehold") of the Sales Process, keep them informed of the Sales Process from time to time and provide evidence of such communications to the Bank; and
- (b) the Borrower hereby consents to the Bank and Freehold sharing confidential information with respect to the Borrower and the terms of the Loan Documents and the Freehold transaction documents in compliance with the confidentiality provisions of such documents.

3.3 PrairieSky Royalty Ltd. Consent

- (a) On or before November 6, 2017, the Borrower shall inform PrairieSky Royalty Ltd. ("PSK") of the Sales Process, keep them informed of the Sales Process from time to time and provide evidence of such communications to the Bank; and
- (b) the Borrower hereby consents to the Bank and PSK sharing confidential information with respect to the Borrower and the terms of the Loan Documents and the PSK transaction documents in compliance with the confidentiality provisions of such documents.

**ARTICLE 4
REPRESENTATIONS AND WARRANTIES**

4.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this Sixth Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing under the Amended Offering Letter;
- (b) the representations and warranties contained in the Amended Offering Letter, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and

- (c) no circumstance or event has occurred which would reasonably be expected to have a Material Adverse Effect, and no material adverse change has occurred in the operations or financial condition of the Borrower or of its assets, taken as a whole, since the date of the most recent audited financial statements provided to the Bank.

ARTICLE 5 ACKNOWLEDGEMENT

5.1 Demand Credit Facilities

The Borrower acknowledges and agrees that nothing whatsoever in this Sixth Amending Agreement shall derogate from, limit or alter the demand nature of the Credit Facilities and all Advances and other obligations under or pursuant to the Credit Facilities shall be due and payable upon demand for payment by the Bank. For certainty, upon default or demand for payment under the Amended Offering Letter or any other Loan Document, the Bank shall cancel the availability of the Credit Facilities and shall have no obligation or liability to make further Advances under the Credit Facilities.

ARTICLE 6 ADDITIONAL COVENANTS

6.1 ADDITIONAL COVENANTS

In addition to the foregoing, the Borrower will:

- (a) provide the Bank a duly executed copy of this Sixth Amending Agreement;
- (b) pay all reasonable legal fees and costs of the Bank's legal counsel, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (c) pay all reasonable fees and costs of the Financial Advisor, including disbursements and taxes, in connection herewith shall have been paid by the Borrower;
- (d) in consideration of the time and administrative expense incurred by the Bank in connection with preparing this 6th Amending Agreement having particular regard to the fact that the Borrower failed to meet previously agreed to targets, the Borrower will immediately pay the Bank a fee in connection with the 6th Amending Agreement in the amount of \$15,000. and
- (e) provide the Bank with such further and other information that the Bank may reasonably request from time to time.

ARTICLE 7 MISCELLANEOUS

7.1 Ratification

This Sixth Amending Agreement is supplemental to the Offering Letter and forms part of, and has the same effect as though incorporated in, the Offering Letter. Except as amended herein, the Offering Letter shall remain in full force and effect and is hereby ratified and confirmed in all respects.

7.2 Further Assurances

The Borrower shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Sixth Amending Agreement.

7.3 Governing Law

The parties agree that this Sixth Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein.

7.4 Time of Essence

Time shall be of the essence of this Sixth Amending Agreement.

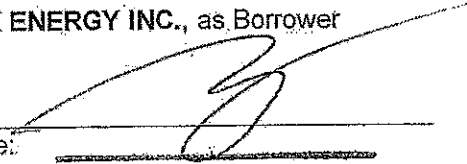
7.5 Counterpart and Electronic Execution

This Sixth Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Sixth Amending Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this Sixth Amending Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the parties hereto have caused this Sixth Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per 
Name: _____
Title: **Massimo M. Geremia**
President & CEO

Per _____
Name: _____
Title: _____

NATIONAL BANK OF CANADA, as Bank

Per _____
Name: _____
Title: _____

Per _____
Name: _____
Title: _____

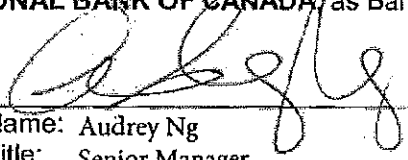
IN WITNESS WHEREOF the parties hereto have caused this Sixth Amending Agreement to be duly executed on the date and year first above written.


MANITOK ENERGY INC., as Borrower

Per _____
Name:
Title:

Per _____
Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per 
Name: Audrey Ng
Title: Senior Manager

Per 
Name: Iris Wong
Title: Account Manager


ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR

The undersigned hereby:

- (a) acknowledges the execution and delivery of the Sixth Amending Agreement by the Borrower and agrees to be independently bound by all covenants, agreements, conditions and proviso contained therein applicable to it;
- (b) acknowledges and agrees that the entering into of the Sixth Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Sixth Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

By:


Name: **Massimo M. Geremia**
Title: **President & CEO**

By:

Name:

Title:

SEVENTH AMENDING AGREEMENT

This Seventh Amending Agreement is made effective as of November 27, 2017

BETWEEN:

MANITOK ENERGY INC., as Borrower

AND:

NATIONAL BANK OF CANADA, as Bank

WHEREAS the Borrower and the Bank are parties to an offering letter dated October 27, 2016, as amended by a first amending agreement dated December 21, 2016, by a waiver and amending agreement dated as of May 29, 2017, by a second amending agreement dated as of May 31, 2017, by a third amending agreement dated as of July 20, 2017, by a fourth amending agreement dated as of August 31, 2017, by a fifth amending agreement dated as of September 30, 2017 and by a sixth amending agreement dated as of November 1, 2017 (as so amended, the "Offering Letter");

AND WHEREAS the Borrower and the Bank wish to amend the Offering Letter on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Seventh Amending Agreement, including the recitals hereto, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

- (a) "**Amended Offering Letter**" means the Offering Letter, as amended by the Seventh Amending Agreement.
- (b) "**Seventh Amending Agreement**" means this seventh amending agreement, as amended, modified, supplemented or restated from time to time.

All capitalized terms used but not otherwise defined herein shall have the same meaning ascribed thereto in the Offering Letter.

1.2 Headings

The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Seventh Amending Agreement.

1.3 References

Unless something in the subject matter or context is inconsistent therewith, all references to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Seventh Amending Agreement, and the words "herein", "hereof" and "hereunder" and words of similar import, shall be construed to refer to this Seventh Amending Agreement in its entirety and not to any particular provision hereof.

ARTICLE 2 AMENDMENTS TO OFFERING LETTER

2.1 Amendments

- (a) The section entitled "AFFIRMATIVE COVENANTS" on page 14 of the Offering Letter is hereby amended as follows:
- (i) by deleting the reference to "November 27" in paragraph (jj) and replacing it with "December 4";
 - (ii) by deleting the reference to "November 28" in paragraph (oo) and replacing it with "December 5"; and
 - (iii) by deleting paragraphs (pp) and (qq) in their entirety and replacing them with the following:

"(pp) on or before December 13, 2017, a definitive agreement (the "Definitive Agreement") for the sale of the Borrower's assets, property and undertaking in an amount that will generate proceeds sufficient to allow the Borrower to indefeasibly repay all outstanding Obligations hereunder in full and in cash, in form and substance satisfactory to the Bank in its sole discretion (which includes, without limitation, a cash deposit in an amount that is reflective of the overall consideration to be paid and the ability of the counterparty to such agreement to consummate the transactions contemplated thereby), shall have been executed and delivered with a copy delivered to the Bank."

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Borrower represents and warrants to the Bank (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Bank in entering into this Seventh Amending Agreement), that, as of the date hereof and after giving effect to the amendments contained herein:

- (a) no default has occurred and is continuing under the Amended Offering Letter;
- (b) the representations and warranties contained in the Amended Offering Letter, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of the date hereof; and

6.2 Further Assurances

The Borrower shall do all such further acts and things and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Seventh Amending Agreement.

6.3 Governing Law / Attornment to Jurisdiction

The parties agree that this Seventh Amending Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. The parties hereby submit to the exclusive jurisdiction of the Courts in the Province of Alberta.

6.4 Time of Essence

Time shall be of the essence of this Seventh Amending Agreement.

6.5 Counterpart and Electronic Execution

This Seventh Amending Agreement may be executed in counterparts (and by different parties hereto in separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Seventh Amending Agreement by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this Seventh Amending Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the parties hereto have caused this Seventh Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per _____

Name: _____

Title: _____

Robert G. Dion
Robert G. Dion
Vice President, Finance & CFO

Per _____

Name: _____

Title: _____

NATIONAL BANK OF CANADA, as Bank

Per _____

Name: _____

Title: _____

Per _____

Name: _____

Title: _____

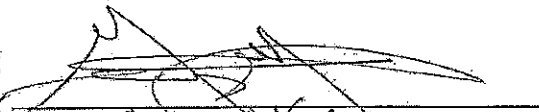
ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR

The undersigned hereby:

- (a) acknowledges the execution and delivery of the Seventh Amending Agreement by the Borrower and agrees to be independently bound by all covenants, agreements, conditions and proviso contained therein applicable to it;
- (b) acknowledges and agrees that the entering into of the Seventh Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Seventh Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

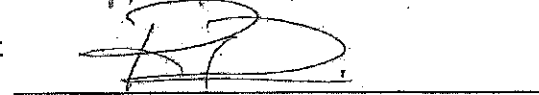
By:



Name: **Gregory A. Vavra**

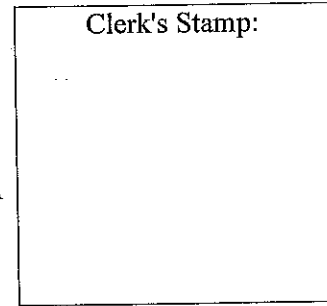
Title: **Vice President**

By:



Name: **Robert G. Dion**

Title: **Vice President, Finance & CFO**



COURT FILE NUMBER 25-2332583
25-2332610

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

PROCEEDING IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF MANITOK ENERGY INC.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF RAIMOUNT ENERGY CORP.

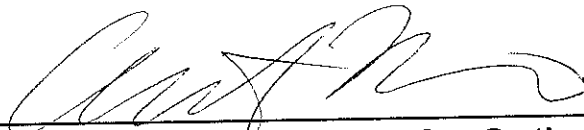
DOCUMENT **AFFIDAVIT OF MASSIMO GEREMIA**
Sworn January 11, 2018
EXHIBITS E through P

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Gowling WLG (Canada) LLP
1600, 421 – 7 Avenue SW
Calgary, AB T2P 4K9

Attention: Tom Cumming / Clifton Prophet
Telephone (403) 298-1938 / (416) 862-3509
Facsimile (403) 695-3538
Email: tom.cumming@gowlingwlg.com
clifton.prophet@gowlingwlg.com

THIS IS EXHIBIT "E" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

MANITOK ENERGY INC.

DEMAND DEBENTURE

Lender and Address: NATIONAL BANK OF CANADA
Energy Group
311 - 6th Avenue SW, Suite 1800
Calgary, AB T2P 3H2

Date: February 4, 2013

PREAMBLE:

- A. Manitok Energy Inc. (the "**Debtor**") and National Bank of Canada ("**National Bank**") are parties to an offering letter dated January 23, 2013 (such offering letter, as it may be amended, supplemented, restated or otherwise modified from time to time, the "**Credit Agreement**") pursuant to which National Bank has agreed to make certain credit facilities available to the Debtor.
- B. The Debtor has, or may, enter into with, and incur indebtedness to, certain hedging affiliates of National Bank (the "**Hedging Affiliates**") pursuant to the terms of any Financial Instruments (the "**Debtor Hedging Agreements**").
- C. To secure the payment and performance of the Principal Sum (as hereinafter defined), the Debtor has agreed to grant to National Bank, for its own benefit and on behalf of the Hedging Affiliates (collectively, the "**Lender**") a security interest over the Collateral (as hereinafter defined) in accordance with the terms of this Debenture.
- D. Capitalized words and phrases used but not otherwise defined in this Debenture will have the meanings set out in the Credit Agreement.
- E. It is in the interests of the Debtor to enter into this Debenture and to grant the security interest herein contemplated.

**ARTICLE 1
PROMISE TO PAY**

- 1.1 The Debtor, a corporation formed under the laws of Alberta, for value received, hereby acknowledges itself indebted and promises to pay **ON DEMAND** to or to the order of the Lender from time to time or any subsequent holder or holders of this Debenture, the Principal Sum set out below in lawful money of Canada at such place as the Lender, from time to time, may designate by notice in writing to the Debtor, and to pay interest thereon from the date of demand at the Interest Rate set out below in like money at the same place on the last day of each month following demand and, should the Debtor at any time make default in payment of any principal or interest, to pay interest both before and after default and judgment on the amount in default at the same rate in like money at the same place on the same dates.

**ARTICLE 2
PRINCIPAL SUM**

- 2.1 The "**Principal Sum**" is Canadian \$200,000,000.

**ARTICLE 3
INTEREST RATE**

- 3.1 The "**Interest Rate**" will be a nominal interest rate equal to 18% per annum.

**ARTICLE 4
SECURITY**

- 4.1 As general and continuing collateral security for the due payment of the Principal Sum, interest and all other monies payable hereunder or from time to time secured hereby and as security for the performance and observance of the covenants and agreements on the part of the Debtor herein contained, the Debtor hereby grants to and in favour of the Lender a first priority security interest in and to all of the Debtor's present and after-acquired personal property, tangible and intangible, in each case, of every nature and kind and wherever situate and all proceeds thereof and hereby mortgages and charges to and in favour of the Lender, as and by way of a first floating charge, all of the Debtor's present and after-acquired real property. In this Debenture, the mortgages, charges and security interests hereby constituted are called the "**Security Interest**" and the subject matter of the Security Interest is called the "**Collateral**".
- 4.2 Until the Security Interest becomes enforceable, the Debtor, subject to the terms of the Credit Agreement, the Debtor Hedging Agreements, the Security (including, without limitation, this Debenture), and any other documents, instruments and agreements entered into pursuant thereto or in connection therewith from time to time (the "**Credit Documents**"), may dispose of or deal with the Collateral in the ordinary course of its business and for the purpose of carrying on the same, so that purchasers thereof or parties dealing with the Debtor take title thereto free and clear of the Security Interest. In the event of any such disposition in the ordinary course of business or as permitted by the Credit Agreement, the Lender will, at the written request of the Debtor which will include a certificate of the Debtor stating that such Collateral is being dealt with or disposed of in accordance with this Section 4.2, release its Security Interest over the Collateral which has been disposed.
- 4.3 Without limiting its rights hereunder to crystallize the Security Interest in any other manner, the Lender may, at any time after the occurrence of an Event of Default under any of the Credit Documents or to the extent expressly provided for in any of the Credit Documents, crystallize the Security Interest in respect of all or a portion of the Collateral which is subject to the floating charge in Section 4.1 hereof by (a) giving notice to the Debtor of, and (b) registering this Debenture or a caveat, security notice, financing statement or other instrument in respect of this Debenture, at any public registry or other office maintained for the purposes of registering fixed and specific mortgages and charges, security interests and other like interests, and after such crystallization, the

Security Interest in respect of such Collateral that is the subject of the registration shall constitute a fixed and specific mortgage and charge and security interest to and in favour of the Lender, its successors and assigns, in respect of such Collateral, and the Debtor shall not thereafter dispose of or otherwise deal with such Collateral without the consent of the Lender except to the extent otherwise permitted under the Credit Documents. The Debtor shall execute such further documents and do all acts reasonably requested by the Lender to give effect to the foregoing.

- 4.4 The Security Interest will not extend or apply to the last day of the term of any lease of real property or agreement therefor, but upon the enforcement of the Security Interest, the Debtor will stand possessed of such last day in trust to assign the same at the direction of the Lender to any Person acquiring such term.
- 4.5 The Debtor confirms that value has been given, that the Debtor has rights in the Collateral, and that the Debtor and the Lender, have not agreed to postpone the time for attachment of the Security Interest to any of the Collateral. In respect of Collateral which is acquired after the date of execution hereof, the time for attachment will be the time when the Debtor acquires such Collateral.
- 4.6 The Lender is the party entitled to receive all amounts payable hereunder and to give a discharge hereof.
- 4.7 The Security Interest does not and will not extend to, and the Collateral will not include, any agreement, right, franchise, intellectual property, licence or permit (the "Contractual Rights") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation of the Security Interest would constitute a breach of the terms of or permit any Person to terminate the Contractual Rights, but the Debtor will hold its interest therein in trust for the Lender to the extent permitted by law and will assign such Contractual Rights to the Lender forthwith upon obtaining the consent of the other party or parties thereto.
- 4.8 Notwithstanding the provisions of this Debenture, (i) the Debtor shall remain liable to perform all of its duties and obligations in regard to the Collateral (including, without limitation, all of its duties and obligations arising under any leases, licenses, permits, reservations, contracts, agreements, instruments, contractual rights and governmental orders, authorizations, licenses and permits now or hereafter pertaining thereto) to the same extent as if this Debenture had not been executed; (ii) the exercise by the Lender of any of its rights and remedies under or in regard to this Debenture shall not release the Debtor from such duties and obligations; and (iii) the Lender shall have no liability for such duties and obligations or be accountable for any reason to the Debtor by reason only of the execution and delivery of this Debenture.
- 4.9 The Lender and its successors and assigns shall have and hold the Collateral, together with all tenements, hereditaments and appurtenances thereto, in accordance with the terms of the Credit Documents.

- 4.10 To the extent permitted by applicable law, the Security Interest shall not be impaired by any indulgence, moratorium or release which may be granted including, but not limited to, any renewal, extension or modification which may be granted with respect to any secured indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which may be granted in respect of the Collateral, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any of the Principal Sum.

ARTICLE 5 ENFORCEMENT

- 5.1 Subject to Section 5.2 hereof and the terms of the Credit Documents, upon the occurrence and during the continuance of any Event of Default, the Lender will be entitled to exercise any of the remedies specified below:

- (a) **Receiver.** The Lender may appoint by instrument in writing one or more receivers, managers or receiver/ manager for the Collateral or the business and undertaking of the Debtor pertaining to the Collateral (the "Receiver"). Any such Receiver will have, in addition to any other rights, remedies and powers which a Receiver may have at law, in equity or by statute, the rights and powers set out in clauses (b) through (e) in this Section 5.1. In exercising such rights and powers, any Receiver will act as and for all purposes will be deemed to be the agent of the Debtor and the Lender will not be responsible for any act or default of any Receiver. The Lender may remove any Receiver and appoint another from time to time. No Receiver appointed by the Lender need be appointed by, nor need its appointment be ratified by, or its actions in any way supervised by, a court.
- (b) **Power of Sale.** Any Receiver may sell, consign, lease or otherwise dispose of any Collateral by public auction, private tender, private contract, lease or deferred payment with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor to the extent permitted by applicable law. Any Receiver may, at its discretion establish the terms of such disposition, including terms and conditions as to cash proceeds, credit, upset, reserve bid or price. All payments made pursuant to such dispositions will be credited against the Principal Sum only as they are actually received. Any Receiver may buy in, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Receiver has taken possession of the Collateral.
- (c) **Pay Liens and Borrow Money.** Any Receiver may pay any liability secured by any actual or threatened mortgage, lien, pledge, charge, security interest or other encumbrance of any kind against any Collateral. Any Receiver may borrow money for the maintenance, preservation or protection of any Collateral or for carrying on any of the business or undertaking of the Debtor pertaining to the Collateral and may grant mortgages, liens, pledges, charges, security interests or other encumbrances of any kind in any Collateral (in priority to the Security

Interest or otherwise) as security for the money so borrowed. The Debtor will forthwith upon demand reimburse the Receiver for all such payments and borrowings and such payments and borrowings will be secured hereby and will be added to the money hereby secured and bear interest at the rate set forth in Section 3.1 hereof.

- (d) **Dealing with Collateral.** Any Receiver may seize, collect, realize, dispose of, enforce, release to third parties or otherwise deal with any Collateral in such manner, upon such terms and conditions and at such time as it deems advisable, including without limitation:
- (i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral;
 - (ii) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper in connection with Section 5.1(d)(i);
 - (iii) to file any claims or take any action or institute any proceedings which the Lender may deem to be necessary or desirable for the collection of the Collateral or to enforce compliance with the terms and conditions of any contract or any account; and
 - (iv) to perform the affirmative obligations of the Debtor hereunder (including, without limitation, all obligations of the Debtor pursuant to this Debenture and the Credit Documents.)
- (e) **Carry on Business.** The Lender or any Receiver may carry on, or concur in the carrying on of, any or all of the business or undertaking of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor.
- (f) **Right to Have Court Appoint a Receiver.** The Lender may, at any time, apply to a court of competent jurisdiction for the appointment of a Receiver, or other official, who may have powers the same as, greater or lesser than, or otherwise different from, those capable of being granted to a Receiver appointed by the Lender pursuant to this Debenture or file proof of claims and other documents with a court of competent jurisdiction in any proceeding relative to the Debtor.
- (g) **Lender May Exercise Rights of a Receiver.** In lieu of, or in addition to, exercising its rights, remedies and powers under clauses (a), (f) and (h) of this Section 5.1, the Lender has, and may exercise, any of the rights and powers which are capable of being granted to a Receiver appointed by the Lender pursuant to this Debenture.
- (h) **Retention of Collateral.** Subject to applicable law, the Lender may elect to retain any Collateral in satisfaction of the Principal Sum and, if it does so, may designate any part of the Principal Sum to be satisfied by the retention of

particular Collateral which the Lender considers to have a net realizable value approximating the amount of the designated part of the Principal Sum, in which case only the designated part of the Principal Sum will be deemed to be satisfied by the retention of the particular Collateral.

- (i) **Limitation of Liability.** The Lender will not be liable or accountable for any failure to take possession of, seize, collect, realize, dispose of, enforce or otherwise deal with any Collateral and it will not be bound to institute proceedings for any such purposes or for the purpose of reserving any rights, remedies and powers of the Lender, the Debtor or any other Person in respect of any Collateral. If any Receiver or the Lender takes possession of any Collateral, neither the Lender nor any Receiver will have any liability as a mortgagee in possession or be accountable for anything except actual receipts.
- (j) **Extensions of Time.** Following the occurrence and during the continuance of any Event of Default, the Lender may grant renewals, extensions of time and other indulgences, accept compositions, grant releases and discharges, and otherwise deal or fail to deal with the Debtor, debtors of the Debtor, guarantors, sureties and others and with any Collateral as the Lender may see fit, all without prejudice to the liability of the Debtor to the Lender or the Lender's rights, remedies and powers under this Debenture or under any other Credit Documents.
- (k) **Validity of Sale.** No Person dealing with the Lender or any Receiver, or with any officer, employee, agent or solicitor of the Lender or any Receiver will be concerned to inquire whether the Security Interest has become enforceable, whether the right, remedy or power of the Lender or the Receiver has become exercisable, whether the Principal Sum remaining outstanding or otherwise as to the propriety or regularity of any dealing by the Lender or the Receiver with any Collateral or to see to the application of any money paid to the Lender or the Receiver, and in the absence of fraud on the part of such Person such dealings will be deemed, as regards such Person, to be within the rights, remedies and powers hereby conferred and to be valid and effective accordingly.
- (l) **Effect of Appointment of Receiver.** As soon as the Lender takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the Debtor including, without limitation, any such powers, functions, rights and privileges which have been delegated to directors, officers of the Debtor or committees with respect to such Collateral will cease, unless specifically continued by the written consent of the Lender or the Receiver.
- (m) **Time for Payment.** If the Lender demands payment of the Principal Sum after the occurrence of an Event of Default or if the Principal Sum is otherwise due by maturity or acceleration, it will be deemed reasonable for the Lender to exercise its remedies immediately if such payment is not made, and any days of grace or any time for payment that might otherwise be required to be afforded to the Debtor at law or in equity is hereby irrevocably waived to the extent permitted by applicable law.

- (n) **No Implied Waiver.** The rights of the Lender (whether arising under this Debenture, any other Credit Document, any other agreement, at law or in equity) will not be capable of being waived or varied otherwise than by an express waiver or variation in writing, and in particular any failure to exercise or any delay in exercising any of such rights will not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights will not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation on the part of the Lender or on its behalf will in any way preclude the Lender from exercising any such right or constitute a suspension or any variation of any such right.
- (o) **Rights Cumulative.** The rights, remedies and powers conferred by this Section 5.1 are in addition to, and not in substitution for, any other rights, remedies or powers that the Lender may have under this Debenture, any other Credit Document, at law, in equity, by or under the *Personal Property Security Act* (Alberta) or by any other statute or agreement. The Lender may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Lender will be exclusive of or dependent on any other. The Lender may exercise any of its rights, remedies or powers separately or in combination and at any time.

- 5.2 The proceeds of realization or enforcement hereunder or any other amount from time to time received by the Lender or the Receiver will be applied as follows: first, to the payment in full of all reasonable fees of the Lender and all out-of-pocket costs, fees and expenses (including, without limitation, legal fees on a solicitor and his own client full indemnity basis) incurred by the Lender and any Receiver or other enforcement agent appointed by the Lender or a court of competent jurisdiction, as the case may be, in connection with the collection or enforcement of the Principal Sum owed to the Lender, the enforcement of the Security Interest or the preservation of the Collateral; second, in payment to the Lender of the Principal Sum and other amounts payable hereunder; and third, the balance, if any, will be paid, subject to applicable law, to the Debtor.
- 5.3 If the Lender or any Receiver exercises its rights herein to take possession of the Collateral, the Debtor will upon request from the Lender or any such Receiver, assemble and deliver possession of the Collateral at such place or places as directed by the Lender or any such Receiver.
- 5.4 If the Debtor pays to the Lender the balance of the Principal Sum (including, without limitation, all amounts forming part thereof) with interest thereon as required by this Debenture and any and all other amounts that are payable to the Lender on or in relation to the repayment thereof, then the Lender will, at the written request and sole expense of the Debtor, reassign and reconvey the Collateral to the Debtor and release the Security Interest.

**ARTICLE 6
WAIVER**

6.1 The Debtor hereby covenants and agrees with the Lender that:

- (a) The *Land Contracts (Actions) Act* (Saskatchewan) will have no application to any action as defined therein, with respect to the Credit Documents; and
- (b) The *Limitation of Civil Rights Act* (Saskatchewan) will have no application to:
 - (i) the Credit Documents;
 - (ii) any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind for the payment of money made, given created or contemplated by the Credit Documents;
 - (iii) any agreement or instrument renewing or extending or collateral to the Credit Documents or renewing or extending or collateral to any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind referred to or mentioned in subparagraph (b)(ii) of this Section 6.1; or
 - (iv) the rights, powers or remedies of the parties under the Credit Documents or mortgage, lien, pledge, charge, security interest or other encumbrance of any kind, referred to or mentioned in subparagraphs (b)(ii) or (b)(iii) of this Section 6.1.

**ARTICLE 7
REPRESENTATIONS**

7.1 The Debtor represents and warrants to the Lender that the address of the Debtor's chief executive office is Suite 2500, 639 – 5th Avenue SW, Calgary, Alberta T2P 0M9 and the Debtor carries on business only in the Province of Alberta.

**ARTICLE 8
COVENANTS**

8.1 The Debtor covenants and agrees with the Lender that:

- (a) **Further Documentation; Pledge of Instruments.** At any time and from time to time, upon the written request of the Lender, and at the sole expense of the Debtor, the Debtor will promptly and duly execute and deliver such further instruments and documents and take such further action as the Lender may reasonably request for the purposes of obtaining or preserving the full benefits of this Debenture and of the rights and powers herein granted, including the filing or execution of any financing statements or financing change statements under any applicable law with respect to this Debenture. The Debtor also hereby authorizes the Lender to file any such financing statement or financing change statement without the signature of the Debtor to the extent permitted by applicable law.

Without limiting the generality of the foregoing, the Debtor acknowledges that this Debenture has been prepared based on applicable law and the Debtor agrees that the Lender will have the right, acting reasonably, to require that this Debenture be amended or supplemented: (i) to reflect any changes in applicable law, whether arising as a result of statutory amendments, court decisions or otherwise; (ii) to facilitate the creation and registration of appropriate security in all appropriate jurisdictions; or (iii) if the Debtor amalgamates with any other Person or enters into any reorganization, in each case in order to confer upon the Lender the security intended to be created hereby.

- (b) **Fixed Charge.** At any time and from time to time, upon the written request of the Lender, and at the sole expense of the Debtor, as general and continuing collateral security for the due payment of the Principal Sum, interest and all other monies payable hereunder or from time to time secured hereby and as further security for the performance and observance of the covenants and agreements on the part of the Debtor herein contained, the Debtor will grant, assign, mortgage and charge, as and by way of a fixed and specific mortgage, assignment and charge to and in favour of the Lender all of the right, title, interest and estate of the Debtor (both present and future) in and to the property and interest (including, without limitation leasehold interests) described in Schedule "A" attached hereto (the "**Lands**"); all easements, rights-of-way, licences and privileges appurtenant or appertaining to the Lands; and all interests in any of the foregoing and all benefits and rights to the derived by the Debtor in respect thereof.
- (c) **Negative Pledge.** The Debtor covenants and agrees not to create or permit to exist (except in favour of the Lender) any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind (other than encumbrances permitted in writing by the Lender) affecting any of the present or after-acquired real property or personal property of the Debtor without the prior written consent of the Lender, except for Permitted Encumbrances.
- (d) **Further Identification of Collateral.** The Debtor will furnish to the Lender from time to time such statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Lender may reasonably request, all to the extent necessary to permit the Collateral to be sufficiently described.
- (e) **Notices.** The Debtor will advise the Lender in writing in reasonable detail of (i) any change in the jurisdictions where it carries on business or the chief executive office of the Debtor, or (ii) any change in the name of the Debtor, in each case, at least 15 days prior to the effective date of any such change.

ARTICLE 9 ATTORNEY IN FACT

- 9.1 The Debtor hereby irrevocably constitutes and appoints the Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with

full irrevocable power and authority in the place and stead of the Debtor and in the name of the Debtor or in its own name, from time to time in the Lender's discretion, for the purpose of carrying out the terms of this Debenture, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Debenture and which the Debtor being required to take or execute has failed to take or execute. The Debtor hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until the Principal Sum has been unconditionally and irrevocably paid and performed in full. The Debtor also authorizes the Lender, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral in connection with the sale provided for in Section 5.1(b).

ARTICLE 10 EXPENSES

- 10.1** The Debtor agrees to pay the Lender forthwith on demand all costs, charges and expenses, including, without limitation, all legal fees (on a solicitor and his own client full indemnity basis), incurred by the Lender in connection with the administration, recovery or enforcement of payment of any amounts payable hereunder whether by realization or otherwise. All such sums will be secured hereby and will be added to the money hereby secured and bear interest at the rate set forth in Section 3.1 hereof.

ARTICLE 11 REALIZATION

- 11.1** The Lender will not, nor will it be entitled to, demand payment pursuant to this Debenture or enforce the Security Interest unless and until an Event of Default occurs and is continuing, but thereafter the Lender may at any time exercise and enforce all of the rights and remedies of a holder of this Debenture in accordance with and subject to the Credit Documents as if the Lender was the absolute owner hereof, provided that the Lender will not be bound to exercise any such right or remedy.

ARTICLE 12 PLEDGE OF DEBENTURE

- 12.1** This Debenture is pledged by the Debtor as security for its indebtedness and liabilities to the Lender pursuant to a debenture pledge agreement dated as of the date hereof and made by the Debtor in favour of the Lender (the "**Debenture Pledge**"). This Debenture is subject to the terms of the Debenture Pledge. While this Debenture is so pledged, no payment by the Debtor of the whole or any part of any indebtedness secured by this Debenture shall reduce the amount owing under this Debenture unless specifically appropriated to and noted on this Debenture by the Lender at the time of payment.

**ARTICLE 13
NO LIABILITY**

- 13.1** The Lender shall not be liable for any error of judgment or act done by it in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for their gross negligence or wilful misconduct. The Lender shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by the Lender hereunder, believed by the Lender in good faith to be genuine. The Lender shall be under no liability for interest on any moneys received by it hereunder. The Debtor hereby ratifies and confirms any and all acts which the Lender or its successors or substitutes shall do lawfully by virtue hereof.

**ARTICLE 14
PRESENTMENT**

- 14.1** The Debtor hereby expressly waives presentment, protest and notice of dishonour of this Debenture. Any failure or omission by the Lender to present this Debenture for payment, protest or provide notice of dishonour will not invalidate or adversely affect in any way any demand for payment or enforcement proceeding taken under this Debenture.

**ARTICLE 15
ENUREMENT AND ASSIGNMENT**

- 15.1** The provisions of this Debenture will be binding upon the Debtor and its successors and will enure to the benefit of the Lender and its successors and assigns. Subject to the terms of the Credit Documents, the Debtor will not assign this Debenture without the Lender's prior written consent. In the event the ownership of the Collateral or any part thereof becomes vested in a Person other than the Debtor, then such successor or successors in interest may be dealt with, with reference to this Debenture and to the indebtedness secured hereby, in the same manner as with the Debtor, without in any way vitiating or discharging the Debtor's liability hereunder or for the payment of the indebtedness or performance of the obligations secured hereby. No transfer of the Collateral, no forbearance, and no extension of the time for the payment of the indebtedness secured hereby, shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of the Debtor hereunder or for the payment of the indebtedness or performance of the obligations secured hereby, or the liability of any other Person hereunder or for the payment of the indebtedness secured hereby.

**ARTICLE 16
GOVERNING LAW**

- 16.1** This Debenture will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without giving effect to the conflict of law principles thereof. Without prejudice to the ability of the Lender to enforce this Debenture in any other proper jurisdiction, the Debtor hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta, or any appellate courts thereof, for the purposes of this Debenture.

**ARTICLE 17
SEVERABILITY**

- 17.1** If any portion of this Debenture or the application thereof to any circumstance will be held invalid or unenforceable by a court of competent jurisdiction from which no further appeal has or is taken, to an extent that does not affect in a fundamental way the operation of this Debenture, the remainder of the provision in question, or its application to any circumstance other than that to which it has been held invalid or unenforceable, and the remainder of this Debenture will not be affected thereby and will be valid and enforceable to the fullest extent permitted by applicable law.

**ARTICLE 18
CONSENT AND WAIVER**

- 18.1** No consent or waiver by the Lender will be effective unless made in writing and signed by an authorized officer of the Lender.

**ARTICLE 19
NOTICE**

- 19.1** Any notice as between the Debtor and the Lender which may or is required to be given pursuant to or in connection with this Debenture will be in writing and will be sufficient if given or made at the address set forth below:

(a) in the case of the Lender to:

NATIONAL BANK OF CANADA, as Lender
Energy Group
311 - 6th Avenue SW, Suite 1800
Calgary, AB T2P 3H2

Attention: Director
Facsimile: (403) 294-3078

(b) in the case of the Debtor, to:

MANITOK ENERGY INC.
639 - 5th Avenue SW, Suite 2500
Calgary, Alberta T2P 0M9

Attention: Chief Financial Officer
Facsimile: (403) 984-1749

The Debtor and the Lender each covenant to accept service of judicial proceedings arising under this Debenture at its respective address for notice hereunder. Any notice or other communication given or made in accordance with this Section 19.1 will be deemed to have been given or made on the same day and to have been received on the day of delivery if delivered as aforesaid or on the day of receipt of same by telecopy or other

recorded means of electronic communication, as the case may be, provided such day is a Business Day and that such notice is received prior to 12:00 noon local time and, if such day is not a Business Day or if notice is received after 12:00 noon local time, on the first Business Day thereafter. Each of the Debtor and the Lender may change its address and telecopier number for purposes of this Section 19.1 by written notice given in the manner provided in this Section 19.1 to the other party.

**ARTICLE 20
INCONSISTENCY**

- 20.1** To the extent that there is any inconsistency or ambiguity between the provisions of this Debenture and the Credit Agreement, the provisions of the Credit Agreement will govern to the extent necessary to eliminate such inconsistency or ambiguity.

**ARTICLE 21
RECEIPT OF COPY**

- 21.1** The Debtor acknowledges receipt of an executed copy of this Debenture. The Debtor waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of the Lender to deliver to the Debtor a copy of any financing statement or any statement issued by any registry that confirms registration of a financing statement relating to this Debenture.

[Remainder of page intentionally left blank.]

THIS DEBENTURE effective the date first written above.

MANITOK ENERGY INC.

Per: 

Name:

Massimo M. Geremia

Title:

President & CEO

Per: 

Name:

Robert G. Dion

Title:

Vice President, Finance & CFO

THIS IS EXHIBIT "F" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor



TRUST INDENTURE

DATED AS OF THE 27TH DAY OF OCTOBER, 2016

AMONG

MANITOK ENERGY INC., AS ISSUER

AND

THE GUARANTOR PARTY HERETO

AND

COMPUTERSHARE TRUST COMPANY OF CANADA, AS TRUSTEE

PROVIDING FOR THE ISSUE OF NOTES

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THIS INDENTURE made as of the 27th day of October, 2016.

AMONG:

MANITOK ENERGY INC., a corporation governed by the laws of the Province of Alberta (hereinafter called the "**Issuer**")

- and -

The **GUARANTOR** party to this Indenture;

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company subsisting under the laws of Canada and registered to carry on business in the Province of Alberta (hereinafter called the "**Trustee**")

WITNESSETH THAT:

WHEREAS the Issuer considers it desirable for its business purposes to create and issue Notes from time to time in the manner and subject to the terms and conditions set forth in this Indenture from time to time.

AND WHEREAS the Guarantor (defined herein) has agreed to guarantee the punctual payment and performance when due of the Obligations of the Issuer hereunder and under the Notes subject to and in accordance with the terms of Article 14.

AND WHEREAS the Issuer has duly authorized the issuance by it under this Indenture of \$21,207,100 in aggregate principal amount of its 10.5% senior secured Notes due November 15, 2021.

NOW THEREFORE the Issuer, the Guarantor and the Trustee agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Indenture (including the recitals hereto) and in the Notes, as applicable, unless there is something in the subject matter or context inconsistent therewith, the expressions following shall have the following meanings:

"**1933 Act**" means the United States *Securities Act of 1933*, as amended.

"**ABCA**" means the *Business Corporations Act* (Alberta) including the regulations promulgated thereunder.

"Accounting Change" has the meaning set forth in Section 1.13.

"Accounting Change Notice" has the meaning set forth in Section 1.13.

"Acquired Indebtedness" has the meaning set forth in Section 6.10.

"Additional Notes" has the meaning set forth in Section 3.1.

"Adjusted Consolidated Net Tangible Assets" means, without duplication, as of the date of determination, the sum of:

- (a) (i) the discounted future net revenues from proved and probable oil and gas reserves of the Issuer before income taxes; and (ii) (to the extent not included in such oil and gas reserves of the Issuer) the product of: (A) the discounted future net revenues from proved and probable oil and gas reserves of any Equity Investee multiplied by (B) the Equity Investee Ownership Percentage for such Equity Investee as of such date of determination, in the case of each of the foregoing clauses (i) and (ii)(A), calculated in accordance with NI 51-101 promulgated by the Canadian Securities Administrators, using forecast pricing and using an annual discount rate of 10%, as confirmed by a nationally recognized firm of independent petroleum engineers (which shall include GLJ Petroleum Consultants Ltd., Sproule Associates Limited, DeGolyer & MacNaughton Canada Limited and McDaniel & Associates Consultants Ltd.) in a reserve report prepared as of the end of the Issuer's most recently completed fiscal year, as increased by, as of the date of determination, the discounted future net revenues of: (1) estimated proved and probable oil and gas reserves acquired since the date of such year-end reserve report; and (2) estimated oil and gas reserves attributable to extensions, discoveries and other additions and upward revisions of estimates of proved and probable oil and gas reserves since the date of such year-end reserve report due to exploration, development or exploitation activities, in each case, calculated in accordance with NI 51-101 using forecast pricing (utilizing the prices utilized in such year-end reserve report) and using an annual discount rate of 10%, and decreased by, as of the date of determination, the estimated discounted future net revenues of (3) estimated proved and probable oil and gas reserves produced or disposed of since the date of such year-end reserve report and (4) reductions in estimated proved and probable oil and gas reserves attributable to downward revisions of estimates of proved and probable oil and gas reserves since the date of such year-end reserve report due to changes in geological conditions or other factors that would, in accordance with standard industry practice, cause such revisions, in each case calculated in accordance with NI 51-101 using forecast pricing (utilizing the prices in such year-end reserve report) and using an annual discount rate of 10%, provided that, in the case of each of the determinations made pursuant to clauses (1) through (4), such increases and decreases shall be as estimated by the Issuer's internal or independent petroleum engineers, unless there is a material change as a result of such acquisitions, dispositions or revisions, in which case the discounted future net revenues utilized for purposes of this clause (a) shall be confirmed in a written report of a nationally recognized firm of independent petroleum engineers (which shall include GLJ

Petroleum Consultants Ltd., Sproule Associates Limited, DeGolyer & MacNaughton Canada Limited and McDaniel & Associates Consultants Ltd.) delivered to the trustee;

- (b) (i) the capitalized costs that are attributable to the acquisition or development of oil and gas properties of the Issuer and (ii) (to the extent not included in such capitalized costs that are attributable to the acquisition or development of oil and gas properties of the Issuer) the product of: (A) the capitalized costs that are attributable to the acquisition or development of oil and gas properties of any Equity Investee multiplied by (B) the Equity Investee Ownership Percentage for such Equity Investee as of such date of determination, in the case of each of the foregoing subclauses (i) and (ii), to which no proved or probable oil and gas reserves are attributable, determined on a consolidated basis and based on the Issuer's books and records as of a date no earlier than the date of the Issuer's most recent available internal quarterly financial statements;
- (c) the Consolidated Net Working Capital of the Issuer on the date of the Issuer's most recently available internal quarterly financial statements; and
- (d) the greater of: (i) the net book value of other tangible assets of the Issuer on a date no earlier than the date of the Issuer's most recently available internal quarterly financial statements; and (ii) the appraised value as estimated by independent appraisers, of other tangible assets of the Issuer, in either case, determined on a consolidated basis as of the date of the Issuer's most recently available internal quarterly financial statements,

minus the sum of:

- (e) minority interests;
- (f) any net gas balancing liabilities of the Issuer determined on a consolidated basis and reflected in the Issuer's most recently available internal quarterly financial statements;
- (g) to the extent included in clause (a) above, the discounted future net revenues, calculated in accordance with Canadian Securities Administrators' guidelines utilizing the prices utilized in the Issuer's year-end reserve report, attributable to reserves that are required to be delivered to third parties to fully satisfy obligations with respect to Volumetric Production Payments on the schedules specified with respect thereto;
- (h) the discounted future net revenues, calculated in accordance with Canadian Securities Administrators' guidelines, attributable to reserves subject to Dollar-Denominated Production Payments that, based on the estimates of production and price assumptions included in determining the discounted future net revenues specified in the first clause (a) above, would be necessary to fully satisfy the payment obligations of the Issuer and its Subsidiaries with respect to Dollar-

Denominated Production Payments on the schedules specified with respect thereto;
and

- (i) to the extent not deducted in the determination of the amount represented by clause (a) above, the discounted future net revenues, calculated in accordance with Canadian Securities Administrators' guidelines utilizing the prices utilized in the Issuer's year-end reserve report, attributable to reserves that are subject to participation interests, royalty interests, overriding interests, net profits interests or other interests of third parties pursuant to participation, partnership, vendor financing or other agreements then in effect, or that are otherwise required to be delivered to third parties but only to the extent that such third parties are then entitled to such reserves or, in the case of vendor financing or other encumbrances, reduced only by the value of such encumbrances.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control", as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling", "controlled by" and "under common control with" have correlative meanings.

"**Applicable Premium**" means, with respect to any Note on any Redemption Date, the greater of:

- (a) 1.0% of the principal amount of such Note; and
- (b) the excess, if any, of (i) the present value at such redemption date of (A) the Redemption Price of such Note at November 15, 2018 as set forth in the table appearing in Section 3.7 hereunder, plus (B) all required interest payments due on such Note through November 15, 2018 (excluding accrued but unpaid interest to the applicable Redemption Date), computed using a discount rate equal to the Relevant Rate as of such redemption date plus 100 basis points; over (ii) the principal amount of such Note.

"**Asset Sale**" means any of the foregoing:

- (a) the sale, lease, conveyance or other disposition of any assets or rights (including the sale by the Issuer or any Restricted Subsidiary of Equity Interests in any of the Issuer's Subsidiaries, but excluding the sale of directors' qualifying shares or shares required to be owned by other Persons pursuant to applicable law); provided, however, that the sale, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries, taken as a whole, will be governed by Sections 6.14 and/or 10.1 and not by the provisions of Section 6.13; and
- (b) the issuance of Equity Interests by any of the Issuer's Restricted Subsidiaries (but for greater certainty excluding any issuance of Equity Interests by the Issuer).

Notwithstanding the preceding, the following items will be deemed not to be an Asset Sale:

- (a) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than \$10 million;
- (b) a sale, lease, conveyance, amalgamation, merger or other disposition or transfer of assets between or among the Issuer and its Restricted Subsidiaries (including any newly formed or newly acquired Restricted Subsidiary);
- (c) an issuance or sale of Equity Interests by a Restricted Subsidiary to the Issuer or to another Restricted Subsidiary (including any newly formed or newly acquired Restricted Subsidiary);
- (d) any disposition of worn-out, obsolete, retired or otherwise unsuitable or excess assets or equipment or Facilities or of assets or equipment no longer used or useful (including intellectual property), in each case, in the ordinary course of business;
- (e) the sale, lease or other disposition of equipment, inventory, accounts receivable or other assets in the ordinary course of business (including, without limitation, transfers of assets, revenues or liabilities between or among the Issuer and its Restricted Subsidiaries);
- (f) the sale or other disposition of cash or Cash Equivalents;
- (g) the making of any Permitted Investment or of any Restricted Payment that is permitted by Section 6.9;
- (h) the creation or perfection of a Lien (but not the sale or other disposition of any asset subject to such Lien);
- (i) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;
- (j) dispositions of receivables owing to the Issuer or any of its Restricted Subsidiaries in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings of the account debtor and exclusive of factoring or similar arrangements;
- (k) the licensing or sublicensing of intellectual property or other general intangibles and licenses, leases or subleases of other property in the ordinary course of business and which do not materially interfere with the business of the Issuer and its Restricted Subsidiaries;
- (l) any sale of assets received by the Issuer or any of its Restricted Subsidiaries upon foreclosure of a Lien;
- (m) any sale, issuance or other disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

- (n) sales, conveyances, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell or put/call arrangements between the joint venture parties set forth in joint venture arrangements or similar binding arrangements;
- (o) the sale or transfer (whether or not in the ordinary course of business) of direct or indirect interests in oil and natural gas properties or other real property, provided that at the time of such sale or transfer such oil and natural gas properties do not have associated with them any proved or probable reserves and such other real property is not, directly or indirectly, utilized in conjunction with the production of proved or probable reserves;
- (p) the abandonment, relinquishment, farm-in, farm-out, lease or sublease of developed or undeveloped oil and natural gas properties in the ordinary course of business or resulting from any pooling, unit or farm-out agreement entered into in the ordinary course of business;
- (q) the trade or exchange by the Issuer or any Restricted Subsidiary of any direct or indirect interest in any oil or natural gas property or other assets used or useful in the Oil and Gas Business and owned or held by the Issuer or such Restricted Subsidiary for any direct or indirect interest in any oil or natural gas property or other asset used or useful in the Oil and Gas Business and owned or held by another Person;
- (r) the sale or transfer of oil, natural gas, or other hydrocarbons or other mineral products in the ordinary course of business; and
- (s) any assignment of an overriding royalty or net profits interest to an employee or consultant of the Issuer or any of its Restricted Subsidiaries in the ordinary course of business in connection with the generation of prospects or the development of oil and natural gas projects to which no proved or probable reserves are attributed.

"**Asset Sale Offer**" has the meaning set forth in Section 6.13(d).

"**Attributable Debt**" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including during any period for which such lease has been extended), calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; provided, however, that if such Sale/Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation".

"**Authentication Order**" has the meaning set forth in Section 2.3(c).

"**Bankruptcy Law**" means the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada), and the Winding Up and Restructuring Act (Canada), each

as now and hereafter in effect, any successors to such statutes, any other applicable insolvency, winding up, dissolution, restructuring, reorganization, liquidation, or other similar law of any jurisdiction, and any law of any jurisdiction (including any corporate law relating to arrangements, reorganizations, or restructurings) permitting a debtor to obtain a stay or a compromise of the claims of its creditors against it.

"Beneficial Holder" means any Person who holds a beneficial interest in a Note as shown on the books of the Depositary or a Participant.

"Board of Directors" means:

- (a) with respect to a corporation, the board of directors of the corporation (or any duly authorized committee thereof);
- (b) with respect to a partnership, the board of directors of the corporation that is the general partner or managing partner of the partnership;
- (c) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and
- (d) with respect to any other Person, the board or committee of such Person serving a similar function.

"Board Resolution" means a copy of a resolution certified by any officer of the Issuer to have been duly adopted by the Board of Directors of the Issuer and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Borrowing Base" means the borrowing base under the Credit Agreement, which may include the maximum principal amount then available to be borrowed under such Credit Agreement in compliance with any other covenant in such Credit Agreement which limits the amount of Indebtedness that the Issuer and its Restricted Subsidiaries may incur or have outstanding.

"Business Day" means a day other than a Saturday, Sunday or other day on which banking institutions in the Provinces of Alberta and Ontario are authorized or required by law to close.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be classified and accounted for as a financing lease or capitalized lease obligation on a balance sheet in accordance with GAAP. Notwithstanding the foregoing, any lease (whether entered into before or after December 31, 2015) that would have been classified as an operating lease pursuant to GAAP as in effect on December 31, 2015 shall be deemed not to be a capital lease or a financing lease.

"Capital Stock" means:

- (a) in the case of a corporation, association or other business entity, any and all shares, interests, participations, rights or other equivalents (however designated and whether or not voting) of corporate stock;

- (b) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and
- (c) any other interest or participation that confers on a Person rights in, or other equivalents of or interests in, the equity of the issuing Person or otherwise confers the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing any debt securities including debt securities convertible into or exchangeable for Capital Stock, whether or not such debt securities have any right of participation with Capital Stock.

"Cash Equivalents" means:

- (a) Canadian or United States dollars and such other currencies as may be held by the Issuer or the Restricted Subsidiaries from time to time in the ordinary course of business;
- (b) securities issued by or directly and fully guaranteed or insured by the federal government of Canada, the United States of America, or any member state of the European Union (provided that such member state has a rating of "A" or higher from S&P, "A2" or higher from Moody's or "A" or higher from DBRS) or any agency or instrumentality thereof (provided that the full faith and credit of the federal government of Canada, the United States or the relevant member state of the European Union is pledged in support of those securities) having maturities of not more than two years from the date of acquisition;
- (c) demand accounts, time deposit accounts, bearer deposit notes, certificates of deposit and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year, demand and overnight bank deposits and other similar types of investments routinely offered by commercial banks or trust companies, in each case, with any bank or trust company that has a rating of "A" or higher from S&P, "A2" or higher from Moody's or "A" or higher from DBRS;
- (d) repurchase obligations with a term of not more than 365 days for underlying securities of the types described in clauses (b) and (c) above entered into with any financial institution meeting the qualifications specified in clause (c) above;
- (e) commercial paper having a rating of "P-1" from Moody's, "A-1" or higher from S&P or "R-1 (low)" or higher from DBRS and in each case maturing within 365 days after the date of acquisition;
- (f) readily marketable direct obligations issued by a state of the United States of America or a province of Canada or any political subdivision thereof having a rating of "A" or higher from S&P or "A2" or higher from Moody's in each case with maturities not exceeding two years from the date of acquisition; and

- (g) money market or investment funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (f) of this definition.

"Cash Management Arrangements" means arrangements entered into by the Issuer or any Guarantor with a Cash Manager for or in respect of cash management services for the Issuer or any Guarantor consisting of automated clearing house transactions, controlled disbursement and payroll services, treasury, depository, overdraft and electronic funds transfer services, foreign exchange facilities, currency exchange transactions or agreements and options with respect thereto, credit card processing services, credit or debit cards, purchase cards and any indemnity given in connection with any of the foregoing.

"Cash Management Obligations" means Obligations in respect of Cash Management Arrangements.

"Cash Manager" means any financial institution which is the provider of Cash Management Arrangements to the Issuer or any Guarantor and its successors in such capacity.

"CDS" means CDS Clearing and Depository Services Inc.

"CDS Nominee" means CDS & Co., as nominee for CDS.

"Change of Control" means the occurrence of any of the following events:

- (a) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of plan of arrangement, merger, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets (including Equity Interests of the Issuer's Restricted Subsidiaries) of the Issuer and its Restricted Subsidiaries, taken as a whole, to any Person (other than a Restricted Subsidiary) or group of Persons (other than a group composed exclusively of Restricted Subsidiaries) acting jointly or in concert (any such group, a **"Group"**);
- (b) the consummation of any transaction (including, without limitation, any plan of arrangement, merger, amalgamation or consolidation) the result of which is that any Person (other than a Restricted Subsidiary) or Group (other than a Group composed exclusively of Restricted Subsidiaries) beneficially owns, directly or indirectly, more than 50% of the Voting Stock of the Issuer, measured by voting power rather than number of shares;
- (c) the first day on which a majority of the members of the Board of Directors of the Issuer are not Continuing Directors; or
- (d) the adoption by the shareholders of the Issuer of a plan or proposal for the liquidation or dissolution of the Issuer.

For purposes of this definition, (i) a beneficial owner of a security includes any Person or Group who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (A) voting power, which includes the power to vote, or to direct the voting

of, such security; and/or (B) investment power, which includes the power to dispose of, or to direct the disposition of, such security; (ii) a Person or Group shall not be deemed to have beneficial ownership of securities subject to a stock purchase agreement, merger agreement or similar agreement until the consummation of the transactions contemplated by such agreement; and (iii) to the extent that one or more regulatory approvals are required for any of the transactions or circumstances described in clauses (a), (b), (c) or (d) above to become effective under applicable law and such approvals have not been received before such transactions or circumstances have occurred, such transactions or circumstances shall be deemed to have occurred at the time such approvals have been obtained and become effective under applicable law.

"Change of Control Triggering Event" means the occurrence of both a Change of Control and a Credit Deterioration Event.

"Collateral" has the meaning given to such term in the Debentures.

"Collateral Agent" means Computershare Trust Company of Canada, in its capacity as collateral agent for the Holders of the Notes under the Security Documents. Unless the context otherwise requires, the term "Trustee" as used herein shall include the Collateral Agent, notwithstanding various specific references to the Collateral Agent herein.

"Commodity Hedging Contracts" means any transaction, arrangement or agreement entered into between a Person (or any of its Restricted Subsidiaries) and a counterparty on a case by case basis, including any commodity futures contract, a commodity option, a commodity swap or forward sale or other similar commodity related transaction, the purpose of which is intended to mitigate, manage or reduce its exposure to fluctuations in commodity prices, transportation or basis costs or differentials or other similar factors but excluding contracts settled by physical delivery of the commodity that are settled within 60 days of the date of any such contract.

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period plus the sum of (without duplication):

- (a) Consolidated Interest Expense, to the extent that Consolidated Interest Expense was deducted in determining Consolidated Net Income and was not added back thereto pursuant to the definition thereof; plus
- (b) non-cash amortization and/or accretion of deferred financing costs; plus
- (c) provision for taxes, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income and was not added back thereto pursuant to the definition thereof; plus
- (d) depreciation and amortization and other non-cash items, in each case to the extent deducted in computing such Consolidated Net Income and not added back thereto pursuant to the definition thereof; plus
- (e) the net amount of losses deducted in determining Consolidated Net Income (and not added back thereto pursuant to the definition thereof) resulting from the disposition

of assets (excluding inventory), provided, however, if there is a net gain resulting from the disposition of assets (excluding inventory) which increases Consolidated Net Income for such period (and which is not deducted therefrom pursuant to the definition thereof), such amount shall be deducted from Consolidated EBITDA; plus

- (f) any impairment charges (including, for certainty, impairment charges attributable to tangible and intangible assets) or restructuring charges or write-offs (other than write-offs of inventory and accounts receivable in the ordinary course of business); plus
- (g) any non-cash expense realized or resulting from stock option plans, employee benefit plans or postemployment benefit plans, or grants or sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights; plus
- (h) any non-cash gains, losses, income and expenses resulting from fair value accounting required by the applicable standard under GAAP and related interpretations, including, for certainty, the mark-to-market adjustments for Hedging Obligations; plus
- (i) the net amount of losses deducted in determining Consolidated Net Income (and not added back thereto pursuant to the definition thereof) resulting from the decommissioning of assets (excluding inventory), provided, however, if there is a net gain resulting from the decommissioning of assets (excluding inventory) which increases Consolidate Net Income for such period (and which is not deducted therefrom pursuant to the definition thereof), such amount shall be deducted from Consolidated EBITDA; plus
- (j) any direct third party expenses incurred and not otherwise capitalized for the specified purpose of investing or financing activities; minus
- (k) non-cash items increasing Consolidated Net Income for such period and not deducted therefrom pursuant to the definition thereof;

in each case, on a consolidated basis determined in accordance with GAAP.

"Consolidated Interest Coverage Ratio" means, for any period, the ratio of Consolidated EBITDA to Fixed Charges for the Issuer and its Restricted Subsidiaries for such period.

For purposes of calculating the Consolidated Interest Coverage Ratio:

- (a) in the event that the Issuer or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary course borrowings in respect of working capital) or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Consolidated Interest Coverage Ratio is being calculated

and on or prior to the date on which the event for which the calculation of the Consolidated Interest Coverage Ratio is made (the "**Calculation Date**"), then the Consolidated Interest Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four quarter reference period;

- (b) acquisitions that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the Issuer or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, will be given pro forma effect as if they had occurred on the first day of the four quarter reference period;
- (c) the Consolidated EBITDA attributable to operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date will be excluded;
- (d) the Fixed Charges attributable to operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the Issuer or any of its Restricted Subsidiaries following the Calculation Date;
- (e) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four quarter period;
- (f) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four quarter period; and
- (g) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the weighted average interest rate during such period had been the rate of interest in effect on the Calculation Date and had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months or ends on the maturity date of such Indebtedness).

"Consolidated Interest Expense" means, for any period, the total interest expense of the Issuer and its Restricted Subsidiaries determined on a consolidated basis in accordance with GAAP (excluding any accretion or accrual of discounted liabilities not constituting Indebtedness), plus, to the extent not included in such total interest expense, and to the extent incurred by the Issuer and its Restricted Subsidiaries (determined on a consolidated basis in accordance with GAAP), without duplication:

- (a) the amortization of debt discount and debt issuance costs; plus
- (b) the amortization of all fees (including, without limitation, fees with respect to Hedging Obligations) payable in connection with the incurrence of Indebtedness; plus
- (c) interest component payable on Capital Lease Obligations; plus
- (d) payments in the nature of interest pursuant to Hedging Obligations; plus
- (e) interest accruing on any Indebtedness of any other Person, to the extent such Indebtedness is guaranteed by, or secured by a Lien on any asset of, the Issuer or any of its Restricted Subsidiaries,

provided that Consolidated Interest Expense shall not include any interest, premiums, financing charges or any other costs of any nature in respect of the repayment or the restructuring of the Credit Agreement or any discounts or fees payable in connection with the issuance of the Notes.

"Consolidated Net Income" means, for any period, the aggregate net income (or loss) of the Issuer and its Subsidiaries for such period determined on a consolidated basis in conformity with GAAP, provided that the following (without duplication, and in each case to the extent that they are included in such comprehensive income (or loss)) will be excluded in computing Consolidated Net Income:

- (a) any impairment charges (including, for certainty, impairment charges attributable to tangible and intangible assets) or restructuring charges or write offs (other than write offs of inventory and accounts receivable in the ordinary course of business), and the amortization of intangible assets, in each case together with any related provision for taxes, and in each case pursuant to GAAP;
- (b) the cumulative effect of a change in accounting principles;
- (c) any non-cash expense realized or resulting from stock option plans, employee benefit plans or post-employment benefit plans, or grants or sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights, in each case together with any related provision for taxes;
- (d) any non-cash gains, losses, income and expenses resulting from fair value accounting required by the applicable standard under GAAP and related interpretations, including, for certainty, the mark-to-market adjustments for Hedging Obligations, in each case together with any related provision for taxes;
- (e) any extraordinary or non-recurring gains or losses, in each case together with any related provision for taxes;
- (f) any net earnings (losses) of any Person (other than the Issuer) that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting, except to

the extent of dividends and other equity distributions received in cash or Cash Equivalents from such Person by the Issuer or a Restricted Subsidiary; and

- (g) any net earnings (but not any loss) of any Restricted Subsidiary, to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of those net earnings is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its shareholders.

"Consolidated Net Working Capital" of any Person as of any date of determination means the difference (shown on the balance sheet of such Person and its Restricted Subsidiaries determined on a consolidated basis in accordance with GAAP as of such date) between: (a) all current assets of such Person and its Restricted Subsidiaries except the current portion of unrealized gains in respect of Hedging Obligations and deferred income taxes; and (b) all current liabilities of such Person and its Restricted Subsidiaries except the current portion of Indebtedness, unrealized losses in respect of Hedging Obligations, stock-based compensation and deferred income taxes.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Issuer (a) who was a member of such Board of Directors on the Issue Date or (b) whose election or nomination for election to such Board of Directors has been approved by a majority of the Continuing Directors who were at the time of such nomination or election members of such Board of Directors.

"Counsel" means a barrister or solicitor or firm of barristers or solicitors retained or employed by the Trustee or retained or employed by the Issuer and reasonably acceptable to the Trustee.

"Credit Agreement" means the amended and restated offering letter dated October 27th, 2016 made between the Issuer, as borrower; and National Bank of Canada, as lender, as such offering letter may be amended, supplemented, modified, restated, renewed, replaced or refinanced from time to time, including any agreement extending the maturity of, refinancing, replacing or otherwise restructuring or adding the Issuer or any of its Subsidiaries as replacement or additional borrowers or guarantors thereunder, and all or any portion of the Indebtedness and other obligations under such agreement or agreements or any successor or replacement agreement or any agreements, and whether by the same or any other agent, lender or group of lenders. For greater certainty, it is acknowledged that Interest Rate Agreements, Currency Agreements and Commodity Hedging Contracts entered into with a Person that at that time is a lender (or an Affiliate thereof) under the Credit Agreement are separate from, are not included within and do not form part of any above inclusions of, the Credit Agreement.

"Credit Deterioration Event" in connection with a Change of Control means the occurrence of two or more of the following, after giving pro forma effect to such Change of Control: (i) a decrease in the Issuer's Adjusted Consolidated Net Tangible Assets (compared with the Issuer's Adjusted Consolidated Net Tangible Assets immediately prior to such Change of Control); (ii) a decrease in the Issuer's Consolidated Interest Coverage Ratio (compared with the Issuer's Consolidated Interest Coverage Ratio immediately prior to such Change of Control); or (iii) the

Issuer not being permitted to incur an additional \$1.00 of Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in Section 6.10(a).

"Credit Facilities" means one or more credit or debt facilities (including, without limitation, under the Credit Agreement), commercial paper facilities or Debt Issuances, in each case with banks, investment banks, insurance companies, mutual or other institutional lenders or investors providing for, among other things, revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or letter of credit guarantees or Debt Issuances, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Currency Agreement" means any financial arrangement entered into between a Person (or its Restricted Subsidiaries) and a counterparty on a case by case basis in connection with a foreign exchange futures contract, currency swap agreement, currency option or currency exchange or other similar currency related transaction, the purpose of which is intended to mitigate, manage or reduce its exposure to fluctuations in exchange rates and currency values but excluding any Cash Management Arrangements.

"Custodian" means any receiver, receiver-manager, trustee, assignee, liquidator, monitor, or similar official under any Bankruptcy Law.

"DBRS" means DBRS Ltd. or any successor to the rating agency business thereof.

"Debenture" means a demand fixed and floating charge debenture, substantially in the form attached hereto as Appendix B, granted by the Issuer or a Restricted Subsidiary pursuant to Section 14.1 or 15.1, as the case may be and delivered to the Trustee.

"Debt Issuances" means, with respect to the Issuer or any Restricted Subsidiary of the Issuer, one or more issuances after the Issue Date of Indebtedness evidenced by Notes, debentures, bonds or other similar securities or instruments.

"Default" means the occurrence of any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default under this Indenture.

"Depository" means CDS and such other Person as is designated in writing by the Issuer and acceptable to the Trustee to act as depository in respect of the Notes represented by one or more Global Notes.

"Discharge of Priority Lien Obligations" means the occurrence of all of the following:

- (a) termination of all commitments to extend credit that would constitute Priority Lien Debt;
- (b) payment in full in cash of the principal of and interest, fees and premium (if any) on all Priority Lien Debt (other than any undrawn letters of credit);

- (c) discharge or cash collateralization (in the amount required under the terms of the applicable Priority Lien Document) of all outstanding letters of credit and bankers' acceptances constituting Priority Lien Debt; and
- (d) payment in full in cash of all other Priority Lien Obligations that are outstanding and unpaid at the time the Priority Lien Debt is paid in full in cash (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities in respect of which no claim or demand for payment has been made by the Priority Lien Secured Parties at such time).

"Disqualified Stock" means, with respect to any Person, any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, prior to the Stated Maturity of the principal of the Notes. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the issuer thereof to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the provisions applicable to such Capital Stock either (a) are no more favourable to the holders of such Capital Stock than the provisions contained in Section 6.13 and Section 6.14 and such Capital Stock specifically provides that the issuer will not repurchase or redeem any of such Capital Stock pursuant to such provisions prior to the Issuer's repurchase of such of the Notes as are required to be repurchased pursuant to Section 6.13 and Section 6.14, or (b) provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 6.9.

"Dollar-Denominated Production Payments" means production payment obligations recorded as liabilities in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"Environment" means each and every component of the earth, including all layers of the atmosphere, air, land (including all underground spaces and cavities and all lands submerged under water), soil, water (including surface and underground water), organic and inorganic matter and living organisms, and the interacting natural systems that include the components referred to in this definition;

"Environmental Claims" means any and all administrative, regulatory or judicial actions, suits, demands, claims, Liens, notices of non-compliance or violation, investigations, inspections, inquiries or proceedings relating in any way to any Environmental Laws or to any permit issued under any such Environmental Laws including:

- (a) any claim by a governmental authority for enforcement, clean-up, removal, response, remedial or other actions or damages pursuant to any Environmental Laws; and

- (b) any claim by a Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive or other relief resulting from or relating to Hazardous Materials, including any Release thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the Environment;

"Environmental Laws" means any laws relating, in whole or in part, to the protection or enhancement of the Environment, including with respect to occupational safety, product liability, public health, public safety and transportation or handling of dangerous goods;

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Investee" means any Person accounted for in the Issuer's consolidated financial statements as an "equity investment" (as determined in accordance with GAAP).

"Equity Investee Ownership Percentage" for an Equity Investee with respect to any date of determination means the percentage of the outstanding Capital Stock (measured in terms of economic interest rather than number of shares or voting power) of such Equity Investee that is directly or indirectly owned by the Issuer as of such date.

"Equity Offering" means any public or private issuance or sale of Capital Stock (other than Disqualified Stock) of the Issuer or warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer.

"Event of Default" has the meaning set forth in Section 7.1.

"Excess Proceeds" has the meaning set forth in Section 6.13(d).

"Excluded Assets" means, collectively, the Joint Venture Agreements Collateral and the Rental Agreements Collateral.

"Existing Indebtedness" means the aggregate principal amount of Indebtedness of the Issuer and its Restricted Subsidiaries (other than (a) Indebtedness represented by the Notes or the Restricted Subsidiary Guarantees and (b) Indebtedness under the Credit Agreement) in existence on the Issue Date, until such Indebtedness is repaid or otherwise extended, refinanced, renewed, replaced, defeased or refunded.

"Extraordinary Resolution" means in respect of a meeting of Holders of outstanding Notes, a resolution passed as an extraordinary resolution by the affirmative votes of the Holders of at least 66 $\frac{2}{3}$ % of the outstanding principal amount of the Notes, represented and voting on a poll at a meeting of Holders duly convened for the purpose and held in accordance with the provisions of this Indenture.

"Facilities" means any drilling equipment, production equipment and platforms or mining equipment; pipelines, pumping stations, compressors and other pipeline facilities; terminals, warehouses and storage facilities; bulk plants; production, separation, dehydration, extraction, treating and processing facilities; gasification or natural gas liquefying facilities; flares, stacks and

burning towers; floatation mills, crushers and ore handling facilities; tank cars, tankers, barges, ships, trucks, automobiles, airplanes and other marine, automotive, aeronautical and other similar moveable facilities or equipment; computer systems and associated programs or office equipment; roads, airports, docks (including drydocks); reservoirs and waste disposal facilities; sewers; generating plants (including power plants) and electric lines; telephone and telegraph lines, radio and other communications facilities; townsites, housing facilities, recreation halls, stores and other related facilities; and similar facilities and equipment of or associated with any of the foregoing.

"Fair Market Value" means the value that would be paid by a willing buyer to a willing seller that is not an Affiliate of the willing buyer in a transaction not involving distress or necessity of either party, provided that, in the case of an Asset Sale where such value exceeds \$25.0 million, such determination shall be made in good faith by the Chief Executive Officer or Chief Financial Officer of the Issuer.

"Financial Term" has the meaning set forth in Section 1.13(b).

"Fixed Charges" means, for any period, the sum, without duplication, of:

- (a) the Consolidated Interest Expense of the Issuer and its Restricted Subsidiaries for such period; plus
- (b) the product of (i) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of the Issuer or any of its Restricted Subsidiaries, other than dividends on Equity Interests (A) payable solely in Equity Interests of the Issuer (other than Disqualified Stock) or (B) to the Issuer or a Restricted Subsidiary of the Issuer, and which for greater certainty excludes any dividends on the common shares of the Issuer, times (ii) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, provincial, state and local statutory tax rate of the Issuer, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP.

"GAAP" means generally accepted accounting principles in effect in Canada from time to time consistently applied, which for greater certainty shall include IFRS;

"Global Notes" means certificates representing the aggregate principal amount of the Notes and registered in the name of and held by or on behalf of a Depository.

"Government Securities" means direct non-callable obligations of, or obligations guaranteed by, the federal government of Canada for the payment of which guarantee or obligations the full faith and credit of the federal government of Canada is pledged.

"guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness or other obligations.

"Guarantor" means each Restricted Subsidiary that provides a Restricted Subsidiary Guarantee on the Issue Date and each other Restricted Subsidiary that executes a Supplemental Indenture pursuant to which it becomes a Guarantor hereunder and provides a Restricted Subsidiary Guarantee pursuant to Section 15.1 or otherwise.

"Hazardous Materials" means any and all hazardous substances, toxic waste, contaminants, pollutants or related materials, any products of waste, or any other contaminants, pollutants, substances or products declared to be waste, hazardous or toxic under Environmental Laws;

"Hedge Agreements" means Currency Agreements, Interest Rate Agreements and Commodity Hedging Contracts.

"Hedge Provider" means any Person that enters into a Hedge Agreement with the Issuer or any Guarantor.

"Hedging Obligations" means, with respect to any specified Person, all net payment obligations of such Person under all Hedge Agreements.

"Holder" means a Person in whose name a Note is registered.

"Holders' Request" means an instrument signed in one or more counterparts by the Holder or Holders of not less than 25% in aggregate principal amount of the outstanding Notes requesting the Trustee to take an action or proceeding permitted by this Indenture.

"IRFS" means International Financial Reporting Standards, as adopted in Canada.

"Indebtedness" means, with respect to any specified Person, whether or not contingent (but without duplication):

- (a) all indebtedness of such Person in respect of borrowed money;
- (b) all obligations of such Person evidenced by bonds, notes, debentures or similar instruments;
- (c) all obligations of such Person in respect of banker's acceptances, and all reimbursement obligations of such Person in respect of letters of credit securing financial accommodation;
- (d) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale/Leaseback Transactions entered into by such Person;
- (e) all obligations of such Person representing the balance deferred and unpaid of the purchase price of any property that would be included on a balance sheet as a liability in accordance with GAAP, except any such balance that constitutes an accrued expense or trade payable;
- (f) all net payment obligations of such Person under Hedging Obligations;

- (g) all obligations of such Person under an agreement or arrangement that in substance provides financing pursuant to the factoring of accounts receivable; and
- (h) all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, a guarantee by the specified Person of any Indebtedness of any other Person, the amount of such obligation being deemed to be the lesser of the Fair Market Value of such asset and the amount of the obligation so secured;

provided that Indebtedness with respect to any specified Person shall not include:

- (a) trade payables and accrued liabilities incurred in the ordinary course of business;
- (b) deferred tax obligations;
- (c) minority interests;
- (d) uncapitalized interest;
- (e) in connection with a purchase by the Issuer or any Restricted Subsidiary of any business or assets, any post-closing payment adjustment to which the seller may become entitled to the extent such adjustment is determined by a final closing balance sheet or such adjustment depends on the performance of such business or assets after the closing; provided, however, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 45 days thereafter; and
- (f) pension fund obligations or rehabilitation obligations that are classified as "indebtedness" under GAAP but that would not otherwise constitute Indebtedness under clauses (a) through (h) in the first paragraph of the definition thereof.

The amount of any Indebtedness issued at a price that is less than the principal amount thereof shall be the accreted value of such Indebtedness.

"Insolvency Proceeding" means a bankruptcy, insolvency, receivership, liquidation, winding up, reorganization or similar proceeding.

"Intercreditor Agreement" means the intercreditor and collateral agency agreement, dated as of October 27, 2016, among the Priority Lien Collateral Agent, the Trustee, the Collateral Agent, the Issuer and the Guarantor, governing (among other things) the terms upon which the Collateral will be held by the Collateral Agent for the benefit of the Secured Parties.

"Indenture Obligations" means, in respect of the Notes, all the Obligations of the Issuer relating to the Indenture, the Notes and any applicable Supplemental Indenture in effect from time to time according to the terms hereof and thereof including, without limitation, obligations for the payment of principal of (and Premium, if any), interest, fees, indemnities or any other payment obligations

on the Notes when due and payable, and all other amounts due or to become due under or in connection with the Indenture, the Notes, and any applicable Supplemental Indenture.

"Interest Payment Date" means February 15, May 15, August 15 and November 15 of each year that the Notes are outstanding, commencing (except in respect of any Additional Notes) on February 15, 2017.

"Interest Rate Agreement" means any financial arrangement entered into between a Person (or its Restricted Subsidiaries) and a counterparty on a case by case basis in connection with interest rate swap transactions, interest rate options, cap transactions, floor transactions or collar transactions and other similar interest rate protection related transactions, the purpose of which is intended to mitigate, manage or reduce its exposure to fluctuations in interest rates.

"Investments" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the form of:

- (a) any direct or indirect advance (excluding commission, travel and similar advances to officers and employees), loan or other extension of credit to another Person (but excluding advances to customers or suppliers in the ordinary course of business that are, in conformity with GAAP, recorded as accounts receivable, prepaid expenses or deposits on the balance sheet of the Issuer or its Restricted Subsidiaries and endorsements for collection or deposit arising in the ordinary course of business);
- (b) any capital contribution to another Person, by means of any transfer of cash or other Property in any form;
- (c) any purchase or acquisition of Equity Interests, bonds, Notes or other Indebtedness, or other instruments or securities, issued by another Person, including the receipt of any of the above as consideration for the disposition of assets or rendering of services;
- (d) any guarantee of any Indebtedness of another Person;
- (e) the designation of a Restricted Subsidiary as an Unrestricted Subsidiary; and
- (f) all other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP;

provided that "Investments" with respect to any Person shall exclude extensions of trade credit or advances to customers or suppliers in the ordinary course of business on commercially reasonable terms in accordance with the normal trade practices of such Person and endorsements for collection or deposit arising in the ordinary course of business.

If the Issuer or any Restricted Subsidiary sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary, the Person making such sale or other disposition will be deemed to have made an Investment on the date of any such sale or disposition equal to

the Fair Market Value of the Issuer's Investments in such Restricted Subsidiary that were not sold or disposed of. The acquisition by the Issuer or any Restricted Subsidiary of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Issuer or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investment held by the acquired Person in such third Person. If the Issuer designates any of its Restricted Subsidiaries as an Unrestricted Subsidiary in accordance with Section 6.7, the Issuer will be deemed to have made an Investment in such Subsidiary on the date of such designation equal to the Fair Market Value of such Person. In each of the foregoing cases, the amount of the Investment will be determined as provided in Section 6.9(c). Except as otherwise provided herein, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"Issue Date" means October 27, 2016.

"Issuer" means Manito Energy Inc. and includes any successor to or of the Issuer, as permitted by the terms hereof.

"Issuer Order", or **"Written Direction of the Issuer"** means an order or direction in writing signed by any one officer or director of the Issuer.

"Issuer's Auditors" means an independent firm of chartered accountants duly appointed as auditors of the Issuer.

"Joint Venture Agreements" means the joint venture agreements dated December 31, 2014 as amended by a first amending agreement dated as of June 12, 2015 and a second amending agreement dated as of June 29, 2015 and June 12, 2012 as amended by a first amending agreement dated as of June 29, 2015 between Manito Energy Inc. and SAFM LP, pursuant to which Manito Energy Inc. agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the Joint Venture Facilities; and (b) all present and future contractual rights related to the Joint Venture Facilities (including, without limitation, any third party agreement to process and transport Petroleum Substances through the Joint Venture Facilities and the \$186,250.00 plus GST, payable each month by Manito Energy Inc. to SAFM LP pursuant to the Joint Venture Agreement), including any third party agreements to process and transport Petroleum Substances through such facilities, together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto.

"Joint Venture Agreements Collateral" means the Petroleum Substances and the proceeds of sale therefrom that are processed or transported through the Joint Venture Facilities, and the proceeds from the sales thereof, up to the amount owing by Manito Energy Inc. plus interest at the rate provided in the Joint Venture Agreements as in effect on the date hereof, to the extent that the same has been granted as security for Manito Energy Inc.'s obligations to SAFM LP under the Joint Venture Agreements as in effect on the date hereof.

"Joint Venture Facilities" means oil batteries in the Stolberg area of Alberta located at LSD: 042-15-W5M (consisting of: two batteries that includes certain separators, storage and water tanks and compressors, among other items) and single well oil batteries in the Wayne area of Alberta located

from LSD: 023-21-W4M to LSD: 029-21-W4M (consisting of: 70 single well oil batteries that includes certain separators, storage and water tanks, among other items).

"Lender Cash Manager" means a Cash Manager which provides Cash Management Arrangements to the Issuer or a Guarantor that are permitted by each applicable Secured Debt Document and which, at the time of entering into the agreement(s) governing such Cash Management Arrangements, is a lender under the Credit Agreement or an Affiliate thereof.

"Lender Hedge Provider" means a Hedge Provider which enters into a Hedge Agreement with the Issuer or a Guarantor that is permitted (or not prohibited, as applicable) by each applicable Secured Debt Document and which, at the time of entering into such Hedge Agreement, is a lender under the Credit Agreement or an Affiliate thereof.

"Lenders' Debt" means: (a) all Obligations incurred or owing from time to time under the Credit Agreement; (b) all Obligations incurred or owing from time to time to any and all Lender Hedge Providers under any Hedge Agreements entered when such Lender Hedge Provider is a Lender Hedge Provider; and (c) all Cash Management Obligations incurred or owing from time to time to any and all Lender Cash Managers.

"Lien" means any mortgage, lien (statutory or otherwise), pledge, charge, security interest or encumbrance upon or with respect to any property of any kind, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement. Notwithstanding the foregoing, any lease that would have been an operating lease (as determined in accordance with GAAP in effect on December 31, 2015) shall be deemed to not constitute a Lien.

"LVTS" has the meaning set forth in Section 2.11(b).

"Maturity" means the date on which the principal of the Notes or an instalment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, notice of redemption, option to elect repayment or otherwise.

"Maturity Account" means an account or accounts required to be established by the Issuer (and which shall be maintained by and subject to the control of the Trustee) for the Notes issued pursuant to and in accordance with this Indenture.

"Moody's" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"Net Cash Proceeds" means, with respect to any issuance or sale of Equity Interests, the cash proceeds of such issuance or sale net of legal fees, accountants' fees, underwriters' or placement agents' fees, listing fees, discounts or commissions and brokerage, consultant and other fees and charges actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result of such issuance or sale.

"Net Proceeds" means, with respect to any Asset Sale, the proceeds therefrom in the form of cash or Cash Equivalents, including payments in respect of deferred payment obligations when received

in the form of cash or Cash Equivalents, or stock or other assets when disposed of for cash or Cash Equivalents, received by the Issuer or any of the Restricted Subsidiaries from such Asset Sale, net of:

- (a) all legal, title, engineering and environmental fees and expenses (including fees and expenses of legal counsel, advisors, accountants, consultants and investment banks, sales commissions and relocation expenses) related to such Asset Sale;
- (b) provisions for all cash taxes payable or required to be accrued in accordance with GAAP as a result of such Asset Sale;
- (c) payments made to retire Indebtedness where such Indebtedness is secured by a Lien on the assets or properties that are the subject of such Asset Sale;
- (d) amounts required to be paid to any Person owning a beneficial interest in the assets or properties that are subject to the Asset Sale; and
- (e) appropriate amounts to be provided by the Issuer or any Restricted Subsidiary, as the case may be, as a reserve required in accordance with GAAP against any liabilities associated with such Asset Sale and retained by the seller after such Asset Sale, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale;

provided that cash and/or Cash Equivalents in which the Issuer or a Restricted Subsidiary has a beneficial interest shall not be deemed to be received by the Issuer or a Restricted Subsidiary until such time as such cash and/or Cash Equivalents are free from any restrictions under agreements with the other beneficial holders of such cash and/or Cash Equivalents which prevent the Issuer or a Restricted Subsidiary from applying such cash and/or Cash Equivalents to any use permitted by under Section 6.13 or to purchase Notes.

"NI 51-101" means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*.

"Non-Recourse Debt" means Indebtedness:

- (a) as to which neither the Issuer nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender; and
- (b) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the Notes) of the Issuer or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of such Indebtedness to be accelerated or payable prior to its Stated Maturity.

"Note Documents" means this Indenture, the Notes, the Debentures, the Restricted Subsidiary Guarantees, the Intercreditor Agreement (and related Security Documents), each Parity Debt Sharing Confirmation, and all other agreements related to this Indenture, the Notes, the Debentures and the Restricted Subsidiary Guarantees, excluding, for greater certainty, any Hedge Agreements.

"Notes" means the 10.5% senior secured Notes due November 15, 2021 created and designated pursuant to Section 3.2 (including, for the avoidance of doubt, any Additional Notes issued hereunder from time to time).

"Obligations" means with respect to any Indebtedness of any Person (collectively, without duplication):

- (a) all debt, financial liabilities and obligations of such Person of whatsoever nature and howsoever evidenced (including principal, interest, fees, reimbursement obligations, cash cover obligations, penalties, indemnities and legal and other expenses, whether due after acceleration or otherwise) to the providers or holders of such Indebtedness or to any agent, trustee or other representative of such providers or holders of such Indebtedness under or pursuant to each agreement, document or instrument evidencing, securing, guaranteeing or relating to such Indebtedness, financial liabilities or obligations relating to such Indebtedness (including Secured Debt Documents applicable to such Indebtedness (if any)), in each case, direct or indirect, primary or secondary, fixed or contingent, now or hereafter arising out of or relating to any such agreement, document or instrument;
- (b) any and all sums advanced by the Collateral Agent or any other Person in order to preserve the Collateral or any other collateral securing such Indebtedness or to preserve the Liens and security interests in the Collateral or any other collateral, securing such Indebtedness; and
- (c) the costs and expenses of collection and enforcement of the obligations referred to in clauses (a) and (b), including:
 - (i) the costs and expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on any Collateral or any other collateral;
 - (ii) the costs and expenses of any exercise by the Collateral Agent or any other Person of its rights under the Security Documents or any other security documents; and
 - (iii) reasonable legal fees and court costs.

"Officers' Certificate" means a certificate signed by any senior officer, or the Corporate Secretary, of the Issuer.

"Oil and Gas Business" means:

- (a) the acquisition, exploration, exploitation, development and operation of, and disposition of interests in, or obtaining production from, oil, natural gas and other hydrocarbon properties;
- (b) the gathering, marketing, treating, processing, storage, selling and transporting of any production from such interests or properties and the marketing of oil, natural gas, other hydrocarbons and minerals obtained from unrelated Persons;
- (c) any business relating to or arising from the exploration for or exploitation, development, extraction, production, treatment, processing, storage, transportation, refining, gathering or marketing and sale of oil, gas and other minerals and products produced in association therewith;
- (d) any power generation and electrical transmission business in a jurisdiction within North America where fuel requirements of such business are supplied, directly or indirectly, from production reserves substantially from blocks in which the Issuer or its Restricted Subsidiaries participate;
- (e) the evaluation, participation in or pursuit of any other activity or opportunity that is primarily related to clauses (a) through (d) above; and
- (f) any activity that is ancillary to, necessary or appropriate for or incidental to the activities described in clauses (a) through (e) of this definition.

"Oil and Gas Investments" means any Investment in or to any Person engaged in the Oil and Gas Business which is made in the ordinary course of, and of a nature that is or shall have become customary in, the Oil and Gas Business as a means of actively exploiting, exploring and/or mining for, acquiring, developing, producing, processing, gathering, marketing or transporting oil and natural gas and other hydrocarbons through agreements, transactions, interests or arrangements which permit one to share risks or costs, comply with regulatory requirements regarding local ownership or satisfy other objectives customarily achieved through the conduct of the Oil and Gas Business jointly with third parties, provided that the Issuer or a Restricted Subsidiary (either alone or together with one or more third parties, including pursuant to a joint operating committee) is responsible (either directly or through a services agreement) for day-to-day operations or otherwise has operational and managerial control of such Person, which, for certainty, may include Investments in Unrestricted Subsidiaries (whether wholly owned by the Issuer or otherwise) and Investments in the form of or pursuant to operating agreements, processing agreements, farm-in agreements, farm-out agreements, working interests, royalty interests, mineral leases, contracts for sale, transportation or exchange of oil and natural gas and related hydrocarbons and minerals, development agreements, area of mutual interest agreements, unitization agreements, pooling agreements, joint bidding agreements, service contracts, joint venture agreements, partnership agreements (whether general or limited), limited liability company agreements, subscription agreements, stock purchase agreements and other similar agreements with third parties.

"Opinion of Counsel" means a written opinion (which may contain customary exceptions) of Counsel, in a form acceptable to the Trustee, acting reasonably.

"Parity Debt Representative" means:

- (a) in the case of the Notes, the Debentures and the Restricted Subsidiary Guarantees, the Trustee; or
- (b) in the case of any other Series of Parity Lien Debt, the trustee, agent or representative of the holders of such Series of Parity Lien Debt which is appointed as a Parity Debt Representative (for purposes related to the administration of the Security Documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Parity Lien Debt, and which has become a party to the Intercreditor Agreement.

"Parity Debt Sharing Confirmation" means, as to any Series of Parity Lien Debt, the written agreement of the holders (or the Parity Debt Representative on behalf of such holders) of that Series of Parity Lien Debt, as set forth in the Note Indenture or other agreement governing that Series of Parity Lien Debt, for the benefit of all holders of each other existing and future Series of Parity Lien Debt and each existing and future Parity Debt Representative, that all Parity Lien Obligations will be and are secured equally and rateably by all Liens at any time granted by the Issuer or any Guarantor to secure any Obligations in respect of such Series of Parity Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Collateral Agent for the benefit of all holders of Parity Lien Obligations equally and rateably, and that the holders of Obligations in respect of such Series of Parity Lien Debt are bound by the provisions of the Intercreditor Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Collateral Agent to perform its obligations under the Intercreditor Agreement.

"Parity Lien" means a Lien granted by a Security Document upon any property of the Issuer or any Guarantor to secure Parity Lien Obligations.

"Parity Lien Debt" means:

- (a) the Notes, the Debentures and the Restricted Subsidiary Guarantees issued under and on the date of the Note Indenture; and
- (b) any other Indebtedness (including Additional Notes and any guarantees thereof) of the Issuer or a Restricted Subsidiary that is secured equally and ratably with the Notes by a Lien that was permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and so secured at the date of incurrence;

provided, that, in the case of the foregoing clause (b):

- (1) on or before the date on which such Indebtedness is incurred by the Issuer or such Restricted Subsidiary, such Indebtedness is designated by the Issuer, in an Officer's Certificate delivered to the Collateral Agent, as Parity Lien Debt for the purposes of the indenture and the Intercreditor Agreement;

provided, that no Obligation or Indebtedness may be designated as both Priority Lien Debt and Parity Lien Debt;

- (2) such Indebtedness is governed by an agreement that includes a Parity Debt Sharing Confirmation; and
- (3) all requirements set forth in the Intercreditor Agreement as to the confirmation, grant or perfection of the Collateral Agent's Liens to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (iii) shall be conclusively established, for purposes of entitling the holders of such Indebtedness to share equally and rateably with the other holders of Parity Lien Debt in the benefits and proceeds of the Collateral Agent's Liens on the Collateral, if the Issuer delivers to the Collateral Agent an Officer's Certificate in the form required pursuant to the Intercreditor Agreement stating that such requirements and other provisions have been satisfied and that such Indebtedness is Parity Lien Debt).

"Parity Lien Documents" means, collectively, the Note Documents and the indenture or agreement governing each other Series of Parity Lien Debt and in each case all related guarantees and all other agreements, instruments and other documents governing, securing or relating to any Parity Lien Obligations (including, without limitation, the Intercreditor Agreement and the other Security Documents).

"Parity Lien Obligations" means Parity Lien Debt and all other Obligations in respect thereof.

"Parity Lien Secured Parties" means the holders of Parity Lien Obligations and any Parity Debt Representatives.

"Participants" has the meaning set forth in Section 4.2(f).

"Paying Agent" has the meaning set forth in Section 2.4(a).

"Payment Default" has the meaning set forth in Section 7.1(e).

"Permitted Assets" means properties or assets that are used or useful in a Permitted Business (including Capital Stock in a Person that is a Restricted Subsidiary and Capital Stock in a Person whose primary business is a Permitted Business that shall become a Restricted Subsidiary immediately upon the acquisition of such Capital Stock by the Issuer or by a Restricted Subsidiary, but excluding any other securities).

"Permitted Business" means any business conducted or identified as a future strategic objective (as described in the Prospectus, including the documents incorporated by reference therein) by the Issuer and the Restricted Subsidiaries on the Issue Date, and other businesses reasonably related or ancillary thereto or that are a reasonable extension or development thereof.

"Permitted Debt" has the meaning set forth in Section 6.10(b).

"Permitted Investments" means, without duplication:

- (a) any Investment in the Issuer or in a Restricted Subsidiary;
- (b) any Investment in Cash Equivalents;
- (c) any Investment in a Person, if:
 - (i) as a result of such Investment, such Person becomes a Restricted Subsidiary, or
 - (ii) as a result of such Investment, such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;
- (d) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 6.13;
- (e) any acquisition of assets or other Investments in a Person solely in exchange for the issuance of Capital Stock (other than Disqualified Stock) of the Issuer or warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer;
- (f) Investments resulting from repurchases of the Notes;
- (g) any Investments received in compromise of (i) obligations of trade creditors or customers that were incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (ii) litigation, arbitration or other disputes;
- (h) Hedging Obligations incurred in the ordinary course of business and not for speculative purposes;
- (i) Investments (i) existing on the Issue Date or (ii) that are an extension, modification or renewal of any such Investments described under the preceding clause (i), but only to the extent not involving additional advances, contributions or other Investments of cash or other assets or other increases thereof, and Investments made with the proceeds, including, without limitation, from sales or other dispositions, of such Investments and any other Investments made pursuant to this clause (i);
- (j) guarantees issued in accordance with Section 6.10;
- (k) guarantees of performance or other obligations (other than Indebtedness) arising in the ordinary course of business;

- (l) loans or advances made to officers, directors or employees of the Issuer or any of its Restricted Subsidiaries; provided that the aggregate principal amount outstanding at any time under this clause (l) shall not exceed \$2.0 million;
- (m) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;
- (n) Investments of a Restricted Subsidiary acquired after the Issue Date or of an entity merged into, amalgamated with, or consolidated with the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 10.1 after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;
- (o) Oil and Gas Investments; and
- (p) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (o) that are at the time outstanding not to exceed the greater of (a) \$5.0 million and (b) 2.0% of the Issuer's Adjusted Consolidated Net Tangible Assets on the date of the relevant Investment.

"Permitted Liens" means, as of any date:

- (a) Liens in favour of the Priority Lien Collateral Agent securing: (a) Priority Lien Debt in an aggregate principal amount not exceeding the Priority Lien Cap plus Hedging Obligations with a Lender Hedge Provider and any Cash Management Obligations of the Lender Cash Manager; and (b) all other Obligations in respect thereof;
- (b) Liens securing Cash Management Obligations incurred by the Issuer or a Restricted Subsidiary of the Issuer in the ordinary course of business;
- (c) Liens in favour of the Collateral Agent or the Trustee, or any Person acting in a similar capacity, equally and rateably securing: (i) the Notes and the Restricted Subsidiary Note Guarantees to be issued under the Issue Date; (ii) any Additional Notes and the Note Guarantees thereof incurred in compliance with Section 6.10; or (iii) any Indebtedness incurred pursuant to the Consolidated Interest Coverage Ratio test set forth in Section 6.10(a) in an aggregate principal amount, together with the aggregate principal amount of all other Indebtedness secured by a Lien on any assets of the Issuer or any Guarantor, not to exceed, at any one time outstanding, 50% of the Issuer's Adjusted Consolidated Net Tangible Assets at the time of the incurrence of such Indebtedness, and (iv) all Parity Lien Obligations related to any Indebtedness described in the foregoing subclauses (i), (ii) and (iii);

- (d) Liens in favour of the Issuer of any of its Restricted Subsidiaries;
- (e) Liens on property of a Person existing at the time such Person is acquired by or amalgamated or merged with or into or consolidated with the Issuer or any Restricted Subsidiary; provided that such Liens were in existence prior to, and were not created in contemplation of, such acquisition, amalgamation, merger or consolidation and do not extend to any assets other than those of the Person acquired by or amalgamated or merged into or consolidated with the Issuer or the Restricted Subsidiary;
- (f) Liens securing Hedging Obligations incurred in the ordinary course of business and not for speculative purposes;
- (g) Liens for any judgment rendered, or claim filed, against the Issuer or any Restricted Subsidiary which is being contested in good faith by appropriate proceedings and that does not constitute an Event of Default if during such contestation a stay of enforcement of such judgment or claim is in effect;
- (h) Liens on property existing at the time of acquisition of such property by the Issuer or any Restricted Subsidiary, provided that such Liens do not extend to any other property of the Issuer or any Restricted Subsidiary and were in existence prior to, and were not created in contemplation of, such acquisition;
- (i) Liens incurred or deposits made to secure the performance of or otherwise in connection with statutory obligations, environmental reclamation obligations, bids, leases, government contracts, surety or appeal bonds, performance or return-of-money bonds or other obligations of a like nature incurred in the ordinary course of business, including letters of credit, performance bonds and other reimbursement obligations permitted by Section 6.10(b)(ii) of this Indenture;
- (j) Liens securing Indebtedness (including Capital Lease Obligations) permitted by Section 6.10(b)(iv) of this Indenture covering only the assets acquired, developed or improved (and accessions thereto) with such Indebtedness;
- (k) Liens existing on the Issue Date;
- (l) Liens for taxes, workers' compensation, unemployment insurance and other types of social security, assessments or other governmental charges or claims that are not yet due and payable or, if due and payable and delinquent, that are being contested by the Issuer or a Restricted Subsidiary in good faith by appropriate proceedings promptly instituted and diligently concluded, provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;
- (m) licences, permits, reservations, covenants, servitudes, easements, rights-of-way and rights in the nature of easements (including, without limiting the generality of the foregoing, in respect of sidewalks, public ways, sewers, drains, gas, steam and

water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) and zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, regional, state, municipal and other governmental authorities;

- (n) Liens imposed by law that are incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, mechanics', landlords', materialmen's, employees', labourers', employers', suppliers', banks', builders', repairmen's and other like Liens;
- (o) survey title exceptions, title defects, easements, rights-of-way, zoning restrictions and other similar charges, restrictions, encroachments, irregularities or encumbrances in respect of real property or immaterial imperfections of title, or rights of others for, rights of way, sewers, electric lines, telegraph or telephone lines and other similar purposes that do not, in the aggregate, impair in any material respect the ordinary conduct of the business of the Issuer and its Restricted Subsidiaries taken as a whole;
- (p) Liens securing Permitted Refinancing Indebtedness in respect of Indebtedness that was secured by Permitted Liens, provided that such Liens secure only the same collateral as, and have no greater priority than, such Permitted Liens;
- (q) Liens given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the operation of the business or the ownership of the assets of the Issuer or any of its Restricted Subsidiaries;
- (r) Liens arising from precautionary *Personal Property Security Act* or *Uniform Commercial Code* (or its equivalent) financing statement filings regarding operating leases entered into by the Issuer and its Restricted Subsidiaries in the ordinary course of business;
- (s) applicable municipal and other governmental restrictions, including municipal by laws and regulations, affecting the use of land or the nature of any structures which may be erected thereon, provided such restrictions have been complied with;
- (t) subdivision agreements, site plan control agreements, servicing agreements, development agreements, facilities sharing agreements, cost sharing agreements and other similar agreements provided they do not materially impair the use of the affected property for the purpose for which it is used by the Issuer or its Restricted Subsidiary, as the case may be, or materially impair the value of the property subject thereto or interfere with the ordinary conduct of the business of such Person and provided the same are complied with;
- (u) landlord distraint rights and similar rights arising under the leasehold interests of the Issuer and its Restricted Subsidiaries limited to the assets located at or about such leased properties;

- (v) customary restrictions on, or options, contracts or other agreements for, transfers of assets contained in agreements related to any sale of assets pending such sale; provided that such restrictions apply only to the assets to be sold and such sale is otherwise permitted by this Indenture;
- (w) Liens securing obligations to the Trustee arising under this Indenture;
- (x) Liens on trusts, cash or Cash Equivalents or other funds provided in connection with the defeasance (whether by covenant or legal defeasance), discharge or redemption of Indebtedness; provided that such defeasance, discharge or redemption is otherwise permitted by this Indenture;
- (y) Liens to secure payment of royalties, revenue interests, net profits interests, reversionary interests, working interests and preferential rights of purchase incurred in the ordinary course of business to the extent of the security interest in those underlying assets;
- (z) Liens incurred or deposits made to secure the performance of or otherwise in connection with statutory obligations, environmental reclamation obligations, bids, leases, government contracts, surety or appeal bonds, performance or return-of-money bonds or other obligations of a like nature incurred in the ordinary course of business;
- (aa) Liens on pipelines or pipeline facilities that arise by operation of law;
- (bb) Liens arising under partnership agreements, oil and natural gas leases, overriding royalty agreements, net profits agreements, incentive compensation programs that are on terms reasonably customary in the Oil and Gas Business for geologists, geophysicists and other providers of technical services to the Issuer or a Restricted Subsidiary, royalty trust agreements, master limited partnership agreements, farm-in agreements, farm-out agreements, division orders, contracts for the sale, purchase, exchange, transportation, gathering or processing of oil, natural gas or other hydrocarbons, utilization and pooling designations, declarations, orders and agreements, joint venture agreements, development agreements, operating agreements, production sales contracts (including security in respect of take or pay or similar obligations thereunder), area of mutual interest and other agreements, natural gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or geophysical permits or agreements and other similar agreements, or arising by operation of law, which in each of the foregoing cases are customary in the Oil and Gas Business, and easements, rights of way or other similar rights in land, provided that such Liens are not given in connection with Indebtedness;
- (cc) Liens in oil, gas or other mineral property or products derived from such property to secure obligations incurred or guarantees of obligations incurred in connection with or necessarily incidental to commitments of purchase or sale of, or the

transportation, storage or distribution of, such property or the products derived from such property, provided that such obligations do not constitute Indebtedness;

- (dd) Liens in respect of any oil, natural gas or mineral property acquired after the Issue Date or which do not have any proved reserves associated with them on the Issue Date (i) securing the costs and expenses incurred after the Issue Date in connection with surveying, exploration, drilling, development, extraction, operation or production relating to or arising in connection with any such oil, natural gas or other mineral property or with the acquisition thereof, including costs incurred for the acquisition, construction, development, alteration, repair, improvement or operation of any and all Facilities relating to such property, or to projects, ventures or other arrangements of which such property forms a part or which relate to such property, whether or not such Facilities are in whole or in part located (or from time to time located) at or on such property, and all related costs of abandonment, or (ii) securing Indebtedness created, issued, incurred or assumed by the Issuer or any of its Restricted Subsidiaries to provide funds for, or otherwise finance (directly or indirectly), the activities set forth above, if such Indebtedness is incurred prior to, during or within two years after the acquisition or completion of construction, development or other relevant activities referred to in clause (i) above and does not exceed the cost of such acquisition, construction, development or other activities, as applicable; provided that any such Lien shall be limited to the property that is the subject of the acquisition, construction, development or other relevant activities referred to above;
- (ee) Liens in favour of any federal government or any province, state or territory thereof or any municipality therein or any political subdivision, department, agency or instrumentality of any of them to secure the performance of any covenant or obligation to or in favour of or entered into at the request of such authorities where such security is required pursuant to any contract, statute or regulation or with respect to any franchise, grant, license or permit (including related to periodic payments in connection therewith) or arises by operation of law and any defects in title to structures or other Facilities arising solely from the fact that such structures or Facilities are constructed or installed on lands held by the Issuer or any of its Restricted Subsidiaries under government permits, leases or grants, provided that such Lien is not given in connection with Indebtedness;
- (ff) Liens reserved in oil and gas mineral leases for bonus or rental payments and for compliance with the terms of such leases;
- (gg) Liens securing Non-Recourse Debt;
- (hh) overriding royalties granted to third parties for Fair Market Value cash consideration in the course of the development of oil and gas properties of up to \$20 million per calendar year and provided the Issuer complies with Section 6.13 of this Indenture with respect to the Net Proceeds received for the grant of such overriding royalties;

- (ii) the reservations, limitations, provisos and conditions, if any, expressed in any original grant from the Crown of any real property or any interest therein or in any comparable grant in jurisdictions other than Canada;
- (jj) Liens in favour of customs, revenue, and taxation authorities arising by operation of law;
- (kk) Liens securing Indebtedness consisting of the financing of insurance premiums permitted by Section 6.10(b)(xiv)(A) of this Indenture; and
- (ll) other Liens securing Indebtedness and related obligations in an aggregate principal amount not to exceed, at any one time outstanding, not to exceed \$5.0 million.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

- (a) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, refinanced, renewed, replaced, defeased or refunded (plus all accrued interest on the Indebtedness and the amount of all reasonable fees and expenses and premiums incurred in connection therewith);
- (b) the Stated Maturity of the principal of such Permitted Refinancing Indebtedness is no earlier than the earlier of (i) the Stated Maturity of the principal of the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded, and (ii) the date that is 91 days after the Stated Maturity of the principal of the Notes;
- (c) the Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity at the time such Permitted Refinancing Indebtedness is incurred that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, renewed, replaced, deferred or refunded;
- (d) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is Subordinated Indebtedness of the obligor thereon, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes issued by, or the applicable Debenture and/or Restricted Subsidiary Guarantee of, the obligor thereon, as the case may be, on terms at least as favourable, taken as a whole, to the Holders of the Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;
- (e) (i) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is secured Indebtedness, no additional security, or security with greater

priority, is granted in respect thereof; and (ii) if such Indebtedness is unsecured Indebtedness, no security is granted in respect thereof; and

- (f) such Permitted Refinancing Indebtedness is incurred by the Person that was the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded and is guaranteed only by Persons who were obligors on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government, government body or agency or other entity.

"Petroleum Substances" means petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing.

"PPSA" means the relevant *Personal Property Security Act* or relevant similar legislation in respect of any Collateral.

"Premium" means, with reference to any Note, the excess of the then-applicable Redemption Price of such Note over the principal amount of such Note, and in respect of the Notes has the meaning given to "Applicable Premium".

"Priority Debt Representative" means:

- (a) in the case of Lenders' Debt, the Priority Lien Collateral Agent and which is or has become a party to the Intercreditor Agreement;
- (b) in the case of Hedging Obligations or Cash Management Obligations which are not Lenders' Debt, the financial institution or other counterparty which is owed such Hedging Obligations or Cash Management Obligations and which has become a party to the Intercreditor Agreement; and
- (c) in the case of any other Series of Priority Lien Debt, the trustee, agent or representative of the holders of such Series of Priority Lien Debt which is appointed as a Priority Debt Representative for such holders (for purposes related to the administration of the Security Documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Priority Lien Debt, and who has become a party to the Intercreditor Agreement.

"Priority Debt Sharing Confirmation" means, as to any Series of Priority Lien Debt, the written agreement of the holders of such Series of Priority Lien Debt (or the Priority Debt Representative on behalf of such holders), as set forth in the agreement governing such Series of Priority Lien Debt, for the benefit of all holders of each other existing and future Series of Priority Lien Debt and each existing and future Priority Debt Representative, that all Priority Lien Obligations will be and are secured equally and rateably by all Liens at any time granted by the Issuer or any Guarantor to secure any Obligations in respect of such Series of Priority Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the

Collateral Agent for the benefit of all holders of Priority Lien Obligations equally and rateably, and that the holders of Obligations in respect of such Series of Priority Lien Debt are bound by the provisions in the Intercreditor Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Collateral Agent to perform its obligations under the Intercreditor Agreement.

"Priority Lien" means a Lien granted, for the benefit of the Priority Lien Secured Parties, upon any property of the Issuer or any Guarantor to secure Priority Lien Obligations.

"Priority Lien Cap" means, as of any date, the principal amount outstanding under the Credit Agreement and/or the Indebtedness outstanding under any other Credit Facility, in an aggregate principal amount not to exceed the amount provided by Section 6.10(b)(i). For purposes of this definition of Priority Lien Cap, all letters of credit shall be valued at the face amount thereof, whether or not drawn.

"Priority Lien Collateral Agent" means (a) National Bank of Canada, for so long as it is the sole lender under the Credit Agreement and (b) its successors, replacements and/or assigns (if any) in the capacity of either (i) sole lender under the Credit Agreement, or (ii) if at any time there shall be multiple lenders under the Credit Agreement, the administrative or collateral agent under the Credit Agreement and for any other holders of Priority Lien Obligations (including successors, replacements and/or assigns constituting agents, receivers, receivers and managers, and monitors, and their respective successors, replacements and/or assigns).

"Priority Lien Debt" means:

- (a) Indebtedness under the Credit Agreement and any guarantees thereof that, in each case, was permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and secured by a Lien on assets ranking prior to any Parity Lien on such assets at the date of incurrence;
- (b) Hedging Obligations included in Lenders' Debt and any guarantees thereof that, in each case, were permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and secured by a Lien on assets ranking prior to any Parity Lien on such assets at the date of incurrence;
- (c) Cash Management Obligations included in Lenders' Debt and any guarantees thereof; and
- (d) Indebtedness under any other Credit Facility, Hedge Agreement, Cash Management Arrangements and any guarantees thereof of the Issuer or any Guarantor that is secured equally and rateably with the Credit Agreement by a Lien that was permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and so secured; provided, in the case of each issue or series of Indebtedness referred to in this clause, that:
 - (1) on or before the date on which such Indebtedness is incurred by the Issuer or any Guarantor, such Indebtedness is designated by the Issuer, in an

Officer's Certificate delivered to the Collateral Agent, as "Priority Lien Debt" for the purposes of the Secured Debt Documents; provided, that no Obligation or Indebtedness may be designated as both Priority Lien Debt and Parity Lien Debt;

- (2) such Indebtedness is governed by a credit agreement, an indenture or other agreement that includes a Priority Debt Sharing Confirmation; and
- (3) all requirements set forth in the Intercreditor Agreement as to the confirmation, grant or perfection of the Priority Lien Collateral Agent's Lien to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (d)(iii) will be conclusively established if the Issuer delivers to the Collateral Agent an Officer's Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is "**Priority Lien Debt**").

"Priority Lien Documents" means, collectively, the Credit Agreement, Hedge Agreements governing Hedging Obligations included in Lenders' Debt, agreements governing Cash Management Obligations included in Lenders' Debt, and the credit agreements, indentures or other agreements governing any other Credit Facility, Hedging Obligations or Cash Management Obligations pursuant to which any other Priority Lien Debt is incurred and in each case all related guarantees and all other agreements, instruments and other documents governing, securing or related to any Priority Lien Obligations (including, without limitation, the Intercreditor Agreement and the other Security Documents).

"Priority Lien Obligations" means the Priority Lien Debt and all other Obligations in respect thereof.

"Priority Lien Secured Parties" means the holders of Priority Lien Obligations and any Priority Debt Representatives.

"Pro Forma Consolidated EBITDA" determined on any date (the "**Calculation Date**") for any four-quarter period means Consolidated EBITDA for such period, provided that:

- (a) acquisitions that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the Issuer or any of its Restricted Subsidiaries, and including increases in ownership of Restricted Subsidiaries, during the four quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, will be given pro forma effect as if they had occurred on the first day of the four-quarter reference period;
- (b) the Consolidated EBITDA attributable to operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date will be excluded;

- (c) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and
- (d) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

"Prospectus" means the final base shelf prospectus dated September 28, 2016, as supplemented by a prospectus supplement dated October 12, 2016 by the Issuer in connection with the Notes.

"Purchase Money Obligations" means Indebtedness of the Issuer and its Restricted Subsidiaries incurred for the purpose of financing all or any part of the purchase price, or the cost of installation, construction or improvement, of Permitted Assets.

"Record Date" means the date specified for determining holders entitled to receive interest on the Notes on any Interest Payment Date.

"Redemption Date" has the meaning set forth in Section 5.4.

"Redemption Notice" has the meaning set forth in Section 5.4.

"Redemption Price" has the meaning set forth in Section 5.1.

"Registrar" has the meaning set forth in Section 2.4(a).

"Regulation S" means Regulation S adopted by the SEC under the 1933 Act.

"Release" means any release, seepage, spill, emission, leak, escape, pumping, injection, deposit, disposal, discharge, dispersal, leaching, dumping or migration into the environment including the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands or sub-surface strata;

"Relevant Rate" means for the purpose of determining the Applicable Premium with respect to any Note on any redemption date means the rate per annum equal to the average of the yields determined by Raymond James Ltd. as being the quarterly equivalent yield to maturity on the third Business Day prior to such redemption date which a non callable actively traded Government of Canada Bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount at such date having a maturity most nearly equal to the period from the redemption date to November 15, 2018 that would be utilized at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the period from the redemption date to November 15, 2018.

"Rental Agreements" means the rental agreements dated December 30, 2014 as amended by a first amending agreement dated as of June 12, 2015 and a second amending agreement dated as of June 29, 2015 and June 12, 2015 as amended by a first amending agreement dated as of June 29, 2015 made between Manitok and SAFM LP, pursuant to which Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) Rental

Facilities; and (b) all present and future contractual rights related to the Rental Facilities, the \$244,739.58, plus GST, payable each month by Manitoak to SAFM LP pursuant to the Rental Agreement, including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through the Rental Facilities, together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto.

"Rental Agreements Collateral" means the Petroleum Substances that are processed or transported through the Rental Facilities, and the proceeds from the sales thereof, up to the amount owing by Manitoak plus interest at the rate provided in the Rental Agreements as in effect on the date hereof, to the extent the same has been granted, as security for Manitoak's obligations to SAFM LP under the Rental Agreements as in effect on the date hereof.

"Rental Facilities" means the oil batteries in the Stolberg area of Alberta located at LSD: 042-15-W5M (consisting of: a battery that includes certain separators, storage tanks, water tanks and compressors, among other items; a multiwell satellite that consists of certain separators and lineheater among other items; and facility consisting of separators and compressors among other items), oil batteries and infrastructure in the Entice area of Alberta located at LSD: 022-25-W4M (consisting of: a battery that includes certain separators, storage and water tanks, a flare system, among other items; a satellite that includes a separator and tanks; a emulsion pipelines; and a sales gas pipeline) and oil batteries and infrastructure in the Wayne area of Alberta located at LSD: 028-21-W4M (consisting of: a battery that includes certain treaters, separators, compressors, storage and water tanks, flare systems, among other items; and a satellite that includes emulsion pumps, water injection pumps and a flare system, among other items).

"repay" means, in respect of any Indebtedness, to repay, prepay, repurchase, redeem, legally defease or otherwise retire such Indebtedness. The words *"repayment"* and *"repaid"* shall have correlative meanings. For the purposes of Section 6.13 and the definition of "Consolidated Interest Coverage Ratio," Indebtedness shall be considered to have been repaid only to the extent the related loan commitment, if any, shall have been permanently reduced in connection therewith.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Payment" has the meaning set forth in Section 6.9(a).

"Restricted Subsidiary" of a Person means any Subsidiary of such Person that is not an Unrestricted Subsidiary. Unless otherwise indicated herein, a reference to a Restricted Subsidiary shall mean a Restricted Subsidiary of the Issuer.

"Restricted Subsidiary Guarantee" means the unlimited and unconditional guarantee made by each Restricted Subsidiary under Article 15 either on the date hereof or by and through a supplemental indenture hereto, pursuant to which such Restricted Subsidiary absolutely and unconditionally guarantees all of the Indenture Obligations to each of the Holders and the Trustee (for itself and for and on behalf of the Holders).

"S&P" means Standard & Poor's Financial Services LLP (a subsidiary of McGraw Hill Financial, Inc.), or any successor to the rating agency business thereof.

"**SAFMLP**" means Stream Asset Financial ManitoK LP, together with its successors and permitted assigns.

"**Sale/Leaseback Transaction**" means an arrangement relating to property owned by the Issuer or a Restricted Subsidiary on the Issue Date by the Issuer or a Restricted Subsidiary whereby the Issuer or a Restricted Subsidiary transfers such property to a Person and the Issuer or a Restricted Subsidiary then leases it from such Person.

"**Secured Debt Documents**" means the Priority Lien Documents and the Parity Lien Documents.

"**Secured Debt Representatives**" means each Priority Debt Representative and each Parity Debt Representative.

"**Secured Obligations**" means Priority Lien Obligations and Parity Lien Obligations.

"**Secured Parties**" has the meaning ascribed to it in the Intercreditor Agreement.

"**Security Documents**" means the Intercreditor Agreement and one or more security agreements, debentures, pledge agreements, collateral assignments, mortgages, collateral agency agreements, control agreements, deeds of trust or other grants or transfers for security executed and delivered by the Issuer and each Guarantor creating (or purporting to create) a Lien upon Collateral in favour of the Collateral Agent, for the benefit of the secured parties, and each other document or instrument entered into in furtherance of the foregoing, in each case, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time in accordance with its terms.

"**Series of Parity Lien Debt**" means, severally, (i) the Notes, the Debentures and the Restricted Subsidiary Guarantees and (ii) each other issue or series of Parity Lien Debt for which a single transfer register is maintained.

"**Series of Priority Lien Debt**" means, severally, each issue or series of Priority Lien Debt for which a single transfer register is maintained, and for purposes hereof, (a) Hedging Obligations and Cash Management Obligations included in Lenders' Debt will be treated as, and deemed to be a part of, the same Series of Priority Lien Debt as the other Lenders' Debt and (b) all Credit Facilities under the same credit agreement will be deemed to be the same Series of Priority Lien Debt.

"**Significant Subsidiary**" means: (a) any Restricted Subsidiary of the Issuer: (i) whose proportionate share of the consolidated total assets of the Issuer and all of its Restricted Subsidiaries (after intercompany eliminations) exceeds 10.0% as of the end of the most recently completed four fiscal quarters for which internal annual or quarterly financial statements are available; or (b) who contributed in excess of 10.0% of Pro Forma Consolidated EBITDA for the most recently completed four fiscal quarters for which internal annual or quarterly financial statements are available; and (b) any Restricted Subsidiary that, when aggregated with all other Restricted Subsidiaries that are not otherwise Significant Subsidiaries and as to which any event described in Section 7.1(g), (h), or (i) has occurred and is continuing, would constitute a Significant Subsidiary under clause (a) of this definition.

"SEC" means the U.S. Securities and Exchange Commission, including any successor thereto.

"**Stated Maturity**" means, with respect to any instalment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness (as amended, supplemented or otherwise modified in any manner that is not prohibited by the Indenture), and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subordinated Indebtedness**" means Indebtedness of the Issuer or a Guarantor that is subordinated in right of payment to the outstanding Notes or the related Debenture and/or Restricted Subsidiary Guarantee issued by the Issuer or such Guarantor, as the case may be.

"**Subsidiary**" means, with respect to any specified Person:

- (a) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and
- (b) any partnership or limited liability company if (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, thereof are owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof), whether in the form of membership, general, special or limited partnership interests or otherwise, and (ii) the specified Person, or any Subsidiary of the specified Person, is a controlling general partner of, or otherwise controls, such entity.

"**Supplemental Indenture**" means an indenture supplemental to this Indenture which may be executed, acknowledged and delivered for any of the purposes set out in Section 12.5.

"**Tax Act**" means the *Income Tax Act* (Canada), and shall include the regulations promulgated thereunder.

"**Taxes**" means any present or future tax, levy, impost, assessment or other government charge (including penalties, interest and any other liabilities related thereto) imposed or levied by or on behalf of a Taxing Authority.

"**Taxing Authority**" means any government or any political subdivision or territory or possession of any government or any authority or agency therein or thereof having power to tax.

"**Trade Payables**" means amounts due to trade creditors for goods or services obtained by the Issuer or any Restricted Subsidiary in the ordinary course of business, but, for greater certainty,

excluding accruals for goods or services received by the Issuer or any Restricted Subsidiary for which such Person has not received an invoice from the supplier of such goods or services.

"Trustee" has the meaning given to such term in the recitals of the parties above.

"Unrestricted Subsidiary" means, following the Issue Date, each Affiliate of the Issuer (including newly acquired or newly formed Subsidiaries of the Issuer) that is designated by the Board of Directors of the Issuer as an Unrestricted Subsidiary pursuant to Section 6.7, and unless designated as a Restricted Subsidiary includes any Subsidiary of an Unrestricted Subsidiary.

"U.S." or "United States" means the United States of America (including the states or the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"Volumetric Production Payments" means production payment obligations recorded as deferred revenue in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- (a) the sum of the products obtained by multiplying (a) the amount of each then remaining instalment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by
- (b) the then-outstanding principal amount of such Indebtedness.

"Wholly Owned Restricted Subsidiary" of the Issuer means any Restricted Subsidiary of which all of the outstanding Voting Stock (other than directors' qualifying shares or shares required to be owned by other Persons pursuant to applicable law) is owned directly or indirectly by the Issuer or any other Wholly Owned Restricted Subsidiary.

1.2 Meaning of "Outstanding"

Every Note issued, certified and delivered in accordance with this Indenture shall be deemed to be outstanding until it is cancelled, converted or redeemed or delivered to the Trustee for cancellation or redemption for monies or a new Note is issued in substitution for it pursuant to Section 2.9 or the payment for redemption thereof shall have been set aside under Section 5.6, *provided that*:

- (a) when a new Note has been issued in substitution for a Note which has been lost, stolen or destroyed, only one of such Notes shall be counted for the purpose of determining the aggregate principal amount of Notes outstanding;

- (b) Notes which have been partially redeemed or purchased shall be deemed to be outstanding only to the extent of the unredeemed or unpurchased part of the principal amount thereof; and
- (c) for the purposes of any provision of this Indenture entitling Holders of outstanding Notes to vote, sign consents, resolutions, requisitions or other instruments or take any other action under this Indenture, or to constitute a quorum of any meeting of Holders thereof, Notes owned directly or indirectly, legally or equitably, by the Issuer or any of its Affiliates shall be disregarded (unless the Issuer and/or one or more of its Affiliates are the only Holders (or Beneficial Holders) of the outstanding aggregate principal amount of Notes at the time outstanding in which case they shall not be disregarded) except that:
 - (i) for the purpose of determining whether the Trustee shall be protected in relying on any such vote, consent, requisition or other instrument or action, or on the Holders of Notes present or represented at any meeting of Holders, only the Notes for which the Trustee has received an Officers' Certificate confirming that the Issuer and/or one or more of its Affiliates are the Holders shall be so disregarded; and
 - (ii) Notes so owned which have been pledged in good faith other than to the Issuer or any of its Affiliates shall not be so disregarded if the pledgee shall establish, to the satisfaction of the Trustee, the pledgee's right to vote such Notes, sign consents, requisitions or other instruments or take such other actions in his, her or its discretion free from the control of the Issuer or any of its Affiliates.

1.3 Interpretation

In this Indenture:

- (a) words importing the singular number or masculine gender shall include the plural number or the feminine or neuter genders, and vice versa;
- (b) all references to Articles and Schedules refer, unless otherwise specified, to articles of and schedules to this Indenture;
- (c) all references to Sections refer, unless otherwise specified, to sections, subsections or clauses of this Indenture;
- (d) words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by and do not imply limitation of their context or the words or phrases which precede or succeed them; and
- (e) "this Indenture", "this Trust Indenture", "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions refer to this Indenture and not to any particular

Article, Section, subsection, clause, subdivision or other portion hereof and include any and every Supplemental Indenture.

1.4 Headings, Etc.

The division of this Indenture into Articles, Sections, subsections and paragraphs, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Indenture.

1.5 Statute Reference

Any reference in this Indenture to a statute is deemed to be a reference to such statute as amended, re-enacted or replaced from time to time.

1.6 Day not a Business Day

In the event that any day on or before which any action required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the first Business Day thereafter.

1.7 Applicable Law

This Indenture, the Notes and the Restricted Subsidiary Guarantees shall be construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and shall be treated in all respects as Alberta contracts.

1.8 Monetary References

Whenever any amounts of money are referred to herein, such amounts shall be deemed to be in lawful money of Canada unless otherwise expressed.

1.9 Invalidity, Etc.

Each provision in this Indenture or in a Note is distinct and severable and a declaration of invalidity or unenforceability of any such provision by a court of competent jurisdiction will not affect the validity or enforceability of any other provision hereof or thereof.

1.10 Language

Each of the parties hereto hereby acknowledges that it has consented to and requested that this Indenture be drawn up in the English language only.

1.11 Successors and Assigns

All covenants and agreements in this Indenture by the Issuer and its Restricted Subsidiaries shall bind their successors and assigns, as applicable, whether expressed or not.

1.12 Benefits of Indenture

Nothing in this Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and their successors or assigns hereunder, any paying agent, the Holders and the Trustee, any benefit or any legal or equitable right, remedy or claim under this Indenture.

1.13 Accounting Terms; Changes in Generally Accepted Accounting Principles

- (a) Each accounting term used in this Indenture, unless otherwise defined herein, has the meaning assigned to it under GAAP applied consistently throughout the relevant period and relevant prior periods.
- (b) If there occurs a material change in GAAP, including as a result of a conversion to or adoption of IFRS, and such change would require disclosure in the consolidated financial statements of the Issuer and would cause an amount required to be determined for the purposes of any of the financial calculations or financial terms under this Indenture (each a "**Financial Term**") to be materially different than the amount that would be determined without giving effect to such change, the Issuer shall notify the Trustee of such change (an "**Accounting Change**"). Such notice (an "**Accounting Change Notice**") shall describe the nature of the Accounting Change, its effect on the Issuer's current and immediately prior year's financial statements in accordance with GAAP and state whether the Issuer desires to revise the method of calculating the applicable Financial Term (including the revision of any of the defined terms used in the determination of such Financial Term) in order that amounts determined after giving effect to such Accounting Change and the revised method of calculating such Financial Term will approximate the amount that would be determined without giving effect to such Accounting Change and without giving effect to the revised method of calculating such Financial Term. The Accounting Change Notice shall be delivered to the Trustee within 90 days of the end of the fiscal quarter in which the Accounting Change is implemented or, if such Accounting Change is implemented in the fourth fiscal quarter or in respect of an entire fiscal year, within 120 days of the end of such period. Promptly after receipt from the Issuer of an Accounting Change Notice the Trustee shall deliver to each Holder a copy of such notice.
- (c) If the Issuer so indicates that it wishes to revise the method of calculating a Financial Term, the Issuer shall in good faith provide to the Trustee the revised method of calculating such Financial Term within 90 days of the Accounting Change Notice and, provided that such revised method has been approved pursuant to Section 9.10 and such revised method shall take effect from the date of the Accounting Change Notice. For certainty, if no notice of a desire to revise the method of calculating the Financial Term in respect of an Accounting Change is given by the Issuer within the applicable time period described above, the method of calculating the Financial Term shall not be revised in response to such Accounting Change and all amounts to be determined pursuant to the Financial Term shall be determined after giving effect to such Accounting Change.

**ARTICLE 2
THE DEBT SECURITIES**

2.1 Issue of Notes

The aggregate principal amount of Notes authorized to be issued and certified under this Indenture is unlimited, *provided, however*, that Notes may be issued under this Indenture only upon and subject to the conditions and limitations in this Indenture.

2.2 Form of Notes

- (a) The Notes and the Trustee's certificate of authentication shall be substantially in the form set out in any Supplemental Indenture establishing such Notes (or in the case of the Notes, in the form set out in Appendix A hereto), together with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture. Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note shall be dated the date of its authentication. Notes shall be issued in denominations of \$100 and integral multiples of \$100 in excess thereof.
- (b) The terms and provisions contained in the Notes and any Supplemental Indenture establishing Notes shall constitute, and are hereby expressly made, a part of this Indenture and the Issuer and the Trustee, by their execution and delivery of this Indenture and each applicable Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note or Supplemental Indenture conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.
- (c) The Notes may be in different forms and may contain such variations of tenor and effect, not inconsistent with the provisions of this Indenture, as are incidental to such differences of form.
- (d) Subject to Section 2.2(a) and to any limitation as to the maximum principal amount of Notes, Additional Notes may be issued, in which case they will bear the same designation and designating letters as those applied to such similar previous issue and will be numbered consecutively upwards in respect of such denominations of Notes in like manner and following the numbers of the Notes of such previous issue.
- (e) All Notes which may at any time be issued under this Indenture and the certificate of the Trustee endorsed on such Notes may be in English or any other language or languages or any combination thereof, and may be in the form or forms provided in any Supplemental Indenture or in such other language or languages and in such form or forms as the Board of Directors determines at the time of first issue of any Notes, as approved by the Trustee, the approval of which will be conclusively evidenced by its certification of such Notes.

- (f) If any provision of any Notes in a language other than English is susceptible of an interpretation different from the equivalent provision of the English language, the interpretation of such provision in the English language will be determinative.
- (g) Notes may be typed, engraved, printed, lithographed or reproduced in a different form, or partly in one form and partly in another, as the Issuer may determine. The execution of any such Notes by the Issuer and the certification by the Trustee in accordance with Section 2.3 of any such Notes will be conclusive evidence that such Notes are Notes authorized by this Indenture.
- (h) Unless otherwise specified in the Supplemental Indenture authorizing Notes, all Global Notes authenticated and delivered by the Trustee shall bear a legend in substantially the following form:

"THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREIN REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS NOTE MAY NOT BE TRANSFERRED TO OR EXCHANGED FOR DEBT SECURITIES REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF AND NO SUCH TRANSFER MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE. EVERY NOTE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS NOTE SHALL BE A GLOBAL NOTE SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. ("CDS") TO MANITOK ENERGY INC. (THE "ISSUER") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THIS NOTE AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS NOTE."

2.3 Execution, Authentication and Delivery of Notes

- (a) All Notes shall be signed (either manually or by electronic or facsimile signature) by any two authorized directors or officers of the Issuer, holding office at the time of signing. An electronic or facsimile signature upon a Note shall for all purposes

of this Indenture be deemed to be the signature of the Person whose signature it purports to be. Notwithstanding that any Person whose signature, either manual or in facsimile or other electronic means, appears on a Note as a director or officer may no longer hold such office at the date of the Note or at the date of the certification and delivery thereof, such Note shall be valid and binding upon the Issuer and the Holder thereof shall be entitled to the benefits of this Indenture.

- (b) No Notes will be valid or obligatory for any purpose unless such Notes have been authenticated by or on behalf of the Trustee substantially in the form provided for herein or in the relevant Supplemental Indenture. Such authentication upon any Notes will be conclusive evidence, and the only evidence, that such Notes have been duly authenticated, issued and delivered and that the Holder thereof is entitled to the benefits hereof.
- (c) Subject to the terms of this Indenture, the Trustee shall from time to time authenticate one or more Notes (including Global Notes) for original issue on the applicable issue date upon and in accordance with a Written Order of the Issuer signed by an executive officer of the Issuer (an "**Authentication Order**"), without the Trustee receiving any consideration therefor, other than the Trustee's fees. Each such Authentication Order shall specify the principal amount of such Notes to be authenticated and the date on which such Notes are to be authenticated. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount specified in the Authentication Orders except as provided in Section 2.9. Except as provided in Section 6.8 and Section 6.10 in respect of the Notes, there is no limit on the amount of Notes that may be issued hereunder.
- (d) The certificate by or on behalf of the Trustee authenticating Notes whether by way of entry on the register or otherwise shall not be construed as a representation or warranty of the Trustee as to the validity of this Indenture or of any Notes or their issuance (except the due certification thereof by the Trustee) or as to the performance by the Issuer of its obligations under this Indenture or any Notes and the Trustee will be in no respect liable or answerable for the use made of the proceeds of such Notes. The certificate by or on behalf of the Trustee authenticating Notes issued under this Indenture will constitute a representation and warranty by the Trustee that such Notes have been duly authenticated by and on behalf of the Trustee pursuant to the provisions of this Indenture.
- (e) Notwithstanding anything herein to the contrary, neither the Issuer nor the Trustee nor any agent thereof shall have any responsibility or liability for:
 - (i) the electronic records maintained by the Depository relating to any ownership interests or any other interests in the Notes or the depository system maintained by the Depository, or payments made on account of any ownership interest or any other interest of any person in any Note represented by an electronic position in the book entry registration system (other than the Depository or its nominee);

- (ii) maintaining, supervising or reviewing any records of the Depository or any Participant relating to any such interest; or
- (iii) any advice or representation made or given by the Depository or those contained herein that relate to the rules and regulations of the Depository or any action to be taken by the Depository on its own direction or at the direction of any Participant.

2.4 Registrar and Paying Agent

- (a) The Issuer shall maintain for Notes an office or agency where such Notes may be presented for registration of transfer or for exchange ("**Registrar**") and an office or agency where such Notes may be surrendered for payment ("**Paying Agent**"). The Registrar shall keep a register of such Notes and of their transfer and exchange, and in respect of Notes.
- (b) The Issuer may appoint one or more co-Registrars and one or more additional Paying Agents for Notes in such other locations as it shall determine. The term "**Registrar**" includes any co-Registrar and the term "**Paying Agent**" includes any additional Paying Agent. The Issuer may change any Paying Agent or Registrar without notice to any Holder. The Issuer will notify the Trustee in writing of the name and address of any Registrar or Paying Agent which is not a party to this Indenture. The Issuer shall provide the Alberta Corporate Registrar with all notices of any Registrar, change of Registrar or discontinuance of Registrar required by the ABCA. If the Issuer does not exercise its option to appoint or maintain another entity as Registrar or Paying Agent in respect of any Notes, the Trustee shall act as such. The Issuer or any of its Subsidiaries may act as Paying Agent or Registrar for Notes.

2.5 Paying Agent to Hold Money in Trust

The Issuer shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will, and the Trustee when acting as Paying Agent agrees that it will, hold in trust, for the benefit of the Holders all money held by the Paying Agent for the payment of principal, Premium, if any, or interest on the Notes and shall notify the Trustee of any default by the Issuer in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee and to account for any money disbursed by it. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer or a Subsidiary) shall have no further liability for the money. If the Issuer or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Issuer, the Trustee shall serve as Paying Agent for Notes.

2.6 Notes

- (a) Subject to Section 4.2(b), the provisions of the Notes or any Supplemental Indenture providing for the issuance thereof, Notes shall be issued as book entry only Notes represented by a Global Note. Each Global Note certified in accordance with this Indenture and any Supplemental Indenture shall be registered in the name of the Depository designated for such Global Note or a nominee thereof and delivered to such Depository or a nominee thereof or custodian therefor, and each such Global Note shall constitute a single Note for all purposes of this Indenture and all Supplemental Indentures. Beneficial interests in a Global Note will not be shown on the register or the records maintained by the Depository but will be represented through book entry accounts of Participants on behalf of the Beneficial Holders of such Note in accordance with the rules and procedures of the Depository. None of the Issuer or the Trustee shall have any responsibility or liability for any aspects of the records relating to, or payments made by, any Depository on account of the beneficial interest in any Global Notes or for maintaining, reviewing or supervising any records relating to such beneficial interests therein. Except as otherwise provided in this Indenture or any Supplemental Indenture in respect of Notes, Beneficial Holders shall not be entitled to have Notes registered in their names, shall not receive or be entitled to receive definitive Notes and shall not be considered owners or holders thereof under this Indenture or any Supplemental Indenture. Nothing herein or in a Supplemental Indenture shall prevent the Beneficial Holders from voting such Notes using duly executed proxies.
- (b) Every Note authenticated and delivered upon registration of transfer of a Global Note, or in exchange for or in lieu of a Global Note or any portion thereof, shall be authenticated and delivered in the form of, and shall be, a Global Note, unless such Note is registered in the name of a Person other than the Depository for such Global Note or a nominee thereof.

2.7 Global Notes

Notes issued to a Depository in the form of Global Notes shall be subject to the following:

- (a) the Trustee may deal with such Depository as the authorized representative of the Beneficial Holders of such Notes;
- (b) the rights of the Beneficial Holders of such Notes shall be exercised only through such Depository and the rights of Beneficial Holders shall be limited to those established by applicable law and agreements between the Depository and the Participants and between such Participants and Beneficial Holders, and must be exercised through a Participant in accordance with the rules and procedures of the Depository;
- (c) whenever this Indenture requires or permits actions to be taken based upon instructions or directions of Holders evidencing a specified percentage of the

outstanding Notes, the Depository shall be deemed to be counted in that percentage to the extent that it has received instructions to such effect from Beneficial Holders or Participants;

- (d) such Depository will make book-entry transfers among the direct Participants of such Depository and will receive and transmit distributions of principal, Premium and interest on the Notes to such direct Participants;
- (e) the direct Participants of such Depository shall have no rights under this Indenture or under or with respect to any of the Notes held on their behalf by such Depository, and such Depository may be treated by the Trustee and its agents, employees, officers and directors as the absolute owner of the Notes represented by such Global Notes for all purposes whatsoever;
- (f) subject to Section 4.2(e), whenever a notice or other communication is required to be provided to Holders of Notes, the Trustee shall provide all such notices and communications to the Depository; and
- (g) notwithstanding any other provision of this Indenture, all payments in respect of Notes issuable in the form of or represented by a Global Note shall be made to the Depository or its nominee for subsequent payment by the Depository or its nominee to the Beneficial Holders thereof.

2.8 Interim Notes

Pending the delivery of definitive Notes to the Trustee, the Issuer may issue and the Trustee certify in lieu thereof (but subject to the same provisions, conditions and limitations as set forth in this Indenture) interim printed, mimeographed or typewriter Notes in such forms and in such denominations and signed in such manner as provided herein, entitling the holders thereof to definitive Notes when the same are ready for delivery; or the Issuer may execute and deliver to the Trustee and the Trustee certify a temporary Note for the whole principal amount of Notes then authorized to be issued hereunder and thereupon the Trustee may issue its own interim certificates in such form and in such amounts, not exceeding in the aggregate the principal amount of the temporary Note so delivered to it, as the Issuer and the Trustee may approve entitling the holders thereof to definitive Notes when the same are ready for delivery; and, when so issued and certified, such interim or temporary Notes or interim certificates shall, for all purposes but without duplication, rank in respect of this Indenture equally with Notes duly issued hereunder and, pending the exchange thereof for definitive Notes, the holders of the interim or temporary Notes or interim certificates shall be deemed without duplication to be Holders and entitled to the benefit of this Indenture to the same extent and in the same manner as though the said exchange had actually been made. Forthwith after the Issuer shall have delivered the definitive Notes to the Trustee, the Trustee shall call in for exchange all temporary or interim Notes or certificates that shall have been issued and forthwith after such exchange shall cancel the same. No charge shall be made by the Issuer or the Trustee to the holders of such interim or temporary Notes or interim certificates for the exchange thereof.

2.9 Mutilation, Loss, Theft or Destruction

In case any of the Notes issued hereunder shall become mutilated or be lost, stolen or destroyed, the Issuer, in its discretion, may issue, and thereupon the Trustee shall certify and deliver, a new Note upon surrender and cancellation of the mutilated Note, or in the case of a lost, stolen or destroyed Note, in lieu of and in substitution for the same, and the substituted Note shall be in a form approved by the Trustee and shall entitle the Holder thereof to the benefits of this Indenture and shall rank equally in accordance with its terms with all other Notes issued or to be issued hereunder. In case of loss, theft or destruction the applicant for a substituted Note shall furnish to the Issuer and to the Trustee such evidence of the loss, theft or destruction of the Note as shall be satisfactory to them in their discretion and shall also furnish an indemnity and surety bond satisfactory to them in their discretion. The applicant shall pay all reasonable expenses incidental to the issuance of any substituted Note.

2.10 Concerning Interest

- (a) All Notes issued hereunder, whether originally or upon exchange or in substitution for previously issued Notes, which are interest bearing, shall bear interest (i) from and including their respective issue date, or (ii) from and including the last Interest Payment Date therefor to which interest shall have been paid or made available for payment on such outstanding Notes, whichever shall be the later, in all cases, to and excluding the next Interest Payment Date therefor.
- (b) Subject to accrual of any interest on unpaid interest from time to time, interest on a Note will cease to accrue from the Maturity of such Note unless upon due presentation and surrender of such Note for payment on or after the Maturity thereof, such payment is improperly withheld or refused.
- (c) If the date for payment of any amount of principal, Premium or interest in respect of the Note is not a Business Day at the place of payment, then payment thereof will be made on the next Business Day and the Holder of such Note will not be entitled to any further interest on such principal, or to any interest on such interest, Premium or other amount so payable, in respect of the period from the date for payment to such next Business Day.
- (d) Wherever in this Indenture, any Supplemental Indenture or any Note there is mention, in any context, of the payment of interest, such mention is deemed to include the payment of interest on amounts in default to the extent that, in such context, such interest is, was or would be payable pursuant to this Indenture, Supplemental Indenture or the Note, and express mention of interest on amounts in default in any of the provisions of this Indenture will not be construed as excluding such interest in those provisions of this Indenture where such express mention is not made.
- (e) Unless otherwise specifically provided in this Indenture or the terms of any Note, interest on Notes shall be computed on the basis of a year of 365 days (or 366 days in the case of a leap year). With respect to any Notes, whenever interest is

computed on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

2.11 Payments of Amounts Due on Maturity

- (a) The following provisions shall apply to Notes, except as otherwise specified in a Board Resolution, an Officers' Certificate or a Supplemental Indenture relating to particular Notes:
- (i) in the case of fully registered Notes, the Issuer will establish and maintain with the Trustee a Maturity Account for Notes. On or before 11:00 a.m. (Calgary time) on the Business Day before the Maturity date for Notes outstanding from time to time under this Indenture, the Issuer will deposit in the applicable Maturity Account by wire transfer or certified cheque an amount sufficient to pay all amounts payable in respect of Notes (less any Taxes required by law to be deducted). The Issuer, either directly or through the Trustee or any Paying Agent will pay to each Holder of such Notes entitled to receive payment, the principal amount of, interest and Premium (if any) on, such Notes, upon surrender of such Notes to the Paying Agent. The deposit or making available of such amounts into the applicable Maturity Account will satisfy and discharge the liability of the Issuer for the Notes to which the deposit or making available of funds relates to the extent of the amount deposited or made available (plus the amount of any Taxes deducted as aforesaid) and such Notes will thereafter not be considered as outstanding under this Indenture to such extent and such Holder will have no other right than to receive out of the money so deposited or made available the amount to which it is entitled. Failure to make a deposit or make funds available as required to be made pursuant to this Section 2.11(a)(i) will constitute default in payment on the Notes in respect of which the deposit or making available of funds was required to have been made; and
 - (ii) in the case of any Notes issued and outstanding in the form of or represented by Global Notes, on or before 9:00 a.m. (Calgary time) on the Business Day before Maturity date for such Notes, the Issuer will deliver to the Depository by electronic funds transfer an amount sufficient to pay the amount payable in respect of such Global Notes (less any Taxes required by law to be deducted). The Issuer will pay to the Depository the principal amount of, and Premium (if any) on, such Global Notes, against receipt of the relevant Global Notes. The delivery of such electronic funds to the Depository will satisfy and discharge the liability of the Issuer for the Notes to which the electronic funds relates to the extent of the amount deposited or made available (plus the amount of any Taxes deducted as aforesaid) and such Notes will thereafter not be considered as outstanding under this Indenture

unless such electronic funds transfer is not received. Failure to make delivery of funds available as required pursuant to this Section 2.11(a)(ii) will constitute default in payment on the Notes in respect of which the delivery or making available of funds was required to have been made.

- (b) Notwithstanding Section 2.11(a), all payments in excess of \$25,000,000 (or such other amount as determined from time to time by the Canadian Payments Association or any successor thereto) shall be made by the use of its large value transfer system ("LVTS"). The Trustee shall have no obligation to disburse funds pursuant to this Section 2.11 unless it has received written confirmation satisfactory to it that the funds have been deposited with it in sufficient amount to pay in full all amounts due and payable on the applicable date of Maturity. The Trustee shall, if it accepts any funds received by it in the form of uncertified cheques, be entitled to delay the time for release of such funds until such uncertified cheques shall be determined to have cleared the financial institution upon which the same are drawn.

2.12 Regulation S Compliance

Unless otherwise provided in the Notes or the Supplemental Indenture establishing such Notes, Notes will not be registered under United States federal or state securities laws, and offers and sales of the Notes may only be made to purchasers in a single country other than the United States in an offering which qualifies as an "overseas directed offering" within the meaning of Regulation S or within the United States pursuant to an available registration exemption under the 1933 Act.

2.13 Payment of Interest

The following provisions shall apply to Notes, except as otherwise specified in a Board Resolution, an Officers' Certificate or a Supplemental Indenture relating to particular Notes:

- (a) As interest becomes due on each registered Note (except on redemption thereof, when interest may at the option of the Issuer be paid upon surrender of such Note), the Issuer, either directly or through the Trustee or any agent of the Trustee, shall send or forward by prepaid ordinary mail, electronic transfer of funds or such other means as may be agreed to by the Trustee, payment of such interest (less any Taxes required to be withheld therefrom) to the order of the Holder of such Note at the close of business on the Record Date (or if the Note ceases to be represented by a Global Note, then the tenth Business Day) prior to the applicable Interest Payment Date and addressed to the Holder at the Holder's last address appearing on the register (or in the case of joint Holders, to such address of one of the joint Holders), unless such Holder otherwise directs. If payment is made by cheque, such cheque shall be forwarded at least two days prior to each Interest Payment Date and if payment is made by other means (such as electronic transfer of funds, *provided* the Trustee must receive confirmation of receipt of funds prior to being able to wire funds to Holders), such payment shall be made in a manner whereby the Holder receives credit for such payment on the Interest Payment Date. The mailing of such cheque or the making of such payment by other means shall, to the extent of the sum represented thereby, plus the amount of any Taxes withheld as aforesaid,

satisfy and discharge all liability for interest on such Note to such extent, unless in the case of payment by cheque, such cheque is not paid at par on presentation. In the event of non-receipt of any cheque for or other payment of interest by the Person to whom it is so sent as aforesaid, the Issuer will issue to such Person a replacement cheque or other payment for a like amount upon being furnished with such evidence of non-receipt as it shall reasonably require and upon being indemnified to its satisfaction. Notwithstanding the foregoing, if the Issuer is prevented by circumstances beyond its control (including, without limitation, any interruption in mail service) from making payment of any interest due on any Note in the manner provided above, the Issuer may make payment of such interest or make such interest available for payment in any other manner acceptable to the Trustee with the same effect as though payment had been made in the manner provided above. If payment is made through the Trustee, by 11:00 a.m. (Calgary time) at least one Business Day prior to the related Interest Payment Date for a Note or to the date of mailing the cheques for the interest due on such Interest Payment Date, whichever is earlier, the Issuer shall deliver sufficient funds to the Trustee by electronic transfer or certified cheque or make such other arrangements for the provision of funds as may be agreeable between the Trustee and the Issuer in order to effect such interest payment hereunder.

- (b) So long as the Notes or any portion thereof are issued in the form of or represented by a Global Note, then all payments of interest on such Global Note shall be made by 11:00 a.m. (Calgary time) at least one Business Day prior to the related Interest Payment Date by electronic funds transfer made payable to the Depository or its nominee for subsequent payment to Beneficial Holders of the applicable interests in that Global Note, unless the Issuer and the Depository otherwise agree. None of the Issuer, the Trustee or any agent of the Trustee for any Note represented by a Global Note will be liable or responsible to any Person for any aspect of the records related to or payments made on account of beneficial interests in any Global Note or for maintaining, reviewing, or supervising any records relating to such beneficial interests.
- (c) Notwithstanding Sections 2.13(a) and 2.13(b), all payments in excess of \$25 million (or such other amount as determined from time to time by the Canadian Payments Association or any successor thereto) shall be made by the use of the LVTS. The Trustee shall have no obligation to disburse funds in respect of any Note pursuant to this Section 2.13(c) unless it has received written confirmation satisfactory to it that the funds have been deposited with it in sufficient amount to pay in full all amounts due and payable with respect to such Interest Payment Date for such Note. The Trustee shall, if it accepts any funds received by it in the form of uncertified cheques, be entitled to delay the time for release of such funds until such uncertified cheques shall be determined to have cleared the financial institution upon which the same are drawn.

2.14 Record of Payment

The Trustee will maintain accounts and records evidencing any payment by it on behalf of the Issuer of principal, Premium (if any) and interest in respect of Notes, which accounts and records will constitute, in the absence of manifest error, prima facie evidence of such payment.

2.15 Representation Regarding Third Party Interest

The Issuer hereby represents to the Trustee that any account to be opened by, or interest to be held by, the Trustee in connection with this Indenture, for or to the credit of the Issuer, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case the Issuer hereby agrees to complete, execute and deliver forthwith to the Trustee a declaration, in the Trustee's prescribed form or in such other form as may be reasonably satisfactory to it, as to the particulars of such third party.

ARTICLE 3 TERMS OF THE NOTES

3.1 Definitions

In this Article 3 and in the Notes, the following terms have the following meanings:

"Additional Notes" means any Notes (other than the Notes initially issued on the date of this Indenture and any Notes issued in exchange or in replacement (in whole or in part) for such Notes) issuable under this Indenture in accordance with Section 3.3, as part of the same series as the Notes and which shall have identical terms as the Notes issued on the Issue Date, other than with respect to the date of issuance, issue price and the first Interest Payment Date, and which shall bear the same designation and designating letters as those applied to such previous issue and will be numbered consecutively upwards in respect of such denominations of Notes in like manner and following the numbers of the Notes of such previous issue.

"Called Principal" means, with respect to any Notes, the principal of such Notes that is to be prepaid pursuant to an optional redemption.

"Discounted Value" means, with respect to the Called Principal of any Note, the amount obtained by discounting, on a quarterly basis, all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the date of calculation of the Redemption Price with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Notes is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"Interest Period" means the period commencing on the later of (a) the Issue Date and (b) the immediately preceding Interest Payment Date on which interest has been paid, and ending on the date immediately preceding the Interest Payment Date in respect of which interest is payable.

"Note Account" means any account which is designated in writing to the Trustee as the Note Account from time to time.

"**Note Maturity Date**" has the meaning set forth in Section 3.5.

"**Note Record Date**" means the Record Date specified in Section 3.6(c) for determining Holders entitled to receive interest on the Notes on any Interest Payment Date.

"**Reinvestment Yield**" means, with respect to the Called Principal of any Note, the sum of (a) 1.00% per annum plus (b) the yield to maturity implied by the yields reported, as of 10:00 a.m. (Toronto time) on the third Business Day preceding the date of calculation of the Redemption Price with respect to such Called Principal, on the display designated as "SCCA 1" of the Bloomberg Financial Markets Services Screen (or such other display as may replace the aforementioned screen) for actively traded Government of Canada securities having a maturity equal to such Called Principal as of such date of calculation of the Redemption Price.

"**Remaining Scheduled Payments**" means, with respect to the Called Principal of any Note, all payments of such Called Principal and interest thereon that would be due after the date of calculation of the Redemption Price with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such date of calculation of the Redemption Price is not an Interest Payment Date, then the amount of the next succeeding interest payment will be reduced by the amount of interest accrued to such date of calculation of the Redemption Price and required to be paid on such date.

3.2 Creation and Designation of the Notes

In accordance with this Indenture, the Issuer is authorized to issue Notes designated "10.5% Senior Secured Notes due 2021".

3.3 Aggregate Principal Amount

The aggregate principal amount of the Notes which may be issued under this Indenture will be unlimited. The Issuer may, from time to time, without the consent of any existing Holders but subject to Sections 6.8 and 6.10, create and issue Additional Notes hereunder having the same terms and conditions as the Notes in all respects, except for the date of issuance and issue price. Additional Notes so created and issued will be consolidated with and form a single class and series with the Notes.

3.4 Authentication

The Trustee shall initially authenticate one or more Global Notes for original issue on the Issue Date in an aggregate principal amount of \$21,207,100 upon receipt by the Trustee of a duly executed Authentication Order. After the Issue Date, subject to Sections 6.8 and 6.10, the Issuer may issue, from time to time, and the Trustee shall authenticate upon receipt of an Authentication Order, Additional Notes for original issue. Except as provided in Sections 6.8 and 6.10, there is no limit on the amount of Additional Notes that may be issued hereunder. Each such Authentication Order shall specify the aggregate principal amount of Notes to be authenticated, the date on which such Notes are to be authenticated and the Holder(s) of such Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount specified in the Authentication Orders except as provided in Section 2.9.

3.5 Date of Issue and Maturity

The Notes will be dated October 27, 2016 and the Notes will become due and payable, together with all accrued and unpaid interest thereon, on November 15, 2021 (the "Note Maturity Date").

3.6 Interest

- (a) The Notes will bear interest on the unpaid principal amount thereof at the rate of 10.5% per annum from their date of issue to, but excluding, the Note Maturity Date, compounded quarterly (February, May, August, November) and payable in arrears in equal installments (provided that the payment on the first Interest Payment Date will not be an equal installment) on each Interest Payment Date. The first Interest Payment Date will be February 15, 2017 and the amount payable on such date shall be \$3.1880 per \$100 principal amount of Notes.
- (b) Interest will be payable in respect of each Interest Period (with overdue interest at the same rate) on each Interest Payment Date in accordance with Section 2.10 and Section 2.13
- (c) While the Notes are in the form of one or more Global Notes, the Note Record Date will be the close of business five Business Days preceding the relevant Interest Payment Date. If the Interest Payment Date is not a Business Day, the Holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day and will not be entitled to any further interest or payment for such delay. For purposes of disclosure under the *Interest Act* (Canada), the yearly rate of interest to which interest is calculated under a Note for any period in any calendar year (the "Calculation Period") is equivalent to the rate payable under a Note in respect of the Calculation Period multiplied by a fraction the numerator of which is the actual number of days in such calendar year and the denominator of which is the actual number of days in the Calculation Period.

3.7 Optional Redemption

- (a) At any time prior to November 15, 2018, the Issuer may on any one or more occasions redeem up to an aggregate of 50% of the aggregate principal amount of Notes (including any Additional Notes) then outstanding, upon not less than 30 nor more than 60 days' notice, at a Redemption Price of 110.5% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest, if any, to, but not including, the Redemption Date, with an amount not greater than the net cash proceeds of one or more Equity Offerings; *provided that*:
 - (i) at least 50% of the aggregate principal amount of the Notes issued on the Issue Date remains outstanding immediately after the occurrence of such redemption (excluding Notes held by the Issuer and its Subsidiaries); and
 - (ii) each such redemption occurs within 90 days of the date of the closing of the related Equity Offering.

- (b) At any time prior to November 15, 2018, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but not including, the applicable Redemption Date. The Trustee shall not be responsible for calculating the Redemption Price.
- (c) On or after November 15, 2018, the Issuer may, on any one or more occasions, redeem all or a part of the Notes upon not less than 30 nor more than 60 days' notice, at the Redemption Prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest, if any, on the Notes redeemed, to, but not including, the applicable Redemption Date, if redeemed during the 12-month period beginning on November 15 of the years indicated below:

Year	Percentage
2018.....	107.875%
2019.....	105.250%
2020 and thereafter.....	100.000%

Unless the Issuer defaults in the payment of the applicable Redemption Price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable Redemption Date.

- (d) Unless otherwise specifically provided in this Section 3.7, the terms of Article 5 shall apply to the redemption of any Notes and in the event of any inconsistency, the terms of this Section 3.7 shall prevail.

3.8 Mandatory Redemption and Market Purchases

- (a) The Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes; *provided, however*, that the Issuer may be required to offer to purchase the Notes pursuant to Section 6.13 and Section 6.14.
- (b) The Issuer or any of its Subsidiaries may at any time and from time to time purchase Notes in the open market, by private purchase or otherwise.

3.9 Form and Denomination of the Notes

- (a) The Notes will be issued in denominations of \$100 and integral multiples of \$100 in excess thereof.
- (b) The Notes will be issuable as Global Notes, substantially in the form set out in Appendix "A" hereto with such changes as may be reasonably required by the Depository and which are not prejudicial to Holders of Notes, and any other changes as may be approved or permitted by the Issuer, with such approval in each case to be conclusively deemed to have been given by the officers of the Issuer executing the same in accordance with Article 2.

3.10 Currency of Payment

The principal of, and interest and Applicable Premium (if any) on, the Notes will be payable in Canadian dollars.

3.11 Withholding

All amounts paid or credited by the Issuer or any of the Restricted Subsidiaries (each a "Payor") under or with respect to the Notes or any Restricted Subsidiary Guarantee will be made net of any withholding or deduction for or on account of any present or future Taxes imposed or levied by or on behalf of any jurisdiction in which such Payor is organized, resident, or doing business for tax purposes, or from or through which such Payor (or its agents) makes any payment on the Notes or any Restricted Subsidiary Guarantee or any department or political subdivision thereof, and the Issuer and the Restricted Subsidiaries will not be required to pay any additional amounts to Holders in respect of any Taxes to the extent that such Taxes at any time become payable.

3.12 Appointment

- (a) The Trustee will be the trustee for the Notes, subject to Article 11.
- (b) The Issuer initially appoints CDS to act as Depository with respect to the Notes.
- (c) The Issuer initially appoints the Trustee at its corporate office in Calgary, Alberta and Toronto, Ontario to act as the Registrar, transfer agent, authentication agent and Paying Agent with respect to the Notes. The Issuer may change the Registrar, transfer agent, authentication agent or Paying Agent for the Notes at any time and from time to time without prior notice to the Holders of the Notes.

3.13 Inconsistency

In the case of any conflict or inconsistency between this Article 3 and any other provision of this Indenture, Article 3 shall, as to the Notes, govern and prevail.

ARTICLE 4 REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP

4.1 Register of Certificated Notes

- (a) Subject to the terms of any Supplemental Indenture, with respect to Notes issuable in whole or in part as registered Notes, the Issuer shall cause to be kept at the principal office of the Trustee in Calgary, Alberta and by the Trustee or such other Registrar as the Issuer, with the approval of the Trustee, may appoint at such other place or places, if any, as may be specified in the Notes or as the Issuer may designate with the approval of the Trustee, (i) a register in which shall be entered the names and addresses of the Holders and particulars of the Notes held by them respectively and of all transfers of Notes and (ii) in respect of Notes which are debentures, a separate register of debentures in accordance with the ABCA. Such

registration shall be noted on the relevant Notes by the Trustee or other Registrar unless a new Note shall be issued upon such transfer.

- (b) No transfer of a registered Note shall be valid unless made on such register referred to in Section 4.1(a)(i) by the Holder or such Holder's executors, administrators or other legal representatives or an attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Trustee or other Registrar upon surrender of the Notes together with a duly executed form of transfer acceptable to the Trustee or other Registrar and upon compliance with such other reasonable requirements as the Trustee or other Registrar may prescribe, and unless the name of the transferee shall have been noted on the Note by the Trustee or other Registrar. No transfer of any Note which is a debenture shall be valid, complete or effectual unless and until the entries in respect thereof required by the ABCA have been made in the register of debentures referred to in Section 4.1(a)(ii).

4.2 Global Notes

- (a) With respect to Notes issuable as or represented by, in whole or in part, one or more Global Notes, the Issuer shall cause to be kept at the principal office of the Trustee in Calgary, Alberta and by the Trustee or such other Registrar as the Issuer, with the approval of the Trustee, may appoint at such other place or places, if any, as the Issuer may designate with the approval of the Trustee, (i) a register in which shall be entered the name and address of the Holder of each such Global Note (being the Depository, or its nominee, for such Global Note) and particulars of the Global Note held by it, and of all transfers thereof and (ii) in respect of Notes which are debentures, a separate register of debentures in accordance with the ABCA. If any Notes are at any time not Global Notes, the provisions of Section 4.1 shall govern with respect to registrations and transfers of such Notes.
- (b) Notwithstanding any other provision of this Indenture, a Global Note may not be transferred by the Holder thereof and, accordingly, no definitive Notes shall be issued to Beneficial Holders except in the following circumstances or as otherwise specified in any Supplemental Indenture, a resolution of the Trustee, a Board Resolution, or an Officers' Certificate:
 - (i) definitive Notes may be issued to Beneficial Holders at any time after:
 - (A) the Issuer (i) has determined that CDS is unwilling or unable to continue as Depository for Global Notes, or (ii) ceases to be eligible to be a Depository, and the Issuer is unable to locate a qualified successor to its reasonable satisfaction;
 - (B) the Issuer has determined, in its sole discretion, or is required by law, to terminate the book-entry only registration system in respect of such Global Notes and has communicated such determination or requirement to the Trustee in writing, or the book-entry system ceases to exist; or

- (C) the Trustee has determined that an Event of Default has occurred and is continuing with respect to Notes issued as a Global Notes, *provided* that Beneficial Holders representing, in the aggregate, not less than 50% of the aggregate outstanding principal amount of the Notes advise the Depository in writing, through the Participants, that the continuation of the book-entry only registration system for Notes is no longer in their best interests.
- (c) Global Notes may be transferred by a Depository to a nominee of such Depository, or by a nominee of a Depository to such Depository, or to another nominee of such Depository, or by a Depository or its nominee to a successor Depository or its nominee;
- (d) With respect to the Global Notes, unless and until definitive Notes have been issued to Beneficial Holders pursuant to Section 4.2(b):
 - (i) the Issuer and the Trustee may deal with the Depository for all purposes (including paying interest on such Notes) as the sole holder of such Notes and the authorized representative of the Beneficial Holders;
 - (ii) the rights of the Beneficial Holders shall be exercised only through the Depository and shall be limited to those established by law and agreements between such Beneficial Holders and the Depository or the Participants;
 - (iii) the Depository will make book-entry transfers among the Participants; and
 - (iv) whenever this Indenture requires or permits actions to be taken based upon instruction or directions of Holders evidencing a specified percentage of the outstanding Notes, the Depository shall be deemed to be counted in that percentage only to the extent that it has received instructions to such effect from the Beneficial Holders or the Participants, and has delivered such instructions to the Trustee.
- (e) Whenever a notice or other communication is required to be provided to Holders of Notes, unless and until definitive Notes have been issued to Beneficial Holders pursuant to this Section 4.2, the Trustee shall provide all such notices and communications to the Depository and the Depository shall deliver such notices and communications to such Beneficial Holders in accordance with applicable securities legislation. Upon the termination of the book-entry only registration system on the occurrence of one of the conditions specified in Section 4.2(b) with respect to any Notes issued hereunder, the Trustee shall notify all applicable Beneficial Holders, through the Depository, of the availability of definitive Notes. Upon surrender by the Depository of the Global Notes and receipt of new registration instructions from the Depository, the Trustee shall deliver the definitive Notes to the Beneficial Holders thereof in accordance with the new registration instructions and thereafter, the registration and transfer of such Notes will be governed by Section 4.1 and the remaining provisions of this Article 4.

- (f) It is expressly acknowledged that transfer of beneficial ownership in any Note issuable in the form of or represented by a Global Note will be affected only (i) with respect to the interests of participants ("**Participants**"), through records maintained by the Depository or its nominee for the Global Note, and (ii) with respect to interests of Persons other than Participants, through records maintained by Participants. Beneficial owners of Notes who are not Participants but who desire to purchase, sell or otherwise transfer ownership of or other interest in Notes represented by a Global Note may do so only through a Participant.

4.3 Transferee Entitled to Registration

The transferee of a Note shall be entitled, after the appropriate form of transfer is deposited with the Trustee or other Registrar and upon compliance with all other conditions for such transfer required by this Indenture or by law, to be entered on the register as the owner of such Note free from all equities or rights of set-off or counterclaim between the Issuer and the transferor or any previous Holder of such Note, save in respect of equities of which the Issuer is required to take notice by law.

4.4 No Notice of Trusts

Neither the Issuer nor the Trustee nor any Registrar shall be bound to take notice of or see to the execution of any trust (other than that created by this Indenture) whether express, implied or constructive, in respect of any Note, and the Trustee may transfer such Note on the direction of the Person registered as the Holder thereof, whether named as Trustee or otherwise, as though that Person were the beneficial owner thereof.

4.5 Registers Open for Inspection

The registers referred to in Sections 4.1 and 4.2 shall, subject to applicable law, at all reasonable times be open for inspection by the Issuer, the Trustee or any Holder. Every Registrar, including the Trustee, shall from time to time when requested so to do by the Issuer or by the Trustee, in writing, furnish the Issuer or the Trustee, as the case may be, with a list of names and addresses of Holders entered on the registers kept by them and showing the principal amount and serial numbers of the Notes held by each such Holder, provided the Trustee shall be entitled to charge a reasonable fee to provide such a list.

4.6 Exchanges of Notes

- (a) Subject to Section 4.7, Notes in any authorized form or denomination, other than Global Notes, may be exchanged, upon reasonable notice, for Notes in any other authorized form or denomination, of the same date of Maturity, bearing the same interest rate and of the same aggregate principal amount as the Notes so exchanged.
- (b) In respect of exchanges of Notes permitted by Section 4.6(a), Notes may be exchanged only at the principal offices of the Trustee in Calgary, Alberta or in Toronto, Ontario or at such other place or places, if any, as may be specified in such Notes and at such other place or places as may from time to time be designated by

the Issuer with the approval of the Trustee. Any Notes tendered for exchange shall be surrendered to the Trustee. The Issuer shall execute and the Trustee shall certify all Notes necessary to carry out exchanges as aforesaid. All Notes surrendered for exchange shall be cancelled.

- (c) Notes issued in exchange for previously issued Notes which at the time of such issue have been selected or called for redemption at a later date shall be deemed to have been selected or called for redemption in the same manner as the previously issued Notes and shall have noted thereon a statement to that effect, *provided that*:
 - (i) Notes which have been selected or called for redemption may not be exchanged for Notes of larger denominations; and
 - (ii) if a Note that has been selected or called for redemption in part is presented for exchange for newly issued Notes of smaller denominations, the Trustee will designate, as it may deem equitable, particular Notes of those issued in exchange, which will be deemed to have been selected or called for redemption, in whole or in part, and the Trustee will note on such Notes a statement to that effect.

4.7 Closing of Registers

- (a) Neither the Issuer nor the Trustee nor any Registrar shall be required to:
 - (i) make transfers or exchanges of Notes on any Interest Payment Date for such Notes or during the 15 preceding days (or, if longer, the period from the applicable Record Date to the relevant Interest Payment Date);
 - (ii) make transfers or exchanges of Notes on the day of any selection by the Trustee of Notes to be redeemed or during the 15 preceding days; or
 - (iii) make exchanges of Notes which have been selected or called for redemption unless upon due presentation thereof for redemption such Notes are not redeemed.
- (b) Subject to any restriction provided in this Indenture, the Issuer with the approval of the Trustee may at any time close any register for Notes, other than those kept at the principal office of the Trustee in Calgary, Alberta, and transfer the registration of any Notes registered thereon to another register (which may be an existing register) and thereafter such Notes shall be deemed to be registered on such other register. Notice of such transfer shall be given to the Holders of such Notes.

4.8 Charges for Registration, Transfer and Exchange

For each Note exchanged, registered, transferred or discharged from registration, the Trustee or other Registrar, except as otherwise herein provided, may make a reasonable charge for its services and in addition may charge a reasonable sum for each new Note issued (such amounts to be agreed upon from time to time by the Trustee and the Issuer), and payment of such charges and

reimbursement of the Trustee or other Registrar for any stamp taxes or governmental or other charges required to be paid shall be made by the party requesting such exchange, registration, transfer or discharge from registration as a condition precedent thereto. Notwithstanding the foregoing provisions, no charge shall be made to a Holder hereunder:

- (a) for any exchange, registration, transfer or discharge from registration of any Note applied for within a period of two months from the date of the first delivery of such Notes or, with respect to Notes subject to a periodic offering, within a period of two months from the date of delivery of any such Note;
- (b) for any exchange of any interim or temporary Note or interim certificate that has been issued under Section 2.8 for a definitive Note;
- (c) for any exchange of a Global Note as contemplated in Section 4.2; or
- (d) for any exchange of any Note resulting from a partial redemption under Section 5.3.

4.9 Ownership of Notes

- (a) The Holder from time to time of any Note shall be entitled to the principal, Premium, if any, and/or interest evidenced by such instrument, free from all equities or rights of set-off or counterclaim between the Issuer and the original or any intermediate Holder thereof (except in respect of equities of which the Issuer is required to take notice by law), and all Persons may act accordingly, and the receipt of any such Holder for any such principal, Premium, if any, or interest shall be a valid discharge to the Trustee, any Registrar and to the Issuer for the same and none shall be bound to inquire into the title of any such Holder.
- (b) Where Notes are registered in more than one name, the principal, Premium, if any, and interest from time to time payable in respect thereof may be paid to the order of all or any of such Holders, failing written instructions from them to the contrary, and the receipt of any one of such Holders therefor shall be a valid discharge, to the Trustee, any Registrar and to the Issuer.
- (c) Unless otherwise required by law, the Person in whose name any Note is registered shall for all the purposes of this Indenture be and be deemed to be the owner thereof and payment of or on account of the principal of, Premium, if any, and interest on such Note shall be made only to or upon the order in writing of such Holder.
- (d) None of the Issuer, the Trustee and any Registrar or Paying Agent will be bound to take notice of or see to the performance or observance of any duty owed to a third Person, whether under a trust, express, implied, resulting or constructive, in respect of any Note by the Holder or any Person whom the Issuer or the Trustee treats, as permitted or required by law, as the owner or the registered holder of such Note, and the Trustee or Registrar may transfer the same on the direction of the Person so treated or registered as the Holder of the Note, whether named as Trustee or otherwise, as though that Person were the Beneficial Holder of the Note.

4.10 Cancellation and Destruction

All matured Notes shall forthwith after payment of all obligations thereunder be delivered to the Trustee or to a Person appointed by it or by the Issuer with the approval of the Trustee and cancelled by the Trustee. All Notes which are cancelled or required to be cancelled under this or any other provision of this Indenture shall be destroyed by the Trustee within a reasonable period of time and in accordance with the requirements applicable to the Trustee and, if required by the Issuer, the Trustee shall furnish to it a destruction certificate setting out the designating numbers of the Notes so destroyed.

ARTICLE 5 REDEMPTION AND PURCHASE OF DEBT SECURITIES

5.1 Redemption of Notes

Subject to Articles 3 and 6 hereunder, Notes may be redeemable before the applicable Stated Maturity thereof, in whole at any time or in part from time to time, at the option of the Issuer and in accordance with and subject to the provisions set out in this Indenture, including those relating to the payment of any required redemption price ("**Redemption Price**").

5.2 Places of Payment

The Redemption Price will be payable upon presentation and surrender of Notes called for redemption at any of the places where the principal of such Notes is expressed to be payable and at any other places specified in the Redemption Notice.

5.3 Partial Redemption

- (a) If less than all of the Notes are to be optionally redeemed at any time, the Trustee will select Notes for redemption on a *pro rata* basis (or based on such method that most nearly approximates a *pro rata* selection, as the Trustee deems fair and appropriate), unless otherwise required by law or applicable exchange or depository requirements.

Subject to the foregoing and to Article 3 hereunder, any Notes or portions of Notes the Trustee selects for optional redemption shall be in minimum amounts of \$100 or an integral multiple of \$100 in excess thereof.

- (b) If any Notes are to be redeemed in part only, the Redemption Notice that relates to such Notes will state the portion of the principal amount of such Notes that is to be redeemed. In the event that one or more of such Notes becomes subject to redemption in part only, upon surrender of any such Notes for payment of the Redemption Price, together with interest accrued to but excluding the Redemption Date, the Issuer shall execute and the Trustee shall authenticate, certify and deliver without charge to the Holder thereof or upon the Holder's order one or more new Notes for the unredeemed part of the principal amount of the Notes so surrendered or, with respect to Global Notes, the Trustee shall make notations on the Global

Notes of the principal amount thereof so redeemed. Unless the context otherwise requires, the terms "Note" or "Notes" as used in this Article 5 shall be deemed to mean or include any part of the principal amount of any Note which in accordance with the foregoing provisions has become subject to redemption.

5.4 Notice of Redemption

Unless otherwise provided in Article 3 or Article 6 hereunder, notice of redemption (the "**Redemption Notice**") of any Notes shall be given to the Holders of the Notes to be redeemed not more than 60 days nor less than 30 days prior to the date fixed for redemption (the "**Redemption Date**") in the manner provided in Section 13.2; *provided* that Redemption Notices in respect of optional redemptions of Notes may be mailed more than 60 days prior to a Redemption Date if the Redemption Notice is issued in connection with a satisfaction and discharge of this Indenture. Every such notice shall specify the aggregate principal amount of Notes called for redemption, the Redemption Date, the Redemption Price and the places of payment and shall state that interest upon the principal amount of Notes called for redemption shall cease to be payable from and after the Redemption Date. Redemption Notices, including without limitation, upon an Equity Offering, may, at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering. In addition, unless all the outstanding Notes are to be redeemed, the Redemption Notice shall specify:

- (a) the distinguishing letters and numbers of the Notes which are to be redeemed (as are registered in the name of such Holder);
- (b) in the case of a published notice, the distinguishing letters and numbers of the Notes which are to be redeemed or, if such Notes are selected by terminal digit or other similar system, such particulars as may be sufficient to identify the Notes so selected;
- (c) in the case of Global Notes, that the redemption will take place in such manner as may be agreed upon by the Depository, the Trustee and the Issuer; and
- (d) in all cases, the principal amounts of such Notes or, if any such Note is to be redeemed in part only, the principal amount of such part.

5.5 Notes Due on Redemption Dates

Upon a Redemption Notice having been provided in accordance with Section 5.4, all the Notes so called for redemption or the principal amount to be redeemed of the Notes called for redemption, as the case may be, shall thereupon be and become due and payable at the Redemption Price, together with accrued interest to but excluding the Redemption Date, on the Redemption Date specified in such notice, in the same manner and with the same effect as if it were the Stated Maturity specified in such Notes, anything therein or herein to the contrary notwithstanding. From and after such Redemption Date, if the monies necessary to redeem such Notes shall have been deposited as provided in Section 5.6 and affidavits or other proof satisfactory to the Trustee as to the publication and/or mailing of such Redemption Notices shall have been lodged with it, interest upon the Notes shall cease. If any question shall arise as to whether any notice has been given as

above provided and such deposit made, such question shall be decided by the Trustee whose decision shall be final and binding upon all parties in interest.

5.6 Deposit of Redemption Monies

- (a) Except as may otherwise be provided in any Supplemental Indenture or in any Notes, upon Notes being called for redemption, the Issuer will deposit with the Trustee or any Paying Agent to the order of the Trustee, on or before 11:00 a.m. (Calgary time) on the Business Day immediately prior to the Redemption Date specified in the Redemption Notice, such sums of money as may be sufficient to pay the Redemption Price of the Notes so called for redemption, plus accrued and unpaid interest thereon up to but excluding the Redemption Date, less any Taxes required by law to be deducted. The Issuer shall also deposit with the Trustee a sum of money sufficient to pay any charges or expenses which may be incurred by the Trustee in connection with such redemption. Every such deposit shall be irrevocable. From the sums so deposited, the Trustee shall pay or cause to be paid, to the Holders of such Notes so called for redemption, upon surrender of such Notes, the principal, Premium (if any) and interest (if any) to which they are respectively entitled on redemption.
- (b) Payment of funds to the Trustee upon redemption of Notes shall be made by electronic transfer or certified cheque or pursuant to such other arrangements for the provision of funds as may be agreed between the Issuer and the Trustee in order to effect such payment hereunder. Notwithstanding the foregoing, (i) all payments in excess of \$25 million (or such other amount as determined from time to time by the Canadian Payments Association) shall be made by the use of the LVTS; and (ii) in the event that payment must be made to the Depository, the Issuer shall remit payment to the Trustee by LVTS. The Trustee shall have no obligation to disburse funds pursuant to this Section 5.6 unless it has received written confirmation satisfactory to it that the funds have been deposited with it in sufficient amount to pay in full all amounts due and payable on the applicable Redemption Date. The Trustee shall, if it accepts any funds received by it in the form of uncertified cheques, be entitled to delay the time for release of such funds until such uncertified cheques shall be determined to have cleared the financial institution upon which the same are drawn.

5.7 Failure to Surrender Notes Called for Redemption

In case the Holder of any Note called for redemption shall fail on or before the Redemption Date to surrender such Holder's Note, or shall not within such time specified on the Redemption Notice accept payment of the redemption monies payable, or give such receipt therefor, if any, as the Trustee may require, such redemption monies may be set aside in trust, without interest, either in the deposit department of the Trustee or in a chartered bank, and such setting aside shall for all purposes be deemed a payment to the Holder of the sum so set aside and, to that extent, such Note shall thereafter not be considered as outstanding hereunder and the Holder thereof shall have no other right except to receive payment of the Redemption Price applicable to such Holder's Notes, plus any accrued but unpaid interest thereon to but excluding the Redemption Date, out of the

monies so paid and deposited, upon surrender of such Holder's relevant Note. In the event that any money required to be deposited hereunder with the Trustee or any Paying Agent on account of principal, Premium, if any, or interest, if any, on Notes issued hereunder shall remain so deposited for a period of six years from the Redemption Date, then such monies, together with any accumulated interest thereon, shall at the end of such period be paid over or delivered over by the Trustee or such Paying Agent to the Issuer on its demand, and thereupon the Trustee shall not be responsible to Holders of such Notes for any amounts owing to them and subject to applicable law, thereafter the Holders of Notes in respect of which such money was so repaid to the Issuer shall have no rights in respect thereof except to obtain payment of the money due from the Issuer, subject to any limitation period provided by the laws of Alberta. Notwithstanding the foregoing, the Trustee will pay any remaining funds prior to the expiry of six years after the Redemption Date to the Issuer upon receipt from the Issuer, or one of its Subsidiaries, of an unconditional letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds. If the remaining funds are paid to the Issuer prior to the expiry of six years after the Redemption Date, and such funds or any portion thereof are claimed after the date of such payment of the remaining funds to the Issuer but prior to six years after the redemption, then the Trustee shall immediately provide to the Issuer written notice of such claim and the Issuer shall promptly deposit with the Trustee funds in the amount necessary to satisfy such claim.

5.8 Cancellation of Notes Redeemed

Subject to the provisions of Sections 5.3 and 5.9 as to Notes redeemed or purchased in part, all Notes redeemed and paid under this Article 5 shall forthwith be delivered to the Trustee and cancelled and no Notes shall be issued in substitution for those redeemed.

5.9 Purchase of Notes for Cancellation

- (a) Subject to the provisions of any Supplemental Indenture relating to particular Notes and provided no Event of Default has occurred and is continuing, the Issuer and its Subsidiaries may, at any time and from time to time, purchase Notes in the market (which shall include purchases from or through an investment dealer or a firm holding membership on a recognized stock exchange) or by tender or by contract, at any price. All Notes so purchased may, at the option of the Issuer, be delivered to the Trustee and cancelled and no Notes shall be issued in substitution therefor.
- (b) If, upon an invitation for tenders, more Notes are tendered at the same lowest price that the Issuer is prepared to accept, the Notes to be purchased by the Issuer shall be selected by the Trustee on a *pro rata* basis or in such other manner as the Issuer directs in writing and as consented to by the exchange, if any, on which such Notes are then listed which the Trustee considers appropriate, from the Notes tendered by each tendering Holder thereof who tendered at such lowest price. For this purpose the Trustee may make, and from time to time amend, regulations with respect to the manner in which Notes may be so selected, and regulations so made shall be valid and binding upon all Holders thereof, notwithstanding the fact that as a result thereof one or more of such Notes become subject to purchase in part only. The Holder of a Note of which a part only is purchased, upon surrender of such Note for payment, shall be entitled to receive, without expense to such Holder, one or

more new Notes for the unpurchased part so surrendered, and the Trustee shall certify and deliver such new Note or Notes upon receipt of the Note so surrendered or, with respect to a Global Note, the Depository shall make notations on the Global Note of the principal amount thereof so purchased.

ARTICLE 6 COVENANTS OF THE ISSUER AND THE RESTRICTED SUBSIDIARIES

As long as any Notes remains outstanding, the Issuer and each Restricted Subsidiary party to the Restricted Subsidiary Guarantee hereby covenant and agree with the Trustee for the benefit of the Trustee and the Holders as follows (unless and for so long as the Issuer and/or one or more of its Affiliates are the only Holders (or Beneficial Holders) of the outstanding Notes, in which case the following provisions of this Article 6 shall not apply):

6.1 Payment of Principal, Premium, and Interest

- (a) The Issuer covenants and agrees for the benefit of the Holders that it will duly and punctually pay the principal of, Premium, if any, and interest on the Notes in accordance with the terms of the Notes and this Indenture. Principal, Premium and interest shall be considered paid on the date due if on such date the Trustee holds in accordance with this Indenture money sufficient to pay all principal, Premium and interest then due and the Trustee is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture.
- (b) The Issuer will pay interest on overdue principal and Premium, if any, at the rate specified therefor in the Notes, and it will pay interest on overdue instalments of interest at the same rate to the extent lawful.

6.2 Existence

Subject to Article 10, the Issuer will, and will cause each of the Restricted Subsidiaries to, do or cause to be done all things necessary to preserve and keep in full force and effect the corporate, partnership or other legal existence, as applicable, and the corporate, partnership or other legal power, as applicable, of the Issuer and each Restricted Subsidiary; *provided* that neither the Issuer nor any Restricted Subsidiary will be required to preserve any such corporate, partnership or other legal existence and corporate, partnership or other legal power if the Board of Directors of the Issuer or Restricted Subsidiary, as applicable, determines that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and the Restricted Subsidiaries taken as a whole and that the loss thereof is not disadvantageous in any material respect to the Holders.

6.3 Payment of Taxes and Other Claims

The Issuer and each of the Restricted Subsidiaries will file all tax returns required to be filed in any applicable jurisdiction and to pay and discharge all Taxes shown to be due and payable on such returns and all other Taxes, imposed on them or any of their properties, assets, income or franchises, to the extent such Taxes have become due and payable and before they have become delinquent, and all claims for which sums have become due and payable that have or might become

a Lien on properties or assets of the Issuer or any Restricted Subsidiary; *provided* that neither the Issuer nor any Restricted Subsidiary need pay any such tax or assessment or claims if (a) the amount, applicability or validity thereof is contested by the Issuer or such Restricted Subsidiary on a timely basis in good faith and in appropriate proceedings, and the Issuer or a Restricted Subsidiary has established adequate reserves therefor in accordance with GAAP on the books of the Issuer or such Restricted Subsidiary; or (b) the non-payment of all such Taxes in the aggregate could not reasonably be expected to have a material adverse effect.

6.4 Insurance

The Issuer and each of the Restricted Subsidiaries will at all times keep all of the Issuer's and each Restricted Subsidiary's properties which are of an insurable nature insured with insurers, believed by the Issuer to be responsible, against loss or damage to the extent that property of similar character is usually so insured by Persons similarly situated and owning like properties and conducting like business as the Issuer or such Restricted Subsidiary, as applicable.

6.5 Statement by Officers

- (a) The Issuer and each of the Restricted Subsidiaries will deliver to the Trustee, within 120 days after the end of each of its fiscal years, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to the compliance by the Issuer and the Restricted Subsidiaries with all conditions and covenants in this Indenture. For purposes of this Section 6.5(a), such compliance shall be determined without regard to any period of grace or requirement of notice in this Indenture.
- (b) Notwithstanding Section 6.5(a), upon becoming aware that a Default or Event of Default has occurred and is continuing under this Indenture, the Issuer or Restricted Subsidiary, as applicable, will deliver to the Trustee by registered or certified mail or by facsimile transmission, within 10 Business Days thereafter, an Officers' Certificate or a certificate of an officer of the Restricted Subsidiary, as applicable, specifying such event, notice or other action giving rise to such Default or Event of Default and the action that the Issuer or Restricted Subsidiary is taking or proposes to take with respect thereto.

6.6 Provision of Reports and Financial Statements

- (a) The Issuer will provide the Trustee, and the Trustee shall deliver to the Holders, a copy of the quarterly and annual financial statements and related management's discussion and analysis required under Alberta securities legislation to be filed by reporting issuers (the "**Financial Reports**"). The Issuer will provide the Financial Reports to the Trustee within the time periods prescribed under Alberta securities legislation for "reporting issuers" to file such reports on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") or any successor system thereto.
- (b) If and for so long as the Issuer is a "reporting issuer" (or its equivalent) in any Province of Canada, the disclosure documents contemplated by clause (a) of this

Section 6.6 will be deemed to have been provided to the Trustee and the Holders once filed on SEDAR (or its equivalent).

6.7 Limitation on Designation of Restricted Subsidiaries and Unrestricted Subsidiaries

- (a) The Board of Directors of the Issuer may designate any Restricted Subsidiary to be an Unrestricted Subsidiary, *provided that*:
- (i) immediately after and giving effect to such designation, no Default or Event of Default shall have occurred and be continuing; *provided that*, for certainty, any such designation which wholly cures a then-existing Default under Section 7.1(i) will not be prohibited by this Section 6.7(a)(i);
 - (ii) at the time of the designation, the Issuer and its Restricted Subsidiaries could make a Restricted Payment in an amount equal to the Fair Market Value of the Subsidiary so designated in compliance with Section 6.9;
 - (iii) at the time of such designation to the extent that any Indebtedness of the Subsidiary so designated is not Non-Recourse Debt, any guarantee or other credit support thereof by the Issuer or any of its Restricted Subsidiaries could be incurred at such time in compliance with Sections 6.9 and 6.10;
 - (iv) such Subsidiary is not party to any agreement, contract, arrangement or understanding with the Issuer or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding would, immediately after giving effect to such designation, be permitted by Section 6.12; and
 - (v) such Subsidiary is a Person with respect to which neither the Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Equity Interests or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results unless such obligation could be performed by the Issuer in compliance with Section 6.9 (and the maximum amount of such obligation shall be deemed to be an Investment by the Issuer for purposes of such Section).
- (b) Any designation of a Subsidiary of the Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with Section 6.7(a). Upon designation of a Restricted Subsidiary as an Unrestricted Subsidiary in compliance with Section 6.7(a), such Subsidiary shall be released from any Debenture previously granted by such Subsidiary and any Restricted Subsidiary Guarantee previously made by such Subsidiary. If, at any time, the requirements in Section 6.7(a) cease to be satisfied, the Subsidiary so designated will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be

deemed to be incurred by a Restricted Subsidiary as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 6.10, the Issuer will be in default of such section.

- (c) The Board of Directors of the Issuer may designate any Unrestricted Subsidiary to be a Restricted Subsidiary, *provided* that:
- (i) immediately after and giving effect to such designation, no Default or Event of Default shall have occurred and be continuing;
 - (ii) such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation will only be permitted if such Indebtedness is permitted under Section 6.10;
 - (iii) the aggregate Fair Market Value of all outstanding Investments owned by the Unrestricted Subsidiary so designated will be deemed to be an Investment made as of the time of the designation and any such designation will only be permitted if the Investment would be permitted at that time in compliance with Section 6.9;
 - (iv) all Liens upon property and assets of such Unrestricted Subsidiary existing at the time of such designation would be permitted under Section 6.8; and
 - (v) such Unrestricted Subsidiary becomes a Guarantor pursuant to Section 15.1.

6.8 Limitation on Liens

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien (other than Permitted Liens) securing Indebtedness or Trade Payables upon or with respect to any of their property or assets now owned or hereafter acquired.

6.9 Restricted Payments

- (a) Subject to Section 6.9(b), neither the Issuer nor any Restricted Subsidiary will, and the Issuer will not permit any Restricted Subsidiary to, directly or indirectly, take any of the following actions:
- (1) declare or pay any dividend or make any other payment or distribution on account of the Issuer's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, in connection with any merger, amalgamation or consolidation involving the Issuer or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Issuer's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (A) dividends, payments or distributions payable in Capital Stock (other than Disqualified Stock) of the Issuer, or in warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer and

- (B) dividends or distributions payable to the Issuer or any of its Restricted Subsidiaries);
- (2) purchase, retract, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger, amalgamation or consolidation involving the Issuer), in whole or in part, any Equity Interests of the Issuer (other than any such Equity Interests owned by the Issuer or a Restricted Subsidiary);
 - (3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness, except for (A) a payment of interest at the Stated Maturity thereof or of principal not earlier than one year prior to the Stated Maturity thereof and (B) any such Indebtedness owed to the Issuer or any of its Restricted Subsidiaries; or
 - (4) make any Restricted Investment,

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "**Restricted Payments**") unless, at the time of and immediately after giving effect to such Restricted Payment:

- (i) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;
- (ii) the Issuer would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in Section 6.10(a); and
- (iii) such Restricted Payment, together with the aggregate amount of (A) all other Restricted Payments made by the Issuer and its Restricted Subsidiaries after the Issue Date pursuant to this paragraph and (B) all Restricted Payments made by the Issuer and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (ii), (iii), (iv), (vii) through (xi) of Section 6.9(b)) is less than the sum, without duplication, of:
 - (A) an amount equal to 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from July 1, 2016 to the end of the Issuer's most recently ended fiscal quarter for which internal annual or quarterly financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a loss, less 100% of such loss); *plus*

- (B) 100% of the aggregate Net Cash Proceeds, or the Fair Market Value of Permitted Assets (other than cash), received by the Issuer on or after the Issue Date (1) as a contribution to its common equity capital (2) from the issue or sale of Capital Stock (other than Disqualified Stock) of the Issuer (3) from the issue or sale of warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer, and (4) from the issue or sale of convertible or exchangeable Disqualified Stock of the Issuer or convertible or exchangeable debt securities of the Issuer, in each case that have been converted into or exchanged for Capital Stock (other than Disqualified Stock) of the Issuer or warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer (in the case of each of the foregoing subclauses (1) through (4), other than a contribution from, or Capital Stock, Disqualified Stock or debt securities sold to, a Subsidiary of the Issuer); *plus*
- (C) to the extent that any Restricted Investment that was made after the Issue Date is (1) sold for cash or otherwise cancelled, liquidated, or repaid for cash, or (2) in the case of a Restricted Investment constituting a guarantee, released, the initial amount of such Restricted Investment (or, if less, in the case of a sale, cancellation, liquidation or repayment for cash described in the foregoing subclause (1), the amount of cash received upon such sale, cancellation, liquidation or repayment), in each case, to the extent that any such payments or proceeds are not already included in Consolidated Net Income of the Issuer for the applicable period; provided, for certainty, that any amount that would otherwise be included in this clause (C) as a result of the release of a guarantee due to the payment thereunder by the Issuer or any of its Restricted Subsidiaries shall be reduced by the aggregate amount of such payments; *plus*
- (D) upon a redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the Fair Market Value of the Issuer's and its Restricted Subsidiaries' Investments in such Affiliate as at the date of such redesignation.
- (b) The provisions of Section 6.9(a) will not prohibit:
- (i) the payment by the Issuer or any Restricted Subsidiary of any dividend or distribution within 60 days after the date of the declaration of the dividend or distribution, if at the date of declaration the dividend or distribution would have been permitted under this Indenture;
 - (ii) the making of any Restricted Payment in exchange for, or out of the Net Cash Proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of, Capital Stock (other than Disqualified Stock)

of the Issuer or warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer; provided that the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will be excluded from Section 6.9(a)(iii)(B);

- (iii) the defeasance, redemption, repurchase, retirement or other acquisition of Subordinated Indebtedness of the Issuer or any Guarantor with the net cash proceeds from a substantially concurrent incurrence of, or in exchange for, any Permitted Refinancing Indebtedness;
- (iv) the declaration and payment of any dividend or other distribution by a Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary to the holders of its common shares on a pro rata basis;
- (v) the payment, purchase, repurchase, redemption, defeasance, acquisition or other retirement for value of Subordinated Indebtedness of the Issuer or any Restricted Subsidiary (A) in the event of a Change of Control at a purchase or Redemption Price no greater than 101% of the principal amount of such Subordinated Indebtedness, plus any accrued but unpaid interest thereon, (B) in the event of an Asset Sale at a purchase or Redemption Price no greater than 100% of the principal amount of such Subordinated Indebtedness, plus any accrued but unpaid interest thereon, in each case, in accordance with Section 6.13 or Section 6.14, as applicable; provided, however, that, prior to or simultaneously with such payment, purchase, repurchase, redemption, defeasance, acquisition or retirement, the Issuer has made the Change of Control Offer or Asset Sale Offer, if required, with respect to the Notes and has repurchased all Notes validly tendered for payment and not withdrawn in connection with such Change of Control Offer or Asset Sale Offer, or (C) in the event that such Subordinated Indebtedness is intercompany Subordinated Indebtedness that was permitted to be incurred under Section 6.10(b)(vii);
- (vi) the repurchase, redemption or other acquisition of any Equity Interests of the Issuer or any of its Restricted Subsidiaries held by any current or former officer, director, employee or consultant (or their transferees, estates or beneficiaries) of the Issuer or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, shareholder agreement, employment agreement, stock option plan, equity incentive or other plan or similar agreement, in an aggregate amount not to exceed \$2.0 million in each calendar year of the Issuer (with unused amounts in any calendar year being carried over to the immediately succeeding calendar year but not to any subsequent calendar year); provided, that such amount in any calendar year may be increased by an amount not to exceed:
 - (A) the cash proceeds of key man life insurance policies received by the Issuer or its Restricted Subsidiaries after the Issue Date; less

- (B) the amount of any Restricted Payments previously made with the cash proceeds described in subclause (A) of this clause (vi);
- (vii) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Issuer or any of its Restricted Subsidiaries issued after the Issue Date in accordance with Section 6.10, provided that such dividends are included in Fixed Charges of the Issuer as accrued;
- (viii) the purchase, redemption, acquisition, cancellation or other retirement for nominal value per right of any rights granted to all the holders of Capital Stock of the Issuer pursuant to any shareholders' rights plan adopted for the purpose of protecting shareholders from unfair takeover tactics;
- (ix) payments to dissenting shareholders (A) pursuant to applicable law or (B) in connection with the settlement or other satisfaction of legal claims made pursuant to or in connection with a consolidation, merger or transfer of assets in connection with a transaction that is not prohibited by this Indenture;
- (x) the making of cash payments in lieu of the issuance by the Issuer of fractional shares in connection with stock dividends, splits or business combinations or the exercise of warrants, options or other securities convertible or exchangeable for Equity Interests that are not derivative securities;
- (xi) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants; and
- (xii) additional Restricted Payments in an aggregate amount which, when taken together with all other Restricted Payments made pursuant to this clause (xii), do not exceed the greater of (A) \$5.0 million and (B) 2.5% of Adjusted Consolidated Net Tangible Assets;

provided, however, that at the time of, and after giving effect to any Restricted Payment made in reliance on clauses (ii), (v), (vi), or (xii) of this Section 6.9(b), no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof.

- (c) The amount of each Restricted Payment (other than cash) will be the Fair Market Value on the date of such Restricted Payment of the asset(s) or securities proposed to be transferred or issued by Issuer or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.
- (d) For purposes of determining compliance with this Section 6.9, if a Restricted Payment meets the criteria of more than one of the types of Restricted Payments described in clauses (i) through (xii) of Section 6.9(b), the Issuer may, in its sole

discretion, divide and classify (or later reclassify in whole or in part, from time to time in its sole discretion) such transaction in any manner that complies with this Section 6.9.

6.10 Incurrence of Indebtedness and Issuance of Disqualified Stock

- (a) The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, (i) create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise (in any such case, "**incur**"), with respect to any Indebtedness, or (ii) issue any Disqualified Stock; *provided, however,* that the Issuer and any of its Restricted Subsidiaries may incur Indebtedness or issue Disqualified Stock (in each case, including Acquired Indebtedness) if immediately after and giving effect thereto, (x) the Consolidated Interest Coverage Ratio for the Issuer's most recently ended four full fiscal quarters for which internal annual or quarterly financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock issued would have been not less than 2.00 to 1.00, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock had been issued, as the case may be, at the beginning of such four-quarter period, and (y) no Default or Event of Default exists or would exist after giving effect to such incurrence or issuance, as the case may be.
- (b) Section 6.10(a) will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "**Permitted Debt**"):
- (i) the incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness under Credit Facilities; provided that the aggregate principal amount of all Indebtedness of the Issuer and its Restricted Subsidiaries at any one time outstanding incurred in reliance on this clause (i) (with letters of guarantee, tender cheques and letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Issuer and its Restricted Subsidiaries thereunder) shall not exceed the greater of (i) \$75.0 million, (ii) the Borrowing Base, and (iii) 35% of Adjusted Consolidated Net Tangible Assets as of the date on which such additional Indebtedness is incurred or Disqualified Stock issued;
 - (ii) ~~Indebtedness~~ Indebtedness in connection with one or more standby letters of credit, bankers' acceptances, completion guarantees, performance bonds, bid bonds, appeal bonds or surety bonds or other similar reimbursement type obligations, in each case, issued in the ordinary course of business (including for the purpose of providing security for environmental reclamation obligations to government agencies, workers' compensation claims, payment obligations in connection with self-insurance or similar statutory and other requirements) and not in connection with the borrowing of money or the obtaining of an advance or credit;

- (iii) the incurrence by the Issuer of Indebtedness represented by (i) the Notes to be issued on the Issue Date, the granting by the Issuer and the Restricted Subsidiary of the Debentures to be granted on the Issue Date, and the incurrence by the Guarantors of the Restricted Subsidiary Guarantees to be issued on the Issue Date and (ii) Additional Notes and the related Debentures and Restricted Subsidiary Guarantees, provided that the aggregate principal amount of the Notes (including Additional Notes) at any one time outstanding incurred in reliance on this clause (iii) shall not exceed \$40 million;
- (iv) the incurrence by the Issuer or any of its Restricted Subsidiaries of Attributable Debt or Indebtedness and obligations represented by Capital Lease Obligations or Purchase Money Obligations, in each case, incurred for the purpose of financing all or any part of the acquisition price, purchase price or cost of design, construction, installation, development or improvement of vehicles, lift trucks, property, plant or equipment used in the business of the Issuer or any of its Restricted Subsidiaries; provided, however, that the aggregate principal amount of Attributable Debt and Indebtedness, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (iv), at any one time outstanding shall not exceed the greater of (A) \$10.0 million and (B) 5.0% of the Issuer's Adjusted Consolidated Net Tangible Assets;
- (v) the incurrence by the Issuer or any of its Restricted Subsidiaries of Existing Indebtedness;
- (vi) the incurrence by the Issuer or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness between or among the Issuer or any of its Restricted Subsidiaries) that was incurred in reliance on Section 6.10(a) or clauses (iii), (iv), (v), (vi), (xiii) or (xvii) of the definition of Permitted Debt;
- (vii) the incurrence by the Issuer or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Issuer and any of its Restricted Subsidiaries; provided, however, that:
 - (A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and
 - (B) any sale or other transfer of any such Indebtedness to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer

will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (vii);

(viii) the issuance of Disqualified Stock by any Restricted Subsidiary of the Issuer to the Issuer or to any other Restricted Subsidiary of the Issuer; provided, however, that

(A) any subsequent issuance or transfer of Equity Interests that results in any such Disqualified Stock being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and

(B) any sale or other transfer of any such Disqualified Stock to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer

will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (viii);

(ix) the incurrence by the Issuer or any of its Restricted Subsidiaries of Hedging Obligations under the Hedging Obligations with a Lender Hedge Provider and any other Hedge Agreements not for speculative purposes in the ordinary course of business and not for speculative purposes;

(x) the guarantee by the Issuer or any of its Restricted Subsidiaries of Indebtedness of the Issuer or a Restricted Subsidiary that was permitted to be incurred by another provision of this covenant (including, for greater certainty, Restricted Subsidiary Guarantees in respect of Additional Notes so permitted to be incurred); provided that if the Indebtedness being guaranteed is subordinated in right of payment to or *pari passu* in right of payment with the Notes or any of the Restricted Subsidiary Guarantees, then the guarantee must be subordinated in right of payment or *pari passu* in right of payment to the same extent as the Indebtedness guaranteed;

(xi) Indebtedness of the Issuer or any of its Restricted Subsidiaries arising (A) from the honouring by a bank or other financial institution of a cheque, draft or similar instrument drawn against insufficient funds in the ordinary course of business or (B) in connection with endorsement of instruments for deposit in the ordinary course of business;

(xii) the incurrence by the Issuer or any of its Restricted Subsidiaries of Cash Management Obligations in the ordinary course of business;

(xiii) the incurrence of Indebtedness or Disqualified Stock of any Person (A) existing at the time such Person becomes a Restricted Subsidiary or is merged into, amalgamated with or consolidated with the Issuer or any Restricted Subsidiary or (B) assumed in connection with the acquisition of

assets from such Person, provided that such Indebtedness or Disqualified Stock was not incurred in contemplation of such Person becoming a Restricted Subsidiary or of such merger, amalgamation, consolidation or acquisition; provided, further, that after giving effect to such Person becoming a Restricted Subsidiary or to such merger, amalgamation, consolidation or acquisition, the Issuer would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in Section 6.10(a);

- (xiv) Indebtedness of the Issuer or any of its Restricted Subsidiaries consisting of (A) the financing of insurance premiums or (B) take-or-pay obligations contained in supply arrangements, in each case, incurred in the ordinary course of business;
 - (xv) Indebtedness consisting of indemnities, obligations in respect of purchase price holdbacks or adjustments, earn-outs or similar obligations in connection with the acquisition or disposition of assets;
 - (xvi) the incurrence by the Issuer or any Guarantor of Non-Recourse Debt; and
 - (xvii) the incurrence by the Issuer or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable), including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (xvii), not to exceed the greater of (A) \$20.0 million and (B) 10.0% of Adjusted Consolidated Net Tangible Assets, at any one time outstanding.
- (c) For purposes of determining compliance with Section 6.10:
- (i) in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in Section 6.10(b)(ii) through Section 6.10(b)(xvii) above, or is entitled to be incurred pursuant to Section 6.10(a), the Issuer will be permitted to divide and classify (or later redivide and reclassify) such item of Indebtedness in whole or in part in any manner that complies with this Section 6.10, including by allocation to more than one other type of Indebtedness, except that Indebtedness under the Credit Agreement that is outstanding or available on the Issue Date will be deemed to have been incurred on such date under Section 6.10(b)(i), and the Issuer will not be permitted to reclassify any portion of such Indebtedness thereafter;
 - (ii) the outstanding principal amount of any particular Indebtedness shall be counted only once, and any obligations arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness shall not be double counted;

- (iii) Indebtedness or Disqualified Stock of any Person (A) existing at the time such Person becomes a Restricted Subsidiary of the Issuer or is merged into, amalgamated with or consolidated with the Issuer or any of its Restricted Subsidiaries or (B) assumed in connection with the acquisition of assets from such Person (any Indebtedness or Disqualified Stock described in the foregoing clauses (A) and (B), "**Acquired Indebtedness**") shall be deemed to have been incurred or issued by a Restricted Subsidiary at the time such Person becomes a Restricted Subsidiary; provided that any such Indebtedness or Disqualified Stock that is redeemed, defeased, retired or otherwise repaid at the time of or immediately upon the consummation of the transaction by which such Person becomes a Restricted Subsidiary of the Issuer (or is merged into, amalgamated with or consolidated with the Issuer or any of its Restricted Subsidiaries, as the case may be) will be deemed not to have been incurred or issued for the purposes of this covenant; and
 - (iv) the accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, and the payment of dividends or the making of any distribution on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an Issuance of Disqualified Stock for purposes of this covenant; provided, in each such case, that the amount thereof is included in Fixed Charges of the Issuer as accrued.
- (d) For purposes of determining compliance with any Canadian dollar or other currency denominated restriction on the incurrence of Indebtedness, the Canadian dollar or other currency equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable Canadian dollar or other currency denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Canadian dollar or other currency denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. Notwithstanding any other provision of Section 6.10, the maximum amount of Indebtedness that the Issuer may incur pursuant to Section 6.10 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Permitted Refinancing Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Permitted Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

- (e) Neither the Issuer nor any Guarantor will incur any additional Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of such Person unless such additional Indebtedness is also contractually subordinated in right of payment to the Notes, the applicable Debenture or the applicable Restricted Subsidiary Guarantee, as the case may be, on substantially identical terms; provided, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness solely by virtue of being unsecured or by virtue of being secured on a junior priority basis.

6.11 Dividends and Other Payment Restrictions Affecting Restricted Subsidiaries

- (a) The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:
 - (i) pay dividends or make any other distributions on its Capital Stock to the Issuer or any of its Restricted Subsidiaries or pay any Indebtedness owed to the Issuer or any of its Restricted Subsidiaries; *provided* that the priority of any preferred stock over common stock in receiving dividends or distributions (upon a liquidation or otherwise) shall not be deemed a restriction on the ability to make distributions on Capital Stock;
 - (ii) make loans or advances to the Issuer or any of its Restricted Subsidiaries; or
 - (iii) sell, lease or transfer any of its properties or assets to the Issuer or any of its Restricted Subsidiaries.
- (b) The provisions of Section 6.11(a) will not apply to encumbrances or restrictions existing under or by reason of:
 - (i) agreements or instruments (including agreements governing Existing Indebtedness or Credit Facilities) as in effect or which come into effect on the Issue Date;
 - (ii) this Indenture, the Notes, the Debentures and the Restricted Subsidiary Guarantees;
 - (iii) applicable law, rule, regulation, order, approval, license or permit;
 - (iv) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Issuer or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred or issued in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or

the property or assets of the Person, so acquired, provided that, in the case of Indebtedness or Disqualified Stock, such Indebtedness or Disqualified Stock was permitted by the terms of this Indenture to be incurred or issued, as the case may be;

- (v) customary non-assignment and non-subletting provisions in contracts, leases and licenses entered into in the ordinary course of business;
- (vi) agreements relating to Purchase Money Obligations, Capital Lease Obligations and Sale/Leaseback Transactions that impose restrictions on the property relating thereto of the nature described in Section 6.11(a)(iii);
- (vii) any agreement for the sale or other disposition of assets or Capital Stock of a Restricted Subsidiary of the Issuer that restricts transfers of such assets or the making by that Restricted Subsidiary of distributions, loans or advances pending such sale or other disposition;
- (viii) Permitted Liens that limit the right of the debtor to dispose of the assets subject to such Liens;
- (ix) provisions in joint venture agreements, partnership agreements, limited liability company agreements, asset sale agreements, stock sale agreements and other similar agreements entered into in the ordinary course of business or with the approval of the Board of Directors of the Issuer or the applicable Restricted Subsidiary of the Issuer, that limit the disposition or distribution of assets or property, which limitations are applicable only to the assets that are the subject of such agreements (including restrictions on the transfer of ownership interests in any joint venture, partnership, limited liability company or other applicable entity);
- (x) restrictions on cash, Cash Equivalents or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;
- (xi) encumbrances and restrictions contained in contracts entered into in the ordinary course of business, not relating to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of, or from the ability of the Issuer and any of its Restricted Subsidiaries to realize the value of, property or assets of the Issuer or any Restricted Subsidiary in any manner material to the Issuer or any Restricted Subsidiary;
- (xii) agreements encumbering or restricting cash or marketable securities to secure Hedging Obligations;
- (xiii) agreements governing Indebtedness permitted to be incurred under Section 6.10; provided that the restrictions therein will not materially adversely

impact the ability of the Issuer to make required principal and interest payments on the Notes; and

- (xiv) any amendments, restatements, renewals, increases, supplements, refundings, replacements or refinancings (including Permitted Refinancing Indebtedness) (collectively, "**refinancings**") of the agreements, instruments or obligations referred to in clauses (i) through (xiii) above; provided that such refinancings are not materially more restrictive (taken as a whole) with respect to such encumbrances and restrictions than those in effect prior to such refinancings; provided, however, that in the case of Permitted Refinancing Indebtedness, if such Permitted Refinancing Indebtedness could not be entered into on commercially reasonable terms without the inclusion of dividend and other payment restrictions that are materially more restrictive than those contained in the Existing Indebtedness (as determined in good faith by the Board of Directors of the Issuer), the Issuer or its Restricted Subsidiary may enter into such Permitted Refinancing Indebtedness, provided, that the dividend and other payment restrictions contained therein will not materially impair the Issuer's ability to make payments on the Notes (as determined in good faith by the Board of Directors of the Issuer).

6.12 Transactions with Affiliates

- (a) The Issuer will not, and will not permit any Restricted Subsidiary to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuer (each, an "**Affiliate Transaction**") unless:
 - (i) the Affiliate Transaction is on terms that are no less favourable in the aggregate to the Issuer or the relevant Restricted Subsidiary, as the case may be, than those that would reasonably be expected to have been obtained in a comparable transaction at such time by the Issuer or such Restricted Subsidiary, as the case may be, in an arm's-length dealing with a Person who is not an Affiliate of the Issuer or the relevant Restricted Subsidiary, as the case may be; and
 - (ii) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$15.0 million, the Issuer delivers to the Trustee an Officer's Certificate certifying that such Affiliate Transaction or series of Affiliate Transactions, as the case may be, complies with this Section.
- (b) The following items will be deemed not to be Affiliate Transactions and therefore will not be subject to Section 6.12(a):

- (i) any consulting or employment agreement or arrangement, employee or director compensation, stock option, bonus, benefit or other similar plan, officer or director indemnification, insurance, severance or expense reimbursement arrangement, or any similar arrangement existing on the Issue Date or thereafter entered into by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business and payments and other benefits (including bonuses and retirement, severance, health, stock option, restricted share, stock appreciation right, phantom right, profit interest, equity incentive and other benefit plans) pursuant thereto;
- (ii) transactions between or among the Issuer and/or its Restricted Subsidiaries;
- (iii) the issuance or sale of Capital Stock (other than Disqualified Stock) of the Issuer or warrants, options or other rights to acquire Capital Stock (other than Disqualified Stock) of the Issuer to, or the receipt by the Issuer of any capital contribution from, its shareholders or Affiliates;
- (iv) Restricted Payments that are permitted by Section 6.9;
- (v) the performance of obligations of the Issuer or any of its Restricted Subsidiaries under the terms of any agreement described in the Prospectus and to which the Issuer or any of its Restricted Subsidiaries is a party as of or on the Issue Date, as each such agreement may be amended, modified, supplemented, extended or renewed from time to time; provided, however, that any future amendment, modification, supplement, extension or renewal entered into after the Issue Date will only be permitted under this clause (v) to the extent that its terms that would increase or add to the Issuer's or any of its Restricted Subsidiaries' payment (whether in cash or other property) and other monetary obligations thereunder are not materially more disadvantageous, in the aggregate (in the good faith determination of the Issuer), to the Holders than the terms of the relevant agreement as in effect on the Issue Date;
- (vi) transactions with customers, suppliers or purchasers or sellers of goods or services that are Affiliates of the Issuer, in each case in the ordinary course of business and which, in the reasonable determination of the Board of Directors of the Issuer are on terms at least as favourable to the Issuer as would reasonably have been obtained at such time from an unaffiliated party;
- (vii) transactions between the Issuer or any of its Restricted Subsidiaries and any Person that is an Affiliate solely because one or more of its directors or officers is also a director or officer of the Issuer; provided that such director abstains from voting as a director of the Issuer on any such transaction involving such other Person;

- (viii) transactions with a Person that is an Affiliate of the Issuer solely because the Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in such Person;
- (ix) the payment of reasonable compensation and fees to, and the provision of customary indemnities to, current or former officers, directors, employees or consultants of the Issuer or any of its Restricted Subsidiaries;
- (x) issuances or sales of Equity Interests (other than Disqualified Stock) of the Issuer to Affiliates or employees of or consultants to the Issuer; and
- (xi) a repurchase of Notes held by an Affiliate of the Issuer if repurchased on the same terms as have been offered to all Holders that are not Affiliates of the Issuer.

6.13 Asset Sales

- (a) The Issuer will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale in any single transaction or series of related transactions unless:
 - (i) the Issuer (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement relating to such Asset Sale) of the assets, properties or Equity Interests issued, sold or otherwise disposed of in such Asset Sale; and
 - (ii) at least 75% of the consideration received in the Asset Sale by the Issuer or such Restricted Subsidiary in the manner referred to in Section 6.13(a)(i) is in the form of cash, Cash Equivalents, or Permitted Assets. For purposes of this Section 6.13(a)(ii), each of the following will be deemed to be cash:
 - (A) any liabilities of the Issuer or any Restricted Subsidiary (other than contingent liabilities or liabilities that are by their terms subordinated to the Notes, the Debentures or any Restricted Subsidiary Guarantee) as shown in the Issuer's most recent internally available annual or quarterly balance sheet, that are assumed by the transferee of any such assets pursuant to a customary novation agreement or similar agreement that releases the Issuer or such Restricted Subsidiary from further liability; and
 - (B) any securities, Notes or other Obligations received by the Issuer or any such Restricted Subsidiary from such transferee that are within 180 days of the applicable Asset Sale, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, to the extent of the cash or Cash Equivalents, received in that conversion.

- (b) Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Issuer or the applicable Restricted Subsidiary may apply those Net Proceeds for any combination of the following purposes:
- (i) to repay any Indebtedness of the Issuer or any Guarantor that is secured by a Priority Lien (other than any such Indebtedness that is subordinate in right of payment to the Notes, the Debentures or any Restricted Subsidiary Guarantee);
 - (ii) to acquire all or substantially all of the assets of, or to acquire or enter into a binding agreement to acquire Capital Stock of, a Person that is engaged in a Permitted Business and that, in the case of an acquisition of Capital Stock, is or, after giving effect to such acquisition, becomes a Restricted Subsidiary of the Issuer;
 - (iii) to make a capital expenditure; or
 - (iv) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business.
- (c) Pending the final application of any Net Proceeds in accordance with Section 6.13(b) the Issuer or any of its Restricted Subsidiaries may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture.
- (d) Any Net Proceeds from Asset Sales that are not applied or invested as provided in Section 6.13(b) or (c) will constitute "**Excess Proceeds**". Not later than the 366th day after any Asset Sale, if the aggregate amount of Excess Proceeds exceeds \$10.0 million, the Issuer will make a pro rata offer (an "**Asset Sale Offer**") to all Holders and to all holders of other Indebtedness that ranks pari passu in right of payment with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets, in each case to purchase the maximum principal amount of Notes and such other pari passu Indebtedness, as the case may be, that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount (or accreted value in the case of any such other pari passu Indebtedness, as the case may be, issued with a significant original issue discount) plus accrued and unpaid interest, if any, to the date of purchase, and will be payable in cash. If the aggregate principal amount of Notes and other pari passu Indebtedness, as the case may be, tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes and such other pari passu Indebtedness, as the case may be, to be purchased on a pro rata basis (subject to the procedures of the relevant depository), on the basis of the aggregate principal amounts (or accreted values) tendered in round denominations (which in the case of the Notes will be minimum denominations of \$100 principal amount or multiples of \$100 in excess thereof). If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Issuer may use those Excess Proceeds for any purpose not otherwise

prohibited by this Indenture. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

- (e) Within five Business Days after the Issuer is obligated to make an Asset Sale Offer pursuant to this Section 6.13 the Issuer will send each Holder of Notes subject to such offer written notice by first class or first priority mail of each Asset Sale Offer not less than 30 days and not more than 60 days prior to the date fixed for prepayment thereunder, accompanied by such information regarding the Issuer and its Affiliates as the Issuer in good faith believes will enable such Holders to make an informed decision with respect to such Asset Sale Offer. Each such notice shall specify such date (which shall be a Business Day), the aggregate principal amount of the Notes to be prepaid on such date and the principal amount of each Notes held by such Holder to be prepaid in proportion, as nearly as practicable, to the respective unpaid principal amounts of the Notes being prepaid but not theretofore called for prepayment. Without limiting the foregoing:
 - (i) any Holder may decline any offer of prepayment pursuant to this Section 6.13; and
 - (ii) the failure of any such Holder to accept or decline any such offer of prepayment shall be deemed to be an election by such Holder to decline such prepayment.
- (f) If the Asset Sale Offer purchase date is on or after a Record Date and on or before the related Interest Payment Date, any accrued and unpaid interest will be paid to the Person in whose name a Note is registered at the close of business on such Record Date, and no other interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.
- (g) The Issuer will comply with the requirements of applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any applicable securities laws and regulations conflict with this Section 6.13, the Issuer will comply with such laws and regulations and will not be deemed to have breached its obligations under this Section 6.13 by virtue of such conflict.
- (h) The Issuer's obligations to make an Asset Sale Offer following an Asset Sale that has been consummated may be waived or modified after the occurrence of such Asset Sale with the written consent of Holders of at least a majority in principal amount of the Notes then outstanding.
- (i) Notwithstanding Section 6.13(h), for greater certainty, any sale, assignment, transfer, conveyance, lease or other disposition of all or substantially all of the properties or assets of the Issuer and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, will be governed by Section 10.1 and will not be subject to the provisions of this Section 6.13.

6.14 Purchase of Notes upon a Change of Control

- (a) If a Change of Control Triggering Event occurs, the Issuer will be required to make an offer to each Holder to repurchase all or any part (in an amount that is an integral multiple of \$100) of each Holder's Notes pursuant to the offer described below (the "**Change of Control Offer**"). In the Change of Control Offer, the Issuer shall offer a payment (the "**Change of Control Payment**") in cash equal to not less than 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, on the Notes repurchased, to, but not including, the date of purchase (the "**Change of Control Payment Date**"), subject to the rights of Holders on the relevant Record Date to receive interest due on the relevant Interest Payment Date.
- (b) Within 30 days following any Change of Control Triggering Event, the Issuer will mail a notice to each Holder of Notes describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase Notes on the Change of Control Payment Date specified in such notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by this Indenture and described in such notice. The Issuer will comply with the requirements of applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any applicable securities laws and regulations conflict with this Section 6.14, the Issuer will comply with such laws and regulations and will not be deemed to have breached its obligations under this Section 6.14 by virtue of such conflict.
- (c) On the Change of Control Payment Date, the Issuer or its designated agent will, to the extent lawful:
 - (i) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer;
 - (ii) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof properly tendered; and
 - (iii) deliver or cause to be delivered to the Trustee the Notes accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer.
- (d) On the Change of Control Payment Date, the Paying Agent will promptly transmit to each Holder of Notes properly tendered and not withdrawn the Change of Control Payment for such tendered Notes, with such payment to be made through the facilities of the Depository for Notes evidenced by Global Notes, and the Trustee will promptly authenticate, in accordance with Section 5.3(b), and mail (or cause to be transferred by book entry) to each such Holder new Notes equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that

each new Note will be in a principal amount of \$100 or an integral multiple of \$100 in excess thereof.

- (e) If the Change of Control Payment Date is on or after a Record Date and on or before the related Interest Payment Date, any accrued and unpaid interest will be paid to the Person in whose name such Notes are registered at the close of business on such Record Date, and no other interest will be payable to Holders who tender pursuant to the Change of Control Offer.
- (f) The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.
- (g) The provisions described in Sections 6.14(a) through (f) that require the Issuer to make a Change of Control Offer following a Change of Control Triggering Event will be applicable whether or not any other provisions of this Indenture are applicable. Except as provided in Sections 6.14(a) through (f), the Issuer is not required to purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.
- (h) Notwithstanding Section 6.14, the Issuer will not be required to make a Change of Control Offer upon a Change of Control Triggering Event and no Holder will have the right to require the Issuer to repurchase any Notes pursuant to a Change of Control Offer if (i) a third party makes an offer to purchase all of the Notes in the manner, at the times and otherwise in substantial compliance with this Section 6.14 and any other requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or (ii) a Redemption Notice has been given pursuant to this Indenture, unless and until there is a default in payment of the applicable Redemption Price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer by the Issuer or a third party may be made in advance of a Change of Control Triggering Event and conditioned upon the occurrence of such Change of Control Triggering Event, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.
- (i) In the event that Holders of not less than 90% of the aggregate principal amount of the outstanding Notes accept a Change of Control Offer and the Issuer (or a third party making the offer in accordance with Section 6.14(h)) purchases all of the Notes held by such Holders, the Issuer or third party offeror, as applicable will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following the purchase pursuant to the Change of Control Offer described above, to redeem (in the case of the Issuer) or purchase (in the case of a third party offeror) all of the Notes that remain outstanding following such purchase at a Redemption Price or purchase price, as the case may be, equal to the Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest on such Notes that remain outstanding, to the applicable Redemption Date (subject to the right of Holders of record on the

relevant Record Date to receive interest due on an Interest Payment Date that is on or prior to the Redemption Date).

- (j) In addition, the Issuer's obligation to make a Change of Control Offer following a Change of Control Triggering Event may be waived or modified after the occurrence of such Change of Control Triggering Event with the written consent of Holders of at least a majority in principal amount of the Notes then outstanding.

6.15 Limitation on Business Activities

Neither the Issuer nor any of its Restricted Subsidiaries will, and the Issuer will not permit any of its Restricted Subsidiaries to, engage in any business other than the Permitted Business, except to such extent as would not be material to the Issuer and its Restricted Subsidiaries taken as a whole.

ARTICLE 7 DEFAULT AND ENFORCEMENT

7.1 Events of Default

An "Event of Default" means, with respect to any Notes, any one of the following events:

- (a) default for 30 days in the payment when due of interest on the Notes;
- (b) default in the payment when due (at Stated Maturity, upon redemption or otherwise) of the principal of, or premium, if any, on the Notes;
- (c) failure by the Issuer or any of its Restricted Subsidiaries to comply with Sections 6.13, 6.14 or 10.1;
- (d) failure by the Issuer or any of its Restricted Subsidiaries to comply with any of the other agreements in this Indenture for 60 days after written notice has been given to the Issuer by the Trustee or to the Issuer and the Trustee by Holders of at least 25% of the outstanding principal amount of the Notes;
- (e) default under any other mortgage, hypothec, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness (except for Non-Recourse Debt) by the Issuer or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of its Restricted Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the date of this Indenture, if that default:
 - (i) is caused by a failure to pay principal of, or interest or premium, if any, on such Indebtedness prior to the expiration of the applicable grace or cure period provided in such Indebtedness (a "Payment Default"); or
 - (ii) results in the acceleration of such Indebtedness prior to its Stated Maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default, which remains outstanding or the maturity of which has been so accelerated, aggregates an amount greater than \$20.0 million, provided that if any such Payment Default is cured or waived or any such acceleration is rescinded, as the case may be, in each case including as a result of the repayment of such Indebtedness, such Event of Default under this Indenture and any consequential acceleration of the Notes shall be automatically rescinded, so long as such rescission does not conflict with any judgment or decree;

- (f) failure by the Issuer or any of its Restricted Subsidiaries to pay final judgments aggregating in excess of an amount greater than \$20.0 million in cash rendered against the Issuer or any Restricted Subsidiary by a court of competent jurisdiction, which judgments are not paid, discharged or stayed for a period of 60 days after such judgments becomes final and non-appealable;
- (g) except as permitted by this Indenture, (a) any Restricted Subsidiary Guarantee of a Significant Subsidiary shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, and such failure shall not be cured within 10 days, or any Guarantor that is a Significant Subsidiary or any Person acting on behalf of any such Guarantor shall deny or disaffirm its obligations under its Restricted Subsidiary Guarantee or (b) the repudiation by the Issuer or any of its Restricted Subsidiaries of any of its obligations under the Secured Debt Documents or the unenforceability of the Secured Debt Documents against the Issuer or its Restricted Subsidiaries, provided that such repudiation or unenforceability relates to Collateral with a Fair Market Value of \$10.0 million or more;
- (h) the Issuer or any of its Significant Subsidiaries pursuant to or within the meaning of any Bankruptcy Law:
 - (i) commences a voluntary case or proceeding;
 - (ii) applies for or consents to the entry of an order for relief against it in an involuntary case or proceeding;
 - (iii) applies for or consents to the appointment of a Custodian of it or for all or substantially all of its assets; or
 - (iv) makes a general assignment for the benefit of its creditors; or
- (i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:
 - (i) is for relief against the Issuer or any of its Significant Subsidiaries as debtor in an involuntary case or proceeding;

- (ii) appoints a Custodian of the Issuer or any of its Significant Subsidiaries or a Custodian for all or substantially all of the assets of the Issuer or any of its Significant Subsidiaries; or
- (iii) orders the liquidation of the Issuer or any of its Significant Subsidiaries;

and the order or decree remains unstayed and in effect for 90 consecutive days and, in the case of the insolvency of a Significant Subsidiary, such Significant Subsidiary remains a Significant Subsidiary on such 90th day.

7.2 Acceleration of Maturity; Rescission, Annulment and Waiver

- (a) The Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may, and the Trustee at the request of such Holders shall, declare by notice in writing to the Issuer and (if given by such Holders) to the Trustee, the principal of (and Premium, if any) and accrued and unpaid interest to the date of acceleration on, all of the outstanding Notes immediately due and payable and, upon any such declaration, all such amounts will become due and payable immediately and, subject to the terms of the Intercreditor Agreement, the Security Documents will become enforceable. If an Event of Default specified in Section 7.1(h) or 7.1(i) occurs and is continuing, then the principal (and Premium, if any), and accrued and unpaid interest on all of the outstanding Notes will thereupon become and be immediately due and payable without any declaration, notice or other action on the part of the Trustee or any Holder and, subject to the terms of the Intercreditor Agreement, the Security Documents will become enforceable. The Issuer shall deliver to the Trustee, within 10 days after the occurrence thereof, notice of any Default or acceleration referred to in Section 7.1(e).
- (b) If an Event of Default (other than as specified in Section 7.1(h) or 7.1(i)) occurs at any time after a declaration of acceleration, but before a judgment or decree for payment of the money due has been obtained by the Trustee:
 - (i) the Holders of a majority in aggregate principal amount of the outstanding Notes, by written notice to the Issuer, such Holders and the Trustee, may rescind and annul such declaration and its consequences if:
 - (A) all existing Events of Default, other than the non-payment of amounts of principal of (and Premium, if any) or interest on such Notes that have become due solely by such declaration of acceleration, have been cured or waived; and
 - (B) such rescission would not conflict with any judgment or decree of a court of competent jurisdiction;

provided that no such rescission shall affect any subsequent Default or impair any right consequent thereon.

- (c) Notwithstanding Section 7.2(a), in the event of a declaration of acceleration in respect of Notes because an Event of Default specified in Section 7.1(e) shall have occurred and be continuing, such declaration of acceleration shall be automatically annulled if the Indebtedness that is the subject of such Event of Default has been discharged or the holders thereof have rescinded their declaration of acceleration in respect of such Indebtedness, and written notice of such discharge or rescission, as the case may be, shall have been given to the Trustee by the Issuer and countersigned by the holders of such Indebtedness or a trustee, fiduciary or agent for such holders, within 30 days after such declaration of acceleration in respect of the particular Notes, and no other Event of Default has occurred during such 30 day period which has not been cured or waived during such period.
- (d) The Holders of a majority in aggregate principal amount of the outstanding Notes, by written notice to the Trustee, may on behalf of the Holders of all Notes waive any existing Default or Event of Default and its consequences under this Indenture, except a Default or Event of Default in the payment of interest on, or principal of, such Notes.
- (e) The Trustee may withhold from Holders of Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interests, except a Default or Event of Default relating to the payment of principal or interest due to the Holders.

7.3 Collection of Indebtedness and Suits for Enforcement by Trustee

- (a) The Issuer covenants that if:
 - (i) Default is made in the payment of any instalment of interest on any Note when such interest becomes due and payable and such Default continues for a period of 30 days, or
 - (ii) Default is made in the payment of the principal of (or Premium, if any on) any Note at the Maturity thereof,

the Issuer will, upon demand of the Trustee, pay to the Trustee for the benefit of the Holders of such Notes, the whole amount then due and payable on such Notes for principal (and Premium, if any) and interest, and interest on any overdue principal (and Premium, if any) and, to the extent that payment of such interest shall be legally enforceable, upon any overdue instalment of interest, at the rate borne by such Notes, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

- (b) If the Issuer fails to pay such amounts forthwith upon such demand, the Trustee, in its own name as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Issuer or any other

obligor upon such Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Issuer or any other obligor upon such Notes, wherever situated.

- (c) If an Event of Default occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

7.4 Trustee May File Proofs of Claim

- (a) In case of any pending receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Issuer and its debts or any other obligor upon the Notes (including the Guarantors, if any) and their debts or the property of the Issuer or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Issuer for the payment of overdue principal (and Premium, if any) or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:
 - (i) to file and prove a claim for the whole amount of principal (and Premium, if any) and interest owing and unpaid in respect of the Notes and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding; and
 - (ii) to collect and receive any moneys or other securities or property payable or deliverable upon the conversion or exchange of such securities or upon any such claims and to distribute the same,

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee hereunder.

- (b) Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any

Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

7.5 Trustee May Enforce Claims Without Possession of Notes

All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the rateable benefit of the Holders of the Notes in respect of which such judgment has been recovered.

7.6 Application of Monies by Trustee

- (a) Except as herein otherwise expressly provided, any money collected by the Trustee pursuant to this Article 7 shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or Premium, if any) or interest, upon presentation of the Notes and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:
- (i) first, in payment or in reimbursement to the Trustee of its reasonable compensation, costs, charges, expenses, borrowings, advances or other monies furnished or provided by or at the instance of the Trustee in or about the execution of its trusts under, or otherwise in relation to, this Indenture, with interest thereon as herein provided;
 - (ii) second, but subject as hereinafter in this Section 7.6 provided, in payment, rateably and proportionately to the Holders, of the principal of and Premium (if any) and accrued and unpaid interest and interest on amounts in default on the Notes which shall then be outstanding in the priority of principal first and then Premium and then accrued and unpaid interest and interest on amounts in default unless otherwise directed by Extraordinary Resolution and in that case in such order or priority as between principal, Premium (if any) and interest as may be directed by such resolution; and
 - (iii) third, in payment of the surplus, if any, of such monies to the Issuer or its assigns and/or the Guarantors, as the case may be;

provided, however, that no payment shall be made pursuant to clause (ii) above in respect of the principal, Premium or interest on any Notes held, directly or indirectly, by or for the benefit of the Issuer or any Affiliate of the Issuer (other than any Notes pledged for value and in good faith to a Person other than the Issuer or any Subsidiary but only to the extent of such Person's interest therein) except subject to the prior payment in full of the principal, Premium (if any) and interest (if any) on all Notes which are not so held.

- (b) The Trustee shall not be bound to apply or make any partial or interim payment of any monies coming into its hands if the amount so received by it, after reserving thereout such amount as the Trustee may think necessary to provide for the payments mentioned in Section 7.6(a), is insufficient to make a distribution of at least 2% of the aggregate principal amount of the outstanding Notes subject to this Article 7 at such time, but it may retain the money so received by it and invest or deposit the same as provided in Section 11.9 until the money or the investments representing the same, with the income derived therefrom, together with any other monies for the time being under its control shall be sufficient for the said purpose or until it shall consider it advisable to apply the same in the manner hereinbefore set forth. The foregoing shall, however, not apply to a final payment or distribution hereunder.

7.7 No Suits by Holders

Except to enforce payment of the principal of, and Premium (if any) or interest on any Note on or after the Stated Maturity of such Note (after giving effect to any applicable grace period specified therefor in Section 7.1(a)), no Holder shall have any right to institute any action, suit or proceeding at law or in equity with respect to this Indenture or for the appointment of a liquidator, trustee or receiver or for a receiving order under any Bankruptcy Laws or to have the Issuer or any Guarantor wound up or to file or prove a claim in any liquidation or bankruptcy proceeding or for any other remedy hereunder, unless:

- (a) the Trustee shall have failed to act for a period of 60 days after receiving written notice of a continuing Event of Default from such Holder and a written request to act from Holders of at least 25% in aggregate principal amount of the Notes then outstanding;
- (b) the Holders or any of them shall have furnished to the Trustee, when so requested by the Trustee, sufficient funds and security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby in its reasonable judgment; and
- (c) during such 60 day period, the Trustee has not received from the Holders of a majority in aggregate principal amount of the Notes then outstanding a direction inconsistent with such request,

it being understood and intended that no one or more Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders of Notes, or to obtain or to seek to obtain priority or preference over any other Holders of Notes or to enforce any right under this Indenture, except in the manner herein provided and for the equal and rateable benefit of all the Holders of Notes.

7.8 Unconditional Right of Holders of Notes to Receive Principal, Premium and Interest

Notwithstanding any other provision in this Indenture, a Holder of a Note shall have the right, which is absolute and unconditional, to receive payment as provided herein of the principal of (and

Premium, if any) and interest on such Note on the applicable Maturity and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

7.9 Restoration of Rights and Remedies

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Issuer, the Guarantors (if any), the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

7.10 Rights and Remedies Cumulative

Except as otherwise expressly provided herein, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

7.11 Delay or Omission Not Waiver

No delay or omission of the Trustee or of any Holder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article 7 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

7.12 Control by Holders

The Holders of not less than a majority in principal amount of the then outstanding Notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy benefitting the Holders available to the Trustee, or exercising any trust or power conferred on the Trustee, provided that:

- (a) such direction shall not be in conflict with any rule of law or with this Indenture,
- (b) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and
- (c) the Trustee shall have the right to not take any action which might involve it in personal liability or be unjustly prejudicial to the Holders of the Notes not consenting.

7.13 Notice of Event of Default

If an Event of Default shall occur and be continuing the Trustee shall, within 30 days after it receives written notice of the occurrence of such Event of Default, give notice of such Event of Default in the manner provided in Section 13.2, to the Holders of all Notes in respect of an Event of Default listed in Subsections 7.1(e) to 7.1(i); and to the Holders in respect of an Event of Default listed in Subsections 7.1(a) to 7.1(d) provided that notwithstanding the foregoing, unless the Trustee shall have been requested to do so by the Holders of at least 25% of the principal amount of the Notes then outstanding, the Trustee shall not be required to give such notice if the Trustee in good faith shall have determined that the withholding of such notice is in the best interests of the Holders of the Notes and shall have so advised the Issuer in writing.

7.14 Waiver of Stay or Extension Laws

The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

7.15 Undertaking for Costs

All parties to this Indenture agree, and each Holder of any Note by his, her or its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant.

7.16 Judgment Against the Issuer

The Issuer covenants and agrees with the Trustee that, in case of any judicial or other proceedings to enforce the rights of the Holders, judgment may be rendered against it in favour of the Holders or in favour of the Trustee, as Trustee for the Holders, for any amount which may remain due in respect of the Notes and Premium (if any) and the interest thereon and any other monies owing hereunder.

7.17 Immunity of Officers and Others

The Holders, the Beneficial Holders and the Trustee hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future officer, director, employee, incorporator or individual holding of Capital Stock of the Issuer or of any Guarantor or of any successor for the payment of the principal of or Premium or interest on any of the Notes or on any covenant, agreement, representation or warranty by the Issuer contained

herein or in the Notes. Each Holder and Beneficial Holder, by accepting its interest in Notes, waives and releases all such claims against, and liability of, such Persons. The waiver and release provided for in this Section 7.17 are part of the consideration for issuance of the Notes.

7.18 Notice of Payment by Trustee

Not less than 15 days' notice shall be given in the manner provided in Section 13.2 by the Trustee to the Holders of Notes of any payment to be made under this Article 7. Such notice shall state the time when and place where such payment is to be made and also the liability under this Indenture to which it is to be applied. After the day so fixed, unless payment shall have been duly demanded and have been refused, the Holders will be entitled to interest only on the balance (if any) of the principal monies, Premium (if any) and interest due (if any) to them, respectively, on the relevant Notes, after deduction of the respective amounts payable in respect thereof on the day so fixed.

7.19 Trustee May Demand Production of Notes

The Trustee shall have the right to demand production of the Notes in respect of which any payment of principal, interest or Premium (if any) required by this Article 7 is made and may cause to be endorsed on the same a memorandum of the amount so paid and the date of payment, but the Trustee may, in its discretion, dispense with such production and endorsement, upon such indemnity being given to it and to the Issuer as the Trustee shall deem sufficient.

ARTICLE 8 DISCHARGE AND DEFEASANCE

8.1 Satisfaction and Discharge

This Indenture will cease to be of further effect as to any Notes issued hereunder (except as to any surviving rights of registration of transfer or exchange of Notes expressly provided for in this Indenture), when:

- (a) either:
 - (i) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or
 - (ii) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a Redemption Notice or otherwise or will become due and payable within one year and the Issuer has irrevocably deposited or caused to be deposited with the Trustee solely for the benefit of the Holders thereof, cash in Canadian dollars, Government Securities, or a combination of cash in Canadian dollars and Government Securities, in amounts as will be sufficient to pay and discharge the

principal, Premium, if any, and accrued interest to the date of final maturity or redemption;

- (b) no Default or Event of Default has occurred and is continuing on the date of the deposit or will occur as a result of the deposit other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Issuer or any Restricted Subsidiary is a party or by which the Issuer or any Restricted Subsidiary is bound;
- (c) the Issuer has paid or caused to be paid all sums payable by the Issuer under this Indenture to the Trustee; and
- (d) the Issuer has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of such Notes at Maturity or the Redemption Date, as the case may be.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to Section 8.1(a)(ii), the provisions of Section 8.7 will survive.

8.2 Option to Effect Legal Defeasance or Covenant Defeasance

Unless this Section 8.2 is otherwise specified in any Note or Supplemental Indenture providing for Notes to be inapplicable to such Notes, the Issuer may, at the option of the Board of Directors of the Issuer evidenced by a resolution set forth in an Officers' Certificate, at any time, elect to have either Section 8.3 or 8.4 applied to all outstanding Notes upon compliance with the conditions set forth in this Article 8.

8.3 Legal Defeasance and Discharge

- (a) Upon the Issuer's exercise under Section 8.2 of the option applicable to this Section 8.3 in respect of the Notes, the Issuer and each of the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.5, be deemed to have been discharged from their obligations (including the Guarantees) with respect to all outstanding Notes on the date the conditions set forth in Section 8.5 are satisfied (hereinafter, "**Legal Defeasance**") in respect of such Notes. For this purpose, Legal Defeasance means that the Issuer and the Guarantors shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Debentures and the Restricted Subsidiary Guarantees), which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.6 and the other Sections of this Indenture referred to in clauses (i), (ii) and (iv) below, and to have satisfied all their other obligations under such Notes and, to the extent applicable to such Notes, the Debentures, the Restricted Subsidiary Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

- (i) the rights of Holders of such Notes to receive payments in respect of the principal of, Premium, if any, and interest on such Notes when such payments are due solely out of the trust referred to in Section 8.6;
 - (ii) the Issuer's obligations under Sections 2.4, 2.8 and 2.9;
 - (iii) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's obligations in connection therewith under Article 11; and
 - (iv) this Section 8.3.
- (b) Subject to compliance with Section 8.2, the Issuer may exercise its option under this Section 8.3 notwithstanding the prior exercise of its option under Section 8.4.

8.4 Covenant Defeasance

Unless this Section 8.4 is otherwise specified in any Note or Supplemental Indenture providing for Notes to be inapplicable to such Notes, upon the Issuer's exercise under Section 8.2 of the option applicable to this Section 8.4, the Issuer and each of the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.5, be released from each of their obligations under the covenants contained in Sections 6.7, 6.8, 6.9, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, and 10.1(a)(iv) and 10.1(c)(ii) (collectively, the "**Defeased Covenants**") with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.5 are satisfied (hereinafter, "**Covenant Defeasance**"), and such Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders thereof (and the consequences of any thereof) in connection with the Defeased Covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, the Issuer and the Guarantors may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any Defeased Covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default hereunder, but, except as specified above, the remainder of this Indenture and such Notes, and the Debentures and Restricted Subsidiary Guarantees shall be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.2 of the option applicable to this Section 8.4, subject to the satisfaction of the conditions set forth in Section 8.5, payment of such Notes may not be accelerated because of an Event of Default specified in Section 7.1(c) (but only in respect of Sections 6.13, 6.14, and 10.1(a)(iv) and 10.1(c)(ii), 7.1(d), 7.1(e), 7.1(f), 7.1(g), and 7.1(h)).

8.5 Conditions to Legal or Covenant Defeasance

- (a) In order to exercise either Legal Defeasance under Section 8.3 or Covenant Defeasance under Section 8.4 with respect to Notes:
 - (i) the Issuer must irrevocably deposit or cause to be deposited with the Trustee as trust funds or property in trust for the purpose of making payment on

such Notes an amount in money as will, together with the income to accrue thereon and reinvestment thereof, be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm, or firm of independent public accountants, to pay, satisfy and discharge the entire amount of principal of, Premium, if any, accrued and unpaid interest, if any, to the Maturity thereof, and all other amounts due in respect of all such Notes;

- (ii) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the granting of Liens to secure such borrowing);
- (iii) the Issuer must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Notes over its other creditors or with the intent of defeating, hindering, delaying, or defrauding any of its other creditors or others;
- (iv) the Issuer must deliver to the Trustee an Opinion of Counsel or an advance tax ruling from the Canada Revenue Agency (or successor agency) to the effect that the Holders of such outstanding Notes will not recognize income, gain, or loss for Canadian income tax purposes as a result of such Legal Defeasance or Covenant Defeasance, as the case may be, and will be subject to Canadian income tax on the same amounts, in the same manner, and at the same times as would have been the case if such Legal Defeasance or Covenant Defeasance, as the case may be, had not occurred;
- (v) the Issuer must deliver to the Trustee an Opinion of Counsel to the effect that, as of the date of such opinion, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally under any applicable law, and that the Trustee has a perfected security interest in such trust funds for the rateable benefit of the Holders of the outstanding Notes;
- (vi) the Issuer must satisfy the Trustee that it has paid, caused to be paid or made provisions for the payment of all other sums payable or which may be payable with respect to all Notes, together with all applicable expenses of the Trustee;
- (vii) the Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a Default under, any material agreement or instrument (other than this Indenture) to which the Issuer or any of its Affiliates is a party or by which the Issuer or any of its Affiliates is bound; and

- (viii) the Issuer must deliver to the Trustee an Officers' Certificate stating that all conditions precedent herein provided relating to the payment, satisfaction and discharge of all Notes have been complied with.
- (b) Subject to Section 8.7, any funds or Obligations deposited with the Trustee pursuant to Section 8.6(a) in respect of the outstanding Notes shall be (a) denominated in the currency or denomination of the Notes in respect of which such deposit is made, (b) irrevocable, subject to certain exceptions, and (c) made under the terms of an escrow and/or trust agreement in form and substance satisfactory to the Trustee and which provides for the due and punctual payment of the principal of, Premium, if any, and interest on such Notes being satisfied.

8.6 Application of Trust Funds

- (a) Subject to Section 8.7, any funds or Government Securities deposited with the Trustee pursuant to Section 8.1 or 8.5 in respect of Notes shall be held by the Trustee in trust and applied by it in accordance with the provisions of the applicable Notes and this Indenture, to the payment, either directly or through any Paying Agent as the Trustee may determine, to the Persons entitled thereto, of the principal (and Premium, if any) and interest for whose payment such funds or Government Securities has been deposited with the Trustee; *provided* that such funds or Government Securities need not be segregated from other funds or Government Securities except to the extent required by law.
- (b) If the Trustee or Paying Agent is unable to apply any funds or Government Securities in accordance with Section 8.1 or 8.5 by reason of any legal proceeding or any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's obligations under this Indenture and the affected Notes shall be revived and reinstated as though no funds or Government Securities had been deposited pursuant to Section 8.1 or 8.5, as applicable, until such time as the Trustee is permitted to apply all such funds or Government Securities in accordance with such provisions; *provided* that if the Issuer or any Guarantor has made any payment in respect of principal of, Premium, if any, or interest on Notes or, as applicable, other amounts because of the reinstatement of its obligations, the Issuer and such Guarantor, as applicable, shall be subrogated to the rights of the Holders of such Notes to receive such payment from the funds or Government Securities held by the Trustee.

8.7 Repayment to the Issuer

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Issuer from time to time upon the request of the Issuer any funds or Government Securities held by it as provided in Section 8.1 or 8.5 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof, delivered to the Trustee (which may be the opinion delivered under Section 8.5(a)(i)), are in excess of the amount thereof that would then be required to be deposited to fully satisfy the obligations of the Issuer under Section 8.1(a)(ii) or to effect an equivalent Legal Defeasance or Covenant Defeasance.

8.8 Continuance of Rights, Duties and Obligations

- (a) Where trust funds or Government Securities have been deposited pursuant to Section 8.1 or 8.5, the Holders of the particular Notes and the Issuer shall continue to have and be subject to their respective rights, duties and obligations under Article 2 and Article 5.
- (b) In the event that, after the deposit of trust funds or Government Securities pursuant to Section 8.1 or 8.5, the Issuer is required to make an offer to purchase any outstanding Notes, the Issuer shall be entitled to use any trust funds or Government Securities deposited with the Trustee pursuant to Section 8.1 or 8.5 for the purpose of paying to any Holders of such Notes who have accepted any such offer the total offer price payable in respect of an offer relating to any such Notes. Upon receipt of a Written Direction of the Issuer, the Trustee shall be entitled to pay to such Holder from such trust funds or Government Securities deposited with the Trustee pursuant to Section 8.1 or 8.5 in respect of such Notes which is applicable to the Notes held by such Holders who have accepted any such offer of the Issuer (which amount shall be based on the applicable principal amount of the Notes held by accepting offerees in relation to the aggregate outstanding principal amount of all such Notes).

ARTICLE 9 MEETINGS OF HOLDERS

9.1 Purpose, Effect and Convention of Meetings

- (a) Subject to Section 12.2(a), wherever in this Indenture a consent, waiver, notice, authorization or resolution of the Holders of Notes is required, a meeting may be convened in accordance with this Article 9 to consider and resolve whether such consent, waiver, notice, authorization or resolution should be approved by such Holders. A resolution passed by the affirmative votes of the Holders of at least a majority of the outstanding principal amount of the Notes represented and voting on a poll at a meeting of Holders duly convened for the purpose and held in accordance with the provisions of this Indenture shall constitute conclusively such consent, waiver, notice, authorization or resolution; *provided* that an Extraordinary Resolution shall be required wherever in this Indenture such consent, waiver, notice, authorization or resolution of the Holders is required to be approved by Extraordinary Resolution.
- (b) At any time and from time to time, the Trustee on behalf of the Issuer may and, on receipt of an Issuer Order or a Holders' Request and upon being indemnified and funded for the costs thereof to the reasonable satisfaction of the Trustee by the Issuer or the Holders signing such Holders' Request, will, convene a meeting of all Holders of the Notes.
- (c) If the Trustee fails to convene a meeting after being duly requested as aforesaid (and indemnified and funded as aforesaid), the Issuer or such Holders may

themselves convene such meeting and the notice calling such meeting may be signed by such Person as the Issuer or those Holders designate, as applicable. Every such meeting will be held in Calgary, Alberta or such other place as the Trustee may in any case determine or approve.

9.2 Notice of Meetings

- (a) At least 21 days' notice of any meeting of the Holders of Notes shall be given to the Holders in the manner provided in Section 13.2 and a copy of such notice shall be sent by post to the Trustee, unless the meeting has been called by it, and to the Issuer, unless such meeting has been called by it. Such notice shall state the time when and the place where the meeting is to be held and shall state briefly the general nature of the business to be transacted thereat and it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 9. The accidental omission to give notice of a meeting to any Holder of Notes shall not invalidate any resolution passed at any such meeting. A Holder may waive notice of a meeting either before or after the meeting.

9.3 Chairman

Some individual, who need not be a Holder, nominated in writing by the Trustee shall be chairman of the meeting and if no individual is so nominated, or if the individual so nominated is not present within 15 minutes from the time fixed for the holding of the meeting, a majority of the Holders present in person or by proxy shall choose some individual present to be chairman.

9.4 Quorum

Subject to this Indenture, at any meeting of the Holders of Notes, a quorum shall consist of Holders present in person or by proxy and representing at least 25% of the principal amount of the outstanding Notes. If a quorum of the Holders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if convened by the Holders or pursuant to a Holders' Request, shall be dissolved, but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day in which case it shall be adjourned to the next following Business Day thereafter) at the same time and place and no notice shall be required to be given in respect of such adjourned meeting. At the adjourned meeting, the Holders present in person or by proxy shall constitute a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not represent 25% of the principal amount of the outstanding Notes. Any business may be brought before or dealt with at an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless the required quorum be present at the commencement of business.

9.5 Power to Adjourn

The chairman of any meeting at which the requisite quorum of Holders is present may, with the consent of the Holders of a majority in principal amount of the Notes represented thereat, adjourn

any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

9.6 Voting

On a poll each Holder present in person or represented by a duly appointed proxy shall be entitled to one vote in respect of each \$100 principal amount of Notes of which it is the Holder. A proxy holder need not be a Holder. In the case of joint registered Holders of a Note, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others; but in case more than one of them be present in person or by proxy, they shall vote together in respect of the Notes of which they are joint Holders.

9.7 Poll

A poll will be taken on every resolution and Extraordinary Resolution submitted for approval at a meeting of Holders, in such manner as the chairman directs, and the results of such polls shall be binding on all Holders. Every resolution, other than an Extraordinary Resolution, will be decided by a majority of the votes cast on the poll for that resolution. An Extraordinary Resolution will require at least 66⅔% of the votes cast on the poll for that resolution to be in the affirmative in order for it be passed.

9.8 Proxies

A Holder may be present and vote at any meeting of Holders by an authorized representative. The Issuer (in case it convenes the meeting) or the Trustee (in any other case) for the purpose of enabling the Holders to be present and vote at any meeting without producing their Notes, and of enabling them to be present and vote at any such meeting by proxy and of depositing instruments appointing such proxies at some place other than the place where the meeting is to be held, may from time to time make and vary such regulations as it shall think fit providing for and governing any or all of the following matters:

- (a) the form of the instrument appointing a proxy, which shall be in writing, and the manner in which the same shall be executed and the production of the authority of any individual signing on behalf of a Holder;
- (b) the deposit of instruments appointing proxies at such place as the Trustee, the Issuer or the Holder convening the meeting, as the case may be, may, in the notice convening the meeting, direct and the time, if any, before the holding of the meeting or any adjournment thereof by which the same must be deposited; and
- (c) the deposit of instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, faxed, cabled, telegraphed or sent by other electronic means before the meeting to the Issuer or to the Trustee at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only Persons who shall be recognized at any meeting as the Holders of any Notes, or as entitled to vote or be present at the meeting in respect thereof, shall be Holders and Persons whom Holders have by instrument in writing duly appointed as their proxies.

9.9 Persons Entitled to Attend Meetings

The Issuer and the Trustee, by their respective directors, officers and employees and the respective legal advisors of the Issuer, the Trustee or any Holder may attend any meeting of the Holders, but shall have no vote as such.

9.10 Powers Exercisable by Extraordinary Resolution

Subject to Article 12, a meeting of the Holders shall have the following powers exercisable in respect of the Holders of Notes from time to time by Extraordinary Resolution passed by the Holders of 66 2/3% of the Notes subject in the case of the matters in paragraphs (g) and (h) to receipt of the prior approval of the exchange, if any, on which any securities of the Issuer are then listed (if required):

- (a) power to direct or authorize the Trustee to exercise any power, right, remedy or authority given to it by this Indenture in any manner specified in any such Extraordinary Resolution or to refrain from exercising any such power, right, remedy or authority;
- (b) power to restrain any Holder from taking or instituting any suit, action or proceeding for the purpose of enforcing payment of the principal, Premium or interest on the Notes, or for the execution of any trust or power hereunder;
- (c) power to direct any Holder who, as such, has brought any action, suit or proceeding to stay or discontinue or otherwise deal with the same upon payment, if the taking of such suit, action or proceeding shall have been permitted by Section 7.2, of the costs, charges and expenses reasonably and properly incurred by such Holder in connection therewith;
- (d) power to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any Equity Interests or other securities of the Issuer;
- (e) power to appoint a committee with power and authority (subject to such limitations, if any, as may be prescribed in the resolution) to exercise, and to direct the Trustee to exercise, on behalf of the Holders, such of the powers of the Holders as are exercisable by Extraordinary Resolution or other resolution as shall be included in the resolution appointing the committee, provided that the following terms shall apply to the appointment of such committee:

- (i) the resolution making such appointment may provide for payment of the expenses and disbursements of and compensation to such committee;
 - (ii) such committee shall consist of such number of members as shall be prescribed in the resolution appointing it and the members need not be themselves Holders;
 - (iii) every such committee may elect its chairman and may make regulations respecting its quorum, the calling of its meetings, the filling of vacancies occurring in its number and its procedure generally, and such regulations may provide that the committee may act at a meeting at which a quorum is present or may act by minutes signed by the number of members thereof necessary to constitute a quorum; and
 - (iv) all acts of any such committee within the authority delegated to it shall be binding upon all Holders;
- (f) power to remove the Trustee from office and to appoint a new Trustee or Trustees provided that no such removal shall be effective unless and until a new Trustee or Trustees shall have become bound by this Indenture;
 - (g) power to sanction the exchange of the Notes for or the conversion thereof into shares, units, bonds, notes or other securities or obligations of the Issuer or of any other Person formed or to be formed;
 - (h) power to authorize the distribution in specie of any shares, units, bonds, notes, securities or other obligations received pursuant to a transaction authorized under the provisions of Section 9.10(g);
 - (i) power to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Holders or by any committee appointed pursuant to Section 9.10(e); and
 - (j) power to approve a revised method of calculating a Financial Term pursuant to an Accounting Change Notice.

9.11 Powers Cumulative

Any one or more of the powers in this Indenture stated to be exercisable by the Holders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers from time to time shall not be deemed to exhaust the rights of the Holders to exercise the same or any other such power or powers thereafter from time to time. No powers exercisable by Extraordinary Resolution will derogate in any way from the rights of the Issuer pursuant to this Indenture.

9.12 Minutes

Minutes of all resolutions and proceedings at every meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Trustee at the expense of the Issuer, and any such minutes as aforesaid, if signed by the chairman of the meeting at which such resolutions were passed or proceedings had, or by the chairman of the next succeeding meeting of the Holders, shall be *prima facie* evidence of the matters therein stated and, until the contrary is proved, every such meeting, in respect of the proceedings of which minutes shall have been made, shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken thereat to have been duly passed and taken.

9.13 Instruments in Writing

Any consent, waiver, notice, authorization or resolution of the Holders which may be given by resolution at a meeting of the Holders pursuant to this Article 9 may also be given by the Holders of not less than 50% of the aggregate principal amount of the outstanding Notes by a signed instrument in one or more counterparts, except for matters required to be approved by Extraordinary Resolution in which case such matter may be approved by an instrument signed by 66⅔% of the aggregate principal amount of outstanding Notes, and the expressions "resolution" or "Extraordinary Resolution" when used in this Indenture will include instruments so signed. Notice of any resolution or Extraordinary Resolution passed in accordance with this Section 9.13 will be given by the Trustee to the affected Holders within 30 days of the date on which such resolution or Extraordinary Resolution was passed.

9.14 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article at a meeting of Holders of Notes shall be binding upon all the Holders of Notes whether present at or absent from such meeting, and every instrument in writing signed by Holders in accordance with Section 9.13 shall be binding upon all the Holders, whether signatories thereto or not, and each and every Holder of Notes, and the Trustee (subject to the provisions for its indemnity herein contained) shall, subject to applicable law, be bound to give effect accordingly to every such resolution, Extraordinary Resolution and instrument in writing.

9.15 Evidence of Rights of Holders

- (a) Any request, direction, notice, consent or other instrument which this Indenture may require or permit to be signed or executed by the Holders may be in any number of concurrent instruments of similar tenor signed or executed by such Holders. Proof of the execution of any request, direction, notice, consent or other instrument or of a writing appointing any such attorney will be sufficient for any purpose of this Indenture if the fact and date of the execution by any Person of such request, direction, notice, consent or other instrument or writing may be proved by the certificate of any notary public, or other officer authorized to take acknowledgements of deeds to be recorded at the place where such certificate is made, that the Person signing such request, direction, notice, consent or other instrument or writing acknowledged to such notary public or other officer the

execution thereof, or by an affidavit of a witness of such execution or in any other manner which the Trustee may consider adequate.

- (b) Notwithstanding Section 9.15(a), the Trustee may, in its discretion, require proof of execution in cases where it deems proof desirable and may accept such proof as it shall consider proper.

ARTICLE 10 SUCCESSORS TO THE ISSUER

10.1 Restrictions on Amalgamation, Merger, Consolidation or Sale of Assets

- (a) The Issuer may not, in any transaction or series of transactions: (x) amalgamate, consolidate or merge with or into another Person (whether or not the Issuer is the surviving Person); or (y) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person; unless:
- (i) either (A) the Issuer is the surviving entity; or (B) the Person formed by or surviving any such amalgamation, consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is a Person organized or existing under the laws of Canada or any province thereof or the United States, any state of the United States or the District of Columbia;
 - (ii) the Person formed by or surviving any such amalgamation, consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of the Issuer under the Notes and this Indenture, the Intercreditor Agreement and the Security Documents to which it is a party, either by operation of law or pursuant to an assumption agreement or other instrument reasonably satisfactory to the Trustee;
 - (iii) immediately after such transaction or series of transactions, and giving pro forma effect to any related financing transactions, no Default or Event of Default exists; and
 - (iv) on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period the Issuer, or the Person formed by or surviving any such amalgamation, consolidation or merger (if other than the Issuer), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made will be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in Section 6.10(a).

- (b) The Issuer will not permit any Guarantor, in any transaction or series of transactions, to: (i) amalgamate, consolidate, or merge with or into another Person (whether or not such Guarantor is the surviving Person), or (ii) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of its properties or assets to another Person, other than the Issuer or a Restricted Subsidiary (in the case of either (i) or (ii) above), unless:
- (i) immediately after giving effect to that transaction, and giving pro forma effect to any related financing transactions, no Default or Event of Default exists; and
 - (ii) either:
 - (A) the Person acquiring the property in any such sale, assignment, transfer, conveyance, lease or other disposition or the Person formed by or surviving any such amalgamation, consolidation or merger assumes all the Obligations of that Guarantor under its Debenture, its Restricted Subsidiary Guarantee, the Intercreditor Agreement and the Security Documents to which it is a party, either by operation of law or pursuant to an assumption agreement or other instrument reasonably satisfactory to the Trustee; or
 - (B) the Net Proceeds of such sale, assignment, transfer, conveyance, lease or other disposition are applied in accordance with Section 6.13.

10.2 Vesting of Powers in Successor

Whenever the conditions of Section 10.1 have been duly observed and performed, the Trustee will execute and deliver a Supplemental Indenture as provided for in Section 12.5 and then:

- (a) the successor will possess and from time to time may exercise each and every right and power of the Issuer or Restricted Subsidiary under this Indenture in the name of the Issuer or Restricted Subsidiary, as applicable, or otherwise, and any act or proceeding by any provision of this Indenture required to be done or performed by any directors or officers of the Issuer or Restricted Subsidiary may be done and performed with like force and effect by the like directors or officers of such successor; and
- (b) the Issuer or Restricted Subsidiary, as applicable, will be released and discharged from liability under this Indenture and the Trustee will execute any documents which it may be advised are necessary or advisable for effecting or evidencing such release and discharge.

**ARTICLE 11
CONCERNING THE TRUSTEE**

11.1 No Conflict of Interest

The Trustee represents to the Issuer that at the date of execution and delivery by it of this Indenture there exists no material conflict of interest which it is aware of in the role of the Trustee as a fiduciary hereunder but if, notwithstanding the provisions of this Section 11.1, such a material conflict of interest exists, or hereafter arises, the validity and enforceability of this Indenture, and the Notes issued hereunder, shall not be affected in any manner whatsoever by reason only that such material conflict of interest exists or arises.

11.2 Replacement of Trustee

- (a) The Trustee may resign its trust and be discharged from all further duties and liabilities hereunder by giving to the Issuer 90 days' notice in writing or such shorter notice as the Issuer may accept as sufficient. If at any time a material conflict of interest exists in the Trustee's role as a fiduciary hereunder the Trustee shall, within 30 days after ascertaining that such a material conflict of interest exists, either eliminate such material conflict of interest or resign in the manner and with the effect specified in this Section 11.2. The validity and enforceability of this Indenture and of the Notes issued hereunder shall not be affected in any manner whatsoever by reason only that such a material conflict of interest exists. In the event of the Trustee resigning or being removed or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Issuer shall forthwith appoint a new Trustee unless a new Trustee has already been appointed by the Holders in accordance with the provisions hereof. Failing such appointment by the Issuer, the retiring Trustee or any Holder may apply to a court having appropriate jurisdiction, on such notice as such Judge may direct at the Issuer's expense, for the appointment of a new Trustee but any new Trustee so appointed by the Issuer or by the Court shall be subject to removal as aforesaid by the Holders and the appointment of such new Trustee shall be effective only upon such new Trustee becoming bound by this Indenture. Any new Trustee appointed under any provision of this Section 11.2 shall be a corporation authorized to carry on the business of a trust company in the Province of Alberta. On any new appointment the new Trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Trustee.
- (b) Any company into which the Trustee may be merged or, with or to which it may be consolidated, amalgamated or sold, or any entity resulting from any merger, consolidation, sale or amalgamation to which the Trustee shall be a party, shall be the successor Trustee under this Indenture without the execution of any instrument or any further act. Nevertheless, upon the written request of the successor Trustee or of the Issuer, the Trustee ceasing to act shall execute and deliver an instrument assigning and transferring to such successor Trustee, upon the trusts herein expressed, all the rights, powers and trusts of the retiring Trustee so ceasing to act, and shall duly assign, transfer and deliver all property and money held by such

Trustee to the successor Trustee so appointed in its place. Should any deed, conveyance or instrument in writing from the Issuer or any Guarantor be required by any new Trustee for more fully and certainly vesting in and confirming to it such estates, properties, rights, powers and trusts, then any and all such deeds, conveyances and instruments in writing shall on request of said new Trustee, be made, executed, acknowledged and delivered by the Issuer or such Guarantor.

11.3 Duties of Trustee

In the exercise of the rights, duties and obligations prescribed or conferred by the terms of this Indenture, the Trustee shall act honestly and in good faith and exercise that degree of care, diligence and skill that a reasonably prudent Trustee would exercise in comparable circumstances. Subject to the foregoing, the Trustee will be liable for its own wilful misconduct, bad faith and gross negligence. The Trustee will not be liable for any act or default on the part of any agent employed by it or a co-Trustee, or for having permitted any agent or co-Trustee to receive and retain any money payable to the Trustee, except as aforesaid.

11.4 Reliance Upon Declarations, Opinions, etc.

- (a) In the exercise of its rights, duties and obligations hereunder the Trustee may, if acting in good faith and subject to Section 11.7, rely, as to the truth of the statements and accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports or certificates furnished pursuant to any covenant, condition or requirement of this Indenture or required by the Trustee to be furnished to it in the exercise of its rights and duties hereunder, if the Trustee examines such statutory declarations, opinions, reports or certificates and determines that they comply with Section 11.5, if applicable, and with any other applicable requirements of this Indenture. The Trustee may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. Without restricting the foregoing, the Trustee may rely on an Opinion of Counsel satisfactory to the Trustee notwithstanding that it is delivered by a solicitor or firm which acts as solicitors for the Issuer.
- (b) The Trustee shall have no obligation to ensure or verify compliance with any applicable laws or regulatory requirements on the issue or transfer of any Notes provided such issue or transfer is effected in accordance with the terms of this Indenture. The Trustee shall be entitled to process all transfers and redemptions upon the presumption that such transfer and redemption is permissible pursuant to all applicable laws and regulatory requirements if such transfer and redemption is effected in accordance with the terms of this Indenture. The Trustee shall have no obligation, other than to confer with the Issuer and its Counsel, to ensure that legends appearing on the Notes comply with regulatory requirements or securities laws of any applicable jurisdiction.

11.5 Evidence and Authority to Trustee, Opinions, etc.

- (a) The Issuer shall furnish to the Trustee evidence of compliance with the conditions precedent provided for in this Indenture relating to any action or step required or permitted to be taken by the Issuer, a Guarantor or the Trustee under this Indenture or as a result of any obligation imposed under this Indenture, including without limitation, the certification and delivery of Notes hereunder, the satisfaction and discharge of this Indenture and the taking of any other action to be taken by the Trustee at the request of or on the application of the Issuer, forthwith if and when (a) such evidence is required by any other Section of this Indenture to be furnished to the Trustee in accordance with the terms of this Section 11.5, or (b) the Trustee, in the exercise of its rights and duties under this Indenture, gives the Issuer written notice requiring it to furnish such evidence in relation to any particular action or obligation specified in such notice. Such evidence shall consist of:
- (i) an Officers' Certificate, stating that any such condition precedent has been complied with in accordance with the terms of this Indenture;
 - (ii) in the case of a condition precedent compliance with which is, by the terms of this Indenture, made subject to review or examination by a solicitor, an Opinion of Counsel that such condition precedent has been complied with in accordance with the terms of this Indenture; and
 - (iii) in the case of any such condition precedent compliance with which is subject to review or examination by auditors or accountants, an opinion or report of the Issuer's Auditors whom the Trustee for such purposes hereby approves, that such condition precedent has been complied with in accordance with the terms of this Indenture.
- (b) Whenever such evidence relates to a matter other than the certificates and delivery of Notes and the satisfaction and discharge of this Indenture, and except as otherwise specifically provided herein, such evidence may consist of a report or opinion of any solicitor, auditor, accountant, engineer or appraiser or any other individual whose qualifications give authority to a statement made by such individual, provided that if such report or opinion is furnished by a director, officer or employee of the Issuer it shall be in the form of a statutory declaration. Such evidence shall be, so far as appropriate, in accordance with the immediately preceding paragraph of this Section.
- (c) Each statutory declaration, certificate, opinion or report with respect to compliance with a condition precedent provided for in this Indenture shall include (i) a statement by the individual giving the evidence that such individual has read and is familiar with those provisions of this Indenture relating to the condition precedent in question, (ii) a brief statement of the nature and scope of the examination or investigation upon which the statements or opinions contained in such evidence are based, (iii) a statement that, in the belief of the individual giving such evidence, such individual has made such examination or investigation as is necessary to make

the statements or give the opinions contained or expressed therein, and (iv) a statement whether in the opinion of such individual the conditions precedent in question have been complied with or satisfied.

- (d) In addition to its obligations under Section 6.5, the Issuer shall furnish or cause to be furnished to the Trustee at any time if the Trustee reasonably so requires, its certificate that the Issuer has complied with all covenants, conditions or other requirements contained in this Indenture, the non-compliance with which would constitute a Default or an Event of Default, or if such is not the case, specifying the covenant, condition or other requirement which has not been complied with and giving particulars of such non-compliance. The Issuer shall, whenever the Trustee so requires, furnish the Trustee with evidence by way of statutory declaration, opinion, report or certificate as specified by the Trustee as to any action or step required or permitted to be taken by the Issuer or as a result of any obligation imposed by this Indenture.

11.6 Officers' Certificates Evidence

Except as otherwise specifically provided or prescribed by this Indenture, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting any action hereunder, the Trustee, if acting in good faith, may rely upon an Officers' Certificate.

11.7 Experts, Advisers and Agents

The Trustee may:

- (a) Subject to Section 11.4, employ or retain and act and rely on the opinion or advice of or information obtained from any solicitor, auditor, valuator, engineer, surveyor, appraiser or other expert, whether obtained by the Trustee or by the Issuer, or otherwise, and shall not be liable for acting, or refusing to act, in good faith on any such opinion or advice and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid; and
- (b) employ such agents and other assistants as it may reasonably require for the proper discharge of its duties hereunder, and may pay reasonable remuneration for all services performed for it (and shall be entitled to receive reasonable remuneration for all services performed by it) in the discharge of the trusts hereof and compensation for all disbursements, costs and expenses made or incurred by it in the discharge of its duties hereunder and in the management of the trusts hereof and any solicitors employed or consulted by the Trustee may, but need not be, solicitors for the Issuer.

11.8 Trustee May Deal in Notes

Subject to Sections 11.1 and 11.3, the Trustee may, in its personal or other capacity, buy, sell, lend upon and deal in Notes and generally contract and enter into financial transactions with the Issuer

or otherwise. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Court of Queen's Bench of Alberta for permission to continue as Trustee hereunder or resign.

11.9 Investment of Monies Held by Trustee

- (a) Unless otherwise provided in this Indenture, any monies held by the Trustee, which, under the trusts of this Indenture, may or ought to be invested or which may be on deposit with the Trustee or which may be in the hands of the Trustee, may be invested and reinvested in the name or under the control of the Trustee in securities in which, under the laws of the Province of Alberta, the Trustee is authorized to invest trust monies, provided that such securities are expressed to mature within two years after their purchase by the Trustee or such shorter period as required or selected by the Issuer to facilitate any payments expected to be made under this Indenture, after their purchase by the Trustee, and unless and until the Trustee shall have declared the principal of and Premium, if any, and interest on Notes to be due and payable, the Trustee shall so invest such monies at the Written Direction of the Issuer given in a reasonably timely manner. Pending the investment of any monies as hereinbefore provided, such monies may be deposited in the name of the Trustee in any chartered bank of Canada or, with the consent of the Issuer, in the deposit department of the Trustee or any other loan or trust company authorized to accept deposits under the laws of Canada or any province thereof at the rate of interest, if any, then current on similar deposits.
- (b) Unless and until the Trustee shall have declared the principal of and Premium, if any, and interest on Notes to be due and payable, the Trustee shall pay over to the Issuer all interest received by the Trustee in respect of any investments or deposits made pursuant to the provisions of this Section 11.9.

11.10 Trustee Not Ordinarily Bound

Except as provided in Section 7.2 and as otherwise specifically provided herein, the Trustee shall not, subject to Section 11.3, be bound to give notice to any Person of the execution hereof, nor to do, observe or perform or see to the observance or performance by the Issuer of any of the obligations herein imposed upon the Issuer or of the covenants on the part of the Issuer herein contained, nor in any way to supervise or interfere with the conduct of the Issuer's business, unless the Trustee shall have been required to do so in writing by the Holders of not less than 25% of the aggregate principal amount of the Notes then outstanding or by any Extraordinary Resolution of the Holders passed in accordance with the provisions contained in Article 9, and then only after it shall have been funded and indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

11.11 Trustee Not Required to Give Security

The Trustee shall not be required to give any bond or security in respect of the execution of the trusts and powers of this Indenture or otherwise in respect of the premises.

11.12 Trustee Not Bound to Act on Issuer's Request

Except as in this Indenture otherwise specifically provided, the Trustee shall not be bound to act in accordance with any direction or request of the Issuer until a duly authenticated copy of the instrument or resolution containing such direction or request shall have been delivered to the Trustee, and the Trustee shall be empowered to act upon any such copy purporting to be authenticated and believed by the Trustee to be genuine.

11.13 Conditions Precedent to Trustee's Obligations to Act Hereunder

- (a) The obligation of the Trustee to commence or continue any act, action or proceeding for the purpose of enforcing the rights of the Trustee and of the Holders hereunder shall be conditional upon any one or more Holders furnishing when required by notice in writing by the Trustee, sufficient funds to commence or continue such act, action or proceeding and indemnity reasonably satisfactory to the Trustee to protect and hold harmless the Trustee against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof.
- (b) None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.
- (c) The Trustee may, before commencing or at any time during the continuance of any such act, action or proceeding require the Holders of Notes at whose instance it is acting to deposit with the Trustee such Notes held by them for which Notes the Trustee shall issue receipts.

11.14 Authority to Carry on Business

The Trustee represents to the Issuer that at the date of execution and delivery by it of this Indenture it is authorized to carry on the business of a trust company in the Province of Alberta but if, notwithstanding the provisions of this Section 11.14, it ceases to be so authorized to carry on business, the validity and enforceability of this Indenture and the securities issued hereunder shall not be affected in any manner whatsoever by reason only of such event but the Trustee shall, within 90 days after ceasing to be authorized to carry on the business of a trust company in the Province of Alberta, either become so authorized or resign in the manner and with the effect specified in Section 11.2.

11.15 Compensation and Indemnity

- (a) The Issuer shall pay to the Trustee from time to time compensation for its services hereunder as agreed separately by the Issuer and the Trustee, and shall pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in the administration or execution of its duties under this Indenture (including the reasonable and documented

compensation and disbursements of its Counsel and all other advisers and assistants not regularly in its employ), both before any default hereunder and thereafter until all duties of the Trustee under this Indenture shall be finally and fully performed. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust.

- (b) The Issuer hereby indemnifies and saves harmless the Trustee and its directors, officers, employees and shareholders from and against any and all loss, damages, charges, expenses, claims, demands, actions or liability whatsoever which may be brought against the Trustee or which it may suffer or incur as a result of or arising out of the performance of its duties and obligations hereunder save only in the event of the gross negligence, wilful misconduct or bad faith of the Trustee. This indemnity will survive the termination or discharge of this Indenture and the resignation or removal of the Trustee. The Trustee shall notify the Issuer promptly of any claim for which it may seek indemnity. The Issuer shall defend the claim and the Trustee shall co-operate in the defence. The Trustee may have separate Counsel and the Issuer shall pay the reasonable fees and expenses of such Counsel. The Issuer need not pay for any settlement made without its consent, which consent must not be unreasonably withheld. This indemnity shall survive the resignation or removal of the Trustee or the discharge of this Indenture.
- (c) The Issuer need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee through gross negligence, wilful misconduct or bad faith on the part of the Trustee.

11.16 Environmental Indemnity

The Issuer shall and does hereby indemnify and hold harmless the Trustee, the Collateral Agent and the Parity Lien Secured Parties (including a receiver, receiver-manager or similar Person appointed under applicable law) and its and their respective Affiliates, officers, directors, employees and agents (collectively, in this Section, the "**Indemnified Parties**"), forthwith on demand by the Trustee or Collateral Agent, as applicable, from and against any and all claims, suits, actions, debts, damages, costs, losses, liabilities, penalties, obligations, judgments, charges, expenses and disbursements (including all reasonable legal fees and disbursements on a solicitor and his own client basis) of any nature whatsoever, suffered or incurred by the Indemnified Parties or any of them with respect to any Environmental Claims relating to the Collateral arising under any Environmental Laws as a result of the past, present or future operations of the Issuer or any of its Restricted Subsidiaries (or any predecessor in interest to the Issuer or any of its Restricted Subsidiaries) relating to the Collateral, or the past, present or future condition of any part of the Collateral, whether owned, operated or leased by the Issuer or by any of its Restricted Subsidiaries, or any such predecessor in interest but excluding any Environmental Claims or liabilities relating thereto to the extent that such Environmental Claims or liabilities arise by reason of the gross negligence, wilful misconduct or bad faith of the Indemnified Party claiming indemnity hereunder. This Section shall survive the repayment of the Parity Lien Obligations.

11.17 Acceptance of Trust

The Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth and to hold all rights, privileges and benefits conferred hereby and by law in trust for the various Persons who shall from time to time be Holders, subject to all the terms and conditions herein set forth.

11.18 Capacity of Trustee

Computershare Trust Company of Canada has entered into this Indenture and any document delivered in connection herewith in its capacity as Trustee (and in such capacity is herein only referred to as the "Trustee"). Whenever any reference is made in this agreement or in any document delivered in connection herewith, to an act to be performed by the Trustee such reference shall be construed and applied for all purposes as if it referred to an act to be performed by the Trustee for and on behalf of the Holders of Notes. Any and all of the representations, undertakings, covenants, indemnities, agreements and other obligations (in this section, collectively "**obligations**") made on the part of the Trustee herein or therein are made and intended not as personal obligations of or by Computershare Trust Company of Canada or for the purpose or with the intention of binding Computershare Trust Company of Canada in its personal capacity, but are made and intended for the purpose of binding only the Trustee in its capacity as agent for, and the property and assets of, the Holders of Notes. No property or assets of Computershare Trust Company of Canada, whether owned beneficially by it in its personal capacity or otherwise, will be subject to levy, execution or other enforcement procedures with regard to any of the Trustee's obligations hereunder or thereunder, save only in the event of the gross negligence, wilful misconduct or bad faith of the Trustee. No recourse may be had or taken, directly or indirectly, against Computershare Trust Company of Canada in its personal capacity, or any incorporator, shareholder, officer, director, employee or agent of Computershare Trust Company of Canada or of any predecessor or successor of Computershare Trust Company of Canada, with regard to the Trustee's obligations hereunder, save only in the event of the gross negligence, wilful misconduct or bad faith of the Trustee.

11.19 Anti-Money Laundering

The Trustee shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Trustee, in its sole judgment, acting reasonably, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline. Further, should the Trustee, in its sole judgment, acting reasonably, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline, then it shall have the right to resign on 10 days' prior written notice sent to all parties provided that (a) the written notice shall describe the circumstances of such non-compliance; and (b) if such circumstances are rectified to the Trustee's satisfaction within such 10 day period, then such resignation shall not be effective.

11.20 Privacy

- (a) The parties hereto acknowledge that the Trustee may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:
- (i) to provide the services required under this Indenture and other services that may be requested from time to time;
 - (ii) to help the Trustee manage its servicing relationships with such individuals;
 - (iii) to meet the Trustee's legal and regulatory requirements; and
 - (iv) if social insurance numbers are collected by the Trustee, to perform tax reporting and to assist in verification of an individual's identity for security purposes.
- (b) Each party acknowledges and agrees that the Trustee may receive, collect, use and disclose personal information provided to it or acquired by it in the course of this Indenture for the purposes described above and, generally, in the manner and on the terms described in its Privacy Code, which the Trustee shall make available on its website www.computershare.com or upon request, including revisions thereto. Some of this personal information may be transferred to other companies in or outside of Canada that provide for data processing and/or storage or other support in order to facilitate the services it provides. Further, the Issuer agrees that it shall not provide or cause to be provided to the Trustee any personal information relating to an individual who is not a party to this Indenture unless the Issuer has assured itself that such individual understands and has consented to the aforementioned uses and disclosures.

11.21 Force Majeure

The Trustee shall not be held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, economic sanctions or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times applicable to the Trustee under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section.

ARTICLE 12
AMENDMENT, SUPPLEMENT AND WAIVER

12.1 Ordinary Consent

Except as provided in Sections 12.2 and 12.3, with the affirmative votes of the Holders of at least a majority in principal amount of the Notes represented and voting at a meeting of Holders, or by a resolution in writing of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or offer to purchase, or exchange offer for, Notes):

- (a) the Note Documents may (subject to the terms of the Intercreditor Agreement) be amended or supplemented; and
- (b) any existing Default or Event of Default or lack of compliance with any provision of this Indenture, the Notes, the Debentures or the Restricted Subsidiary Guarantees may be waived.

12.2 Special Consent

- (a) Notwithstanding Section 12.1, without the consent of, or a resolution passed by the affirmative votes of or signed by, each Holder affected, an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting Holder):
 - (i) reduce the principal amount of the Notes whose Holders must consent to an amendment, supplement or waiver;
 - (ii) reduce the principal of or change the time for payment of the Notes;
 - (iii) reduce the rate of or change the time for payment of interest on the Notes;
 - (iv) make any Note payable in a currency other than that stated in such Note; or
 - (v) waive a Default or Event of Default in the payment of principal of, or interest or Premium, if any, on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (vi) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of the Notes to receive payments of principal of, or interest or Premium, if any, on the Notes;
 - (vii) alter or waive the provisions with respect to the redemption or repurchase of the Notes (other than provisions relating to Sections 6.13 and 6.14);

- (viii) release any Guarantor from any of its obligations under its Debenture and/or its Restricted Subsidiary Guarantee or this Indenture otherwise than in accordance with the terms of this Indenture.
- (ix) release any portion of the Collateral from the Liens created by the Secured Debt Documents except as specifically provided for in this Indenture and the Secured Debt Documents;
- (x) modify or change any provision of this Indenture or the related definitions affecting the ranking of the Notes or any Debenture or Restricted Subsidiary Guarantee in any manner adverse to the Holders of Notes; or
- (xi) modify the amending provisions in this Article 12.

12.3 Without Consent

- (a) Notwithstanding Sections 12.1 and 12.2, without the consent of any Holder of Notes, the Issuer, the Guarantors (as applicable) and the Trustee may from time to time amend or supplement the Note Documents:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Issuer's or a Guarantor's obligations to Holders of Notes in the case of a merger, amalgamation or consolidation or sale of all or substantially all of the Issuer's or a Guarantor's assets or otherwise to comply with Section 15.1;
 - (iv) to add any additional Guarantors or to evidence the release of any Guarantor from its Obligations under its Debenture and/or Restricted Subsidiary Guarantee (to the extent permitted by this Indenture), or to secure the Notes, the Debentures and the Restricted Subsidiary Guarantees;
 - (v) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture;
 - (vi) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights under this Indenture of any such Holder;
 - (vii) to evidence or provide for the acceptance of appointment under this Indenture of a successor Trustee.
 - (viii) to conform the text of this Indenture, the Notes, or the Restricted Subsidiary Guarantees to any provision of "Description of the CEL Notes" section of the Prospectus (the "DON") to the extent that such provision in the DON

was intended to be a verbatim recitation of a provision of such Note Document or to correct any administrative or typographical error in any such Note Document.

12.4 Form of Consent

It is not necessary for the consent of the Holders of Notes under Section 12.1 or 12.2 to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof.

12.5 Supplemental Indentures

- (a) Subject to the provisions of this Indenture and, if applicable, approval from any stock/securities exchanges and/or securities commission or similar regulatory authority, the Issuer, the Guarantors (as applicable) and the Trustee may from time to time execute, acknowledge and deliver Supplemental Indentures which thereafter shall form part of this Indenture, for any one or more of the following purposes:
- (i) establishing the terms of any Notes and the forms and denominations in which they may be issued as provided in Article 2;
 - (ii) making such amendments not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder, including the making of any modifications in the form of the Notes which do not affect the substance thereof and which in the opinion of the Trustee relying on an opinion of Counsel will not be materially prejudicial to the interests of Holders;
 - (iii) rectifying typographical, clerical or other manifest errors contained in this Indenture or any Supplemental Indenture, or making any modification to this Indenture or any Supplemental Indenture which, in the opinion of Counsel, is of a formal, minor or technical nature and that are not materially prejudicial to the interests of the Holders of Notes;
 - (iv) to give effect to any amendment or supplement to this Indenture, the Notes or any Debentures or any Restricted Subsidiary Guarantees made in accordance with Section 12.1, 12.2 or 12.3;
 - (v) evidencing the succession, or successive successions, of others to the Issuer or any Guarantor and the covenants of and Obligations assumed by any such successor in accordance with the provisions of this Indenture; or
 - (vi) for any other purpose not inconsistent with the terms of this Indenture, provided that in the opinion of the Trustee (relying on an Opinion of Counsel) the rights of neither the Holders nor the Trustee are materially prejudiced thereby.

- (b) Unless this Indenture expressly requires the consent or concurrence of Holders, the consent or concurrence of Holders shall not be required in connection with the execution, acknowledgement or delivery of a Supplemental Indenture contemplated by this Indenture.
- (c) Upon the request of the Issuer accompanied by a resolution of its Board of Directors of the Issuer authorizing the execution of any such Supplemental Indenture, and upon receipt by the Trustee of an Officers' Certificate stating that such amended or Supplemental Indenture complies with this Section 12.5, the Trustee shall join with the Issuer and the Guarantors in the execution of any amended or Supplemental Indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained.

ARTICLE 13 NOTICES

13.1 Notice to Issuer

Any notice to the Issuer under the provisions of this Indenture shall be valid and effective if delivered to the Issuer at Suite 2600, 585 - 8th Avenue S.W., Calgary, Alberta T2P 1G1, Attention: Chief Financial Officer, or if given by registered letter, postage prepaid, to such office and so addressed and if mailed, shall be deemed to have been effectively given five days following the mailing thereof. The Issuer may from time to time notify the Trustee in writing of a change of address which thereafter, until changed by like notice, shall be the address of the Issuer for all purposes of this Indenture.

13.2 Notice to Holders

- (a) All notices to be given hereunder with respect to the Notes shall be deemed to be validly given to the Holders thereof if sent by first class mail or priority mail, postage prepaid, by letter or circular addressed to such holders at their post office addresses appearing in any of the registers hereinbefore mentioned and shall be deemed to have been effectively given five days following the day of mailing. Accidental error or omission in giving notice or accidental failure to mail notice to any Holder or the inability of the Issuer to give or mail any notice due to anything beyond the reasonable control of the Issuer shall not invalidate any action or proceeding founded thereon.
- (b) If any notice given in accordance with Section 13.2(a) would be unlikely to reach the Holders to whom it is addressed in the ordinary course of post by reason of an interruption in mail service, whether at the place of dispatch or receipt or both, the Issuer shall give such notice by publication at least once in the cities of Calgary and Toronto, each such publication to be made in a daily newspaper of general circulation in the designated city.

- (c) Any notice given to Holders by publication shall be deemed to have been given on the day on which publication shall have been effected at least once in each of the newspapers in which publication was required.
- (d) All notices with respect to any Note may be given to whichever one of the Holders thereof (if more than one) is named first in the registers hereinbefore mentioned, and any notice so given shall be sufficient notice to all Holders of any Persons interested in such Note.

13.3 Notice to Trustee

Any notice to the Trustee under the provisions of this Indenture shall be valid and effective if delivered to the Trustee at its principal office in the City of Calgary, at Suite 600, 530 – 8th Avenue S.W. Calgary, Alberta T2P 3S8 Attention: Senior Manager, Corporate Trust Officer, Corporate Trust, or if given by registered letter, postage prepaid, to such office and so addressed and, if mailed, shall be deemed to have been effectively given five days following the mailing thereof.

13.4 Mail Service Interruption

If by reason of any interruption of mail service, actual or threatened, any notice to be given to the Trustee would reasonably be unlikely to reach its destination by the time notice by mail is deemed to have been given pursuant to Section 13.3, such notice shall be valid and effective only if delivered at the appropriate address in accordance with Section 13.3.

ARTICLE 14 SECURITY

14.1 Security

As continuing collateral security for all Obligations in respect of the Parity Lien Debt and all other Obligations owing under this Note Indenture to the Holders of the Notes and the Trustee, the Issuer and the Restricted Subsidiaries shall deliver to the Collateral Agent on behalf of the Holders of the Notes the following duly executed Security Documents:

- (a) Debenture with a principal amount of \$100,000,000 granted by the Issuer dated as of the date hereof;
- (b) pledge of the foregoing Debenture of the Issuer granted by the Issuer and accepted by the Trustee dated as of the date hereof;
- (c) Debenture with a principal amount of \$100,000,000 granted by the Guarantor dated as of the date hereof;
- (d) pledge of the foregoing Debenture of the Guarantor granted by the Guarantor and accepted by the Trustee dated as of the date hereof;
- (e) general assignment of book debts granted by the Issuer dated as of the date hereof;

- (f) general assignment of book debts granted by the Guarantor dated as of the date hereof;
- (g) such additional Debentures, pledges, assignments, security agreements and Restricted Subsidiary Guarantees as may be required by the Trustee (acting reasonably), by Section 15.1 or otherwise as may be required hereunder from time to time; and
- (h) any documents and instruments providing a fixed Lien in accordance with Section 14.4.

14.2 Form of Security

The Security Documents and all other agreements, documents and instruments referred to in Section 14.1 will be in the form appended to this Indenture as Appendix B, or, if a form is not so appended, then such form or forms as will be required by the Trustee acting reasonably. Should the Trustee, acting reasonably, determine at any time and from time to time that the form and nature of the then existing Security Documents is deficient in any way or does not fully provide the Trustee and the Holders of the Notes with the Liens and priority to which each is entitled hereunder, the Issuer will forthwith execute and deliver or cause to be executed and delivered to the Trustee, at the Issuer's expense, such amendments to the Security Documents or provide such new security as the Trustee may reasonably request. Each Holder authorizes and directs the Trustee on his behalf to enter into the Intercreditor Agreement and appoints the Trustee his attorney-in-fact for any and all such purposes, and each Holder authorizes and directs the Trustee (in its capacity as Collateral Agent) on its behalf to take such action as may be necessary or appropriate to acknowledge, approve and execute the Security Documents, in the form presented to the Trustee by the Corporation and the Lenders (provided that such Security Documents shall be substantially the same as the Lenders' corresponding security, subject to the terms of the Intercreditor Agreement), and appoints the Trustee (in its capacity as Collateral Agent) as its attorney-in-fact for any and all such purposes. All Holders shall share in the benefit of the security interests granted under the Security.

14.3 After-Acquired Property

All property acquired by or on behalf of the Issuer or a Restricted Subsidiary after the date of execution of the Security Documents which forms part of the property of the Issuer or any Restricted Subsidiary (hereinafter collectively referred to as "**After-Acquired Property**"), will be subject to the charges and security interests of the Debentures, without any further conveyance, mortgage, pledge, charge, assignment or other act on the part of such parties. Without limiting the effect of the preceding sentence, the Issuer and each Restricted Subsidiary will from time to time execute and deliver, or cause to be executed and delivered, and the Trustee will register or cause to be registered, all at the Issuer's expense, such instruments supplemental to the Security Documents, as may be necessary or desirable to ensure that the Security Documents as amended and supplemented constitutes in favour of the Collateral Agent for the benefit of the Holders of the Notes an effective fixed and floating charge or security interest over such After-Acquired Property as required hereunder, subject only to the Priority Lien and other Permitted Liens which under applicable Law rank in priority thereto.

14.4 Undertaking to Grant Additional Fixed Charge Security

If the Priority Lien Collateral Agent requests, in accordance with the Intercreditor Agreement, that the Issuer grant, or cause to be granted, to the Priority Lien Collateral Agent for the benefit of the Priority Lien Collateral Agent and/or the Priority Lien Secured Parties, additional fixed charges ("**Priority Additional Fixed Charges**") to any charges already contained in a debenture granted as security for the Priority Lien Obligations over such of the Issuer's and each Restricted Subsidiary's property as the Priority Lien Collateral Agent, in its sole discretion, determines ("**Fixed Charge Property**") as security for all then present and future Priority Lien Obligations, then concurrently with the granting of such Priority Additional Fixed Charges, the Issuer shall grant or cause to be granted, to the Collateral Agent for the benefit of the Holders of the Notes, additional fixed charges to any charges already contained in a Debenture (subject only to the Priority Lien and other Permitted Liens which under applicable law rank in priority thereto) over the Fixed Charge Property. In this connection, the Issuer will, or will cause the Restricted Subsidiaries to:

- (a) provide the Trustee with such information as is reasonably required by the Trustee to identify the Fixed Charge Property to be charged pursuant to this Section 14.4;
- (b) do all such things as are reasonably required to grant in favour of the Collateral Agent on behalf of the Holders of the Notes a fixed Lien (subject only to the Priority Lien and other Permitted Liens which under applicable law rank in priority thereto) in respect of such additional property to be so charged pursuant to this Section 14.4;
- (c) provide the Trustee with all corporate or partnership, as applicable, resolutions and other action, as reasonably required, for the Issuer or a Restricted Subsidiary to grant to the Collateral Agent on behalf of the Holders of the Notes a fixed Lien (subject only to the Priority Lien and other Permitted Liens which under applicable law rank in priority thereto) in the property identified by the Trustee to be so charged;
- (d) provide the Trustee with such security instruments, legal opinions and other documents which the Trustee, acting reasonably, deems are necessary to give full force and effect to this Section 14.4;
- (e) subject to Section 14.5, assist the Trustee in the registration or recording of such agreements and instruments in such public registry offices in Canada or any province thereof as the Trustee, acting reasonably, deems necessary to give full force and effect to this Section 14.4; and
- (f) pay all costs and expenses incurred by the Trustee in connection with the preparation, execution and registration of all agreements, documents and instruments, including any amendments to the Security Documents, made in connection with this Section 14.4.

14.5 Registration of Security

The Issuer will file, re-file (if so required, from time to time) and register the Security Documents, in the same offices where the Priority Lien Collateral Agent registers (in offices in Canada or any province thereof) security documents granted to secure the Priority Lien Obligations, in order to protect, perfect and preserve the Liens created thereby, and will promptly provide the Collateral Agent with evidence (satisfactory to the Collateral Agent, acting reasonably) of such filing, registration and deposit after the making thereof.

14.6 Discharge of Security

The Trustee and the Collateral Agent will discharge the Security Documents at the Issuer's expense forthwith after all of the Priority Lien Obligations have been unconditionally and irrevocably paid or satisfied in full or as required by the Intercreditor Agreement.

ARTICLE 15 RESTRICTED SUBSIDIARY GUARANTEES

15.1 Issuance of additional Debentures and Restricted Subsidiary Guarantees

If on any date (a) the Issuer or any of its Restricted Subsidiaries acquires or creates another Restricted Subsidiary after the Issue Date or (b) the Issuer designates an Unrestricted Subsidiary as a Restricted Subsidiary in accordance with Section 6.7 then (in the case of each of the foregoing clauses (a) and (b)) such Subsidiary will not more than 10 Business Days after such date (i) become a Guarantor, (ii) execute and deliver a Debenture in an amount equal to the greatest amount of any other Debenture outstanding, a pledge of such Debenture, a customary supplemental indenture pursuant to which it shall become a Guarantor and grant a Restricted Subsidiary Guarantee and such other security, assignments (including assignments of book debts) and other documents as the Trustee requires, acting reasonably, and (iii) deliver to the Trustee an Opinion of Counsel that such supplemental indenture, Debenture, pledge of such Debenture and Guarantee has been duly authorized, executed and delivered by such Guarantor and constitutes a legal, valid, binding and enforceable obligation of such Guarantor. Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of this Indenture (provided, however, that such Guarantor may later be released from its Debenture, pledge of such Debenture and/or from its Restricted Subsidiary Guarantee as set forth in this Section 15.1).

15.2 Release of Debenture and pledge granted by Restricted Subsidiary and Restricted Subsidiary Guarantee

- (a) The Debenture, the pledge of such Debenture and the Restricted Subsidiary Guarantee of a Guarantor will be automatically and unconditionally released and discharged, without any further action required upon the part of the Trustee or any Holder, upon the occurrence of any of the following:
 - (i) in the event of a sale or other disposition of the Capital Stock of such Guarantor such that it ceases to be a Restricted Subsidiary to the extent that such sale or other disposition is permitted under this Indenture;

- (ii) if the Issuer designates such Guarantor as an Unrestricted Subsidiary in accordance with Section 6.7; or
 - (iii) upon payment in full in cash of the principal of, accrued and unpaid interest and Premium (if any) on the Notes.
- (b) Concurrently with the satisfaction or defeasance of Notes under Article 8, or the release and discharge of this Indenture under Article 8, the Guarantors shall be released from all their Obligations under their applicable Debentures, pledges of any such Debentures, general assignment of book debts and Restricted Subsidiary Guarantees.
- (c) The Trustee shall, if so requested by the Issuer, deliver such releases, documents and instruments to the Issuer as the Issuer may request to evidence the termination of the applicable Debenture, pledge of such Debenture and/or Restricted Subsidiary Guarantee in accordance with this Section 15.2, upon receipt by the Trustee of an Officers' Certificate certifying that the conditions to release of the applicable Debenture and/or Restricted Subsidiary Guarantee pursuant to this Section 15.2 or otherwise pursuant to this Indenture have been met.

15.3 Application

The provisions of the guarantee in this Article 15 shall apply to each Guarantor as at the Initial Issue Date, and to each Guarantor that is required to issue a Restricted Subsidiary Guarantee pursuant to Section 15.1, and shall not apply in any other circumstance. Each Affiliate that is required pursuant to Section 15.1 to issue a Restricted Subsidiary Guarantee shall satisfy such requirement by executing a Supplemental Indenture pursuant to which it shall become bound by the guarantee in this Article 15.

15.4 Guarantees

- (a) Each Guarantor and, by its acceptance hereof, the Trustee (in its individual capacity and on behalf of each Holder), and each Holder, hereby confirms that it is the intention of all such parties that the guarantee by such Guarantor pursuant to its Restricted Subsidiary Guarantee not constitute a fraudulent transfer or conveyance for purposes of any Bankruptcy Law, the *Fraudulent Conveyances Act* (Ontario), or other Canadian or United States federal, provincial or state law or the provisions of its local law relating to fraudulent transfer or conveyance. To effectuate the foregoing intention, the Trustee (in its individual capacity and on behalf of each Holder), the Holders, and each Guarantor hereby irrevocably agree that the Obligations of such Guarantor under its Restricted Subsidiary Guarantee shall be limited to the maximum amount as shall, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the Obligations of such other Guarantor under its Restricted Subsidiary Guarantee, result in the Obligations of such Guarantor under its Restricted

Subsidiary Guarantee not constituting a fraudulent conveyance or fraudulent transfer under any such federal, provincial or state law.

- (b) Each Guarantor hereby, jointly and severally, fully, absolutely, unconditionally and irrevocably guarantees, to each Holder, and to the Trustee in its individual capacity and on behalf of each Holder, the punctual payment and performance when due of all present and future Indenture Obligations (which for purposes of this Restricted Subsidiary Guarantee shall be deemed to include (to the extent not otherwise included), all commissions, fees, charges, costs, and other expenses (including reasonable legal fees and disbursements of Counsel on a solicitor-client full indemnity basis) arising out of or incurred by the Trustee or the Holders in connection with the enforcement of any Restricted Subsidiary Guarantee) other than its own Obligations under the Indenture, and agrees to indemnify and hold harmless each Holder and the Trustee from all losses, damages, costs, expenses and liabilities suffered or incurred by the Holders and the Trustee resulting or arising from or relating to any failure by the Issuer to unconditionally and irrevocably pay in full or fully perform its Indenture Obligations as and when due; provided that the amount of such indemnification shall not exceed the amount of such Indenture Obligations. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Indenture Obligations and would be owed by the Issuer to such Holder or the Trustee under the Notes or this Indenture but for the fact that they are unenforceable, reduced, limited, suspended or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Issuer. Notwithstanding any other provision contained in this Article 15, with respect to the Guarantors incorporated, formed or established in Canada or any province or territory thereof (the "**Canadian Guarantors**"), if a "secured creditor" (as that term is defined under the *Bankruptcy and Insolvency Act* (Canada)) is determined by a court of competent jurisdiction not to include a Person to whom Obligations are owed on a joint or joint and several basis, then the Obligations of each Canadian Guarantor under this Article 15, to the extent such Obligations are secured, only shall be several Obligations and not joint or joint and several Obligations.

15.5 Guarantee Absolute

Each Guarantor guarantees that the Notes shall be paid or performed strictly in accordance with the terms of the Notes and this Indenture, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Holder with respect thereto. The Obligations of each Guarantor under its Restricted Subsidiary Guarantee are independent of the Obligations of the Issuer or any other Guarantor, and a separate action or actions may be brought and prosecuted against such Guarantor to enforce its Restricted Subsidiary Guarantee, irrespective of whether any action is brought against the Issuer or any other Guarantor or whether the Issuer or any other Guarantor is joined in any such action or actions. The liability of each Guarantor under its Restricted Subsidiary Guarantee shall be absolute and unconditional and the liability and Obligations of such Guarantor hereunder shall not be released, discharged, mitigated, waived, impaired or affected in whole or in part by:

- (a) any lack of validity or enforceability of this Indenture or the Notes with respect to the Issuer or any Guarantor or any agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Indenture Obligations, or any other amendment or waiver of or any consent to departure from this Indenture, including any increase in the Indenture Obligations resulting from the extension of additional credit to the Issuer or otherwise;
- (c) the failure to give notice to the Guarantor of the occurrence of a Default or Event of Default under the provisions of this Indenture or the Notes;
- (d) any taking, release or amendment or waiver of or consent to departure from any other guarantee, for all or any of the Indenture Obligations;
- (e) any failure, omission, delay by or inability on the part of the Trustee or the Holders to assert or exercise any right, power or remedy conferred on the Trustee or the Holders in this Indenture or the Notes;
- (f) any change in the corporate structure, or termination, dissolution, amalgamation, consolidation or merger of the Issuer or any Guarantor with or into any other Person, the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets of the Issuer or any Guarantor, the marshalling of the assets and liabilities of the Issuer or any Guarantor, the receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with the creditors, or readjustment of, or other similar proceedings affecting the Issuer or any Guarantor, or any of the assets of any of them;
- (g) the assignment of any right, title or interest of the Trustee or any Holder in this Indenture or the Notes to any other Person;
- (h) any other event or circumstance (including any statute of limitations), whether foreseen or unforeseen and whether similar or dissimilar to any of the foregoing, that might otherwise constitute a defence available to, or a discharge of, the Issuer or a Guarantor, other than payment in full of the Indenture Obligations; it being the intent of each Guarantor that its Obligations hereunder shall not be discharged except by indefeasible payment and performance of all of the Indenture Obligations;
- (i) any dealing whatsoever with the Issuer, any other Guarantor or other Person or any Parity Liens, or any failure to do so;
- (j) the Parity Lien Secured Parties accepting compromises from the Issuer or any other Guarantor; or

- (k) the Parity Lien Secured Parties or any of them taking or abstaining from taking Parity Liens from the Issuer, any Guarantor, or any other Person or abstaining from completing, perfecting or maintaining the perfection of any Parity Liens.

The Restricted Subsidiary Guarantee of each Guarantor shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Indenture Obligations is rescinded or must otherwise be returned by any Holder or the Trustee upon the insolvency, bankruptcy or reorganization of the Issuer or otherwise, all as though such payment had not been made. Each Guarantor further agrees, to the fullest extent that it may lawfully do so, that, as between such Guarantor, on the one hand, and the Holders and the Trustee, on the other hand: (i) the maturity of the Indenture Obligations guaranteed hereby may be accelerated as provided in Article 7 of this Indenture for the purposes of this Restricted Subsidiary Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Indenture Obligations guaranteed hereby; and (ii) in the event of any acceleration of such Indenture Obligations as provided in Article 7, such Indenture Obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantor for the purpose of this Restricted Subsidiary Guarantee.

15.6 Waivers

- (a) Each Guarantor hereby expressly waives (to the extent permitted by applicable law) notice of the acceptance of its Restricted Subsidiary Guarantee and notice of the existence, renewal, extension or the non-performance, non-payment, or non-observance on the part of the Issuer of any of the terms, covenants, conditions and provisions of this Indenture or the Notes or any other notice whatsoever to or upon the Issuer or such Guarantor with respect to the Indenture Obligations. Each Guarantor hereby acknowledges communication to it of the terms of this Indenture and the Notes and all of the provisions herein and therein contained and consents to and approves the same. Each Guarantor hereby expressly waives (to the extent permitted by law) diligence, presentment and protest.
- (b) Without prejudice to any of the rights or recourse which the Trustee or the Holders may have against the Issuer, each Guarantor hereby expressly waives (to the extent permitted by law) any right to require the Trustee or the Holders to:
 - (i) initiate or exhaust any rights, remedies or recourse against the Issuer, any Guarantor or any other Person;
 - (ii) value, realize upon, or dispose of any security of the Issuer or any other Person held by the Trustee or the Holders; or
 - (iii) initiate or exhaust any other remedy which the Trustee or the Holders may have in law or equity, before requiring, becoming entitled to or demanding payment from such Guarantor under this Restricted Subsidiary Guarantee.

15.7 Subrogation

Each Guarantor shall not exercise any rights that it may acquire by way of subrogation under this Restricted Subsidiary Guarantee, by any payment made hereunder or otherwise, until all the Indenture Obligations shall have been paid in full. If any amount shall be paid to any Guarantor on account of any such subrogation rights at any time when all the Indenture Obligations shall not have been paid in full, such amount shall be held in trust for the benefit of the Holders and the Trustee and shall forthwith be paid to the Trustee, on behalf of the Holders, to be credited and applied to the Indenture Obligations, whether matured or unmatured.

15.8 No Waiver; Remedies

No failure on the part of any Holder or the Trustee to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

15.9 Continuing Guarantee; No Right of Set-Off; Independent Obligation

- (a) This Restricted Subsidiary Guarantee is a continuing guarantee of the payment and performance of all of Indenture Obligations and, subject to Section 15.2 shall remain in full force and effect until the indefeasible payment in full of all of Indenture Obligations and shall apply to and secure any ultimate balance due or remaining unpaid to the Trustee or the Holders under this Indenture or the Notes; and this Restricted Subsidiary Guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or from time to time of any sum of money for the time being due or remaining unpaid to the Trustee or the Holders.
- (b) Each Guarantor hereby guarantees that the Indenture Obligations shall be paid to the Trustee without set off or counterclaim or other reduction whatsoever (whether for taxes, withholding or otherwise) in lawful currency of Canada.
- (c) Each Guarantor guarantees that the Indenture Obligations shall be paid strictly in accordance with their terms regardless of any lack of validity or enforceability of any of such terms or the rights of the Holders with respect thereto.
- (d) Each Guarantor's liability to pay or perform or cause the performance of the Indenture Obligations under this Restricted Subsidiary Guarantee shall arise forthwith after demand for payment or performance by the Trustee has been given to such Guarantor in the manner prescribed in this Indenture.

15.10 Guarantors May Consolidate, Etc., on Certain Terms

Nothing contained in this Indenture or in any of the Notes shall prevent any amalgamation, consolidation, or merger of a Guarantor with or into the Issuer or another Guarantor or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an

entirety to the Issuer or another Guarantor, which amalgamation, consolidation, merger, sale, or conveyance is otherwise not prohibited by this Indenture.

15.11 Severability

In case any provision of this Restricted Subsidiary Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

ARTICLE 16 MISCELLANEOUS

16.1 No personal liability of directors, officers, employees and shareholders

No past, present or future director, officer, employee, incorporator or shareholder of the Issuer or any Guarantor or any of their Affiliates, as such, will have any liability for any obligations of the Issuer or any Guarantor under the Notes, this Indenture, the Debentures or the Restricted Subsidiary Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting such Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of Notes.

16.2 Copies of Indenture

Any Holder may obtain a copy of this Indenture without charge by writing to Manito Energy Inc., Suite 2600, 585 – 8th Avenue S.W., Calgary, Alberta T2P 1G1, Attention: Chief Financial Officer.

16.3 Securities Exchange Commission Certification.

The Issuer confirms that as at the date of execution of this agreement it does not have a class of securities registered pursuant to Section 12 of the US Securities and Exchange Act of 1934, as amended (the "US Exchange Act") or have a reporting obligation pursuant to Section 15(d) of the US Exchange Act. The Issuer covenants that in the event that (i) any class of its securities shall become registered pursuant to Section 12 of the US Exchange Act or the Issuer shall incur a reporting obligation pursuant to Section 15(d) of the US Exchange Act, or (ii) any such registration or reporting obligation shall be terminated by the Issuer in accordance with the US Exchange Act, the Issuer shall promptly deliver to the Trustee an Officer's Certificate (in a form provided by the Trustee) notifying the Trustee of such registration or termination and such other information as the Trustee may require at the time. The Issuer acknowledges that the Trustee is relying upon the foregoing representation and covenants in order to meet certain SEC obligations with respect to those clients who are filing with the SEC.

16.4 Payments for Consents

Neither the Issuer nor any of its Restricted Subsidiaries shall, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee, or otherwise, to or for the benefit of any Holder for or as an inducement to any consent, waiver, or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or is paid

to all Holders that consent, waive, or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver, or amendment.

ARTICLE 17
EXECUTION AND FORMAL DATE

17.1 Execution

This Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. Delivery of an executed signature page to this Indenture by any party hereto by facsimile transmission or PDF shall be as effective as delivery of a manually executed copy of this Indenture by such party.

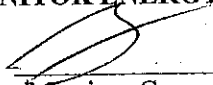
17.2 Formal Date

For the purpose of convenience, this Indenture may be referred to as bearing the formal date of the 27th day of October, 2016 irrespective of the actual date of execution hereof.

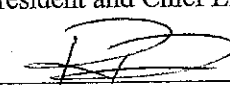
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IN WITNESS whereof the parties hereto have executed these presents under their respective corporate seals and the hands of their proper officers in that behalf.

ISSUER:
MANITOK ENERGY INC.

By: 

Massimo Geremia
President and Chief Executive Officer

By: 

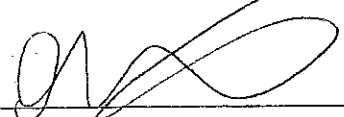
Robert Dion
Vice President, Finance and Chief
Financial Officer

[EXECUTION PAGE FOR MANITOK TRUST INDENTURE]

RESTRICTED SUBSIDIARY GUARANTOR

RAIMOUNT OIL AND GAS INC.

By: _____


Name: Gregory Peterson
Title: Director

By: _____

Name:
Title:

[EXECUTION PAGE FOR MANITOK TRUST INDENTURE]

TRUSTEE:

**COMPUTERSHARE TRUST COMPANY OF
CANADA**

By: *Beatriz Fedozzi*

Name: BEATRIZ FEDOZZI
Title: CORPORATE TRUST OFFICER

By: *Shannon Grover*

Name: SHANNON GROVER
Title: CORPORATE TRUST OFFICER

[EXECUTION PAGE FOR MANITOK TRUST INDENTURE]

APPENDIX "A"
FORM OF GLOBAL NOTE

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREIN REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS NOTE MAY NOT BE TRANSFERRED TO OR EXCHANGED FOR NOTES REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF AND NO SUCH TRANSFER MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE. EVERY NOTE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS NOTE SHALL BE A GLOBAL NOTE SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. ("CDS") TO MANITOK ENERGY INC. (THE "ISSUER") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THIS NOTE AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE.

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") WITHIN THE MEANING OF SECTION 1273 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. A HOLDER MAY OBTAIN THE ISSUE PRICE, ISSUE DATE, YIELD TO MATURITY AND AMOUNT OF OID ON THIS NOTE BY SUBMITTING A WRITTEN REQUEST FOR SUCH INFORMATION TO MANITOK ENERGY INC., SUITE 2600, 585 - 8TH AVENUE S.W., CALGARY, ALBERTA T2P 1G1, ATTENTION: CHIEF FINANCIAL OFFICER.

CUSIP ●

No. ●

\$●

MANITOK ENERGY INC.

(A company governed by the laws of the Province of Alberta)

10.5% SENIOR SECURED NOTE DUE 2021

MANITOK ENERGY INC. (the "Issuer") for value received hereby acknowledges itself indebted and, subject to the provisions of the trust indenture dated as of October 27, 2016 (the "Indenture")

between the Issuer and Computershare Trust Company of Canada (the "**Trustee**"), promises to pay to the registered holder hereof on November 15, 2021 (the "**Maturity Date**") or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture the principal sum of ● (\$●) in lawful money of Canada on presentation and surrender of this Note (the "**Note**") at the main branch of the Trustee in Calgary, Alberta, in accordance with the terms of the Indenture and, subject as hereinafter provided, to pay interest on the principal amount hereof (i) from and including the date hereof, or (ii) from and including the last Interest Payment Date to which interest shall have been paid or made available for payment hereon, whichever shall be the later, in all cases, to and excluding the next Interest Payment Date, at the rate of 10.5% per annum, in like money, calculated and payable quarterly in arrears in equal installments on the 15th day of the month immediately subsequent to the relevant record date, commencing on February 15, 2017 and the last payment (representing interest payable from the last Interest Payment Date to, but excluding, the Maturity date) to fall due on the Maturity date and, should the Issuer at any time make default in the payment of any principal or interest, to pay interest on the amount in default at the same rate, in like money and on the same dates. The Issuer will make such interest payment to the holders of record on the immediately preceding February 1, May 1, August 1 and November 1.

Interest on this Note will be computed on the basis of a year of 365 days or 366 days, as applicable, based on the actual number of days elapsed and will accrue from day to day.

If the date for payment of any amount of principal, Applicable Premium or interest is not a Business Day at the place of payment, then payment will be made on the next Business Day and the holder hereof will not be entitled to any further interest on such principal, or to any interest on such interest, Applicable Premium or other amount so payable, in respect of the period from the date for payment to such next Business Day.

Interest hereon shall be payable by cheque mailed by prepaid ordinary mail or by electronic transfer of funds to the registered holder hereof and, subject to the provisions of the Indenture, the mailing of such cheque or the electronic transfer of such funds shall, to the extent of the sum represented thereby (plus the amount of any Taxes withheld), satisfy and discharge all liability for interest on this Note.

This Note is one of the Notes of the Issuer issued under the provisions of the Indenture. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which this Note is to be issued and held and the rights and remedies of the Holder of this Note, of the Issuer and of the Trustee, all to the same effect as if the provisions of the Indenture were herein set forth, to all of which provisions the Holder of this Note, by acceptance hereof, assents. In the event that there is any inconsistency between the provisions of the Indenture and the provisions hereof, the provisions of the Indenture shall govern.

Notes are issuable only in denominations of \$100 and integral multiples thereof. Upon compliance with the provisions of the Indenture, Notes of any denomination may be exchanged for an equal aggregate principal amount of Notes in any other authorized denomination or denominations.

The indebtedness evidenced by this Note is a direct senior secured obligation of the Issuer.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

This Note may be redeemed at the option of the Issuer on the terms and conditions set out in the Indenture at the Redemption Price therein. The right is reserved to the Issuer to purchase Notes (including this Note) for cancellation in accordance with the provisions of the Indenture.

Upon the occurrence of a Change of Control Triggering Event of the Issuer, the Issuer will be required to repurchase a Holder's Notes, in whole or in part, at a purchase price in cash equal to not less than 101% of the principal amount of such Notes, plus accrued and unpaid interest, if any, to the date of purchase.

The Indenture contains provisions making binding upon all Holders of the Notes outstanding thereunder resolutions passed at meetings of such Holders held in accordance with such provisions and instruments in writing signed by the Holders of a specified majority of Notes outstanding, which resolutions or instruments may have the effect of amending the terms of this Note or the Indenture.

This Note may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Trustee in the City of Calgary and in such other place or places and/or by such other Registrars (if any) as the Issuer with the approval of the Trustee may designate. No transfer of this Note shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their attorney duly appointed by an instrument in form and substance satisfactory to the Trustee or other Registrar, and upon compliance with such reasonable requirements as the Trustee and/or other Registrar may prescribe and upon surrender of this Note for cancellation. Thereupon a new Note or Notes in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Note shall not become obligatory for any purpose until it shall have been certified by the Trustee under the Indenture.

This Note and the Indenture are governed by, and are to be construed and enforced in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

Capitalized words or expressions used in this Note shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

IN WITNESS WHEREOF MANITOK ENERGY INC. has caused this Note to be signed by its authorized representatives as of the 27th day of October, 2016.

MANITOK ENERGY INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

(FORM OF TRUSTEE'S CERTIFICATE)

This Note is one of the 10.5% Senior Secured Notes due 2021 referred to in the Indenture within mentioned.

COMPUTERSHARE TRUST COMPANY OF CANADA

By: _____
(Authorized Officer)

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Trustee or other Registrar)

Date of Registration	In Whose Name Registered	Signature of Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____, whose address and social insurance number, if applicable are set forth below, this Note (or \$ _____ principal amount hereof*) of MANITOK ENERGY INC. standing in the name(s) of the undersigned in the register maintained by the Issuer with respect to such Note and does hereby irrevocably authorize and direct the Trustee to transfer such Note in such register, with full power of substitution in the premises.

Dated: _____

Address of Transferee: _____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: _____

*If less than the full principal amount of the within Note is to be transferred, indicate in the space provided the principal amount (which must be \$100 or an integral multiple thereof,) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of the Note in every particular without alteration or any change whatsoever. The signature(s) must be guaranteed by a Canadian chartered bank of trust company or by a member of an acceptable Medallion Guarantee Program. Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED".
2. The registered holder of this Note is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Note.

Signature of Guarantor:

Authorized Officer

Signature of transferring registered holder

Name of Institution

APPENDIX "B"
FORM OF DEBENTURE

(see attached)

SCHEDULE "A"
TO THE TRUST INDENTURE

FORM OF RELEASE

RELEASE OF RESTRICTED SUBSIDIARY GUARANTEE

THIS RELEASE (the "**Release**") dated as of ●, among Manitok Energy Inc. (the "**Issuer**"), ● (the "**Guaranteeing Subsidiary**"), and Computershare Trust Company of Canada, as trustee under the Indenture referred to below (the "**Trustee**").

WITNESSETH:

WHEREAS the Issuer has heretofore executed and delivered to the Trustee an indenture (as amended, restated, supplemented and replaced from time to time, the "**Indenture**") dated as of October 27, 2016 providing for the issuance from time to time by the Issuer of Notes;

AND WHEREAS, the Guaranteeing Subsidiary has entered into the Indenture, or pursuant to Section 15.1 of the Indenture, the Guaranteeing Subsidiary has heretofore executed and delivered to the Trustee a Supplemental Indenture dated ● under which the Guaranteeing Subsidiary guaranteed all of the Issuer's Indenture Obligations (the "**Restricted Subsidiary Guarantee**");

AND WHEREAS, the Guaranteeing Subsidiary has entered into the Indenture or, pursuant to Section 15.2 of the Indenture, the Trustee is required to execute such releases, documents and instruments as the Issuer or the Guaranteeing Subsidiary may request to evidence the termination of the Restricted Subsidiary Guarantee with respect to the Guaranteeing Subsidiary if the conditions to release of the Restricted Subsidiary Guarantee in Section 15.2 of the Indenture or otherwise pursuant to the Indenture are met, without further obligation by the Guaranteeing Subsidiary;

AND WHEREAS the conditions to release of the Restricted Subsidiary Guarantee in respect of the Guaranteeing Subsidiary in Section 15.2 of the Indenture have been met.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Trustee (on its own behalf and on behalf of the Holders from time to time), the Guaranteeing Subsidiary and the Issuer mutually covenant and agree as follows:

1. **Capitalized Terms.** Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.
2. **Release of Guaranteeing Subsidiary.** The Guaranteeing Subsidiary is hereby fully and irrevocably released from its liabilities and obligations under the Restricted Subsidiary Guarantee effective as of the date hereof.
3. **Governing Law.** This Release shall be construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and shall be treated in all respects as an Alberta contract.

4. **Counterparts.** This Release may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. Delivery of an executed signature page to this Release by any party hereto by facsimile transmission or PDF shall be as effective as delivery of a manually executed copy of this Release by such party.
5. **Effect of Headings.** The section headings herein are for convenience only and shall not affect the construction hereof.
6. **The Trustee.** The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Release.

IN WITNESS WHEREOF, the parties hereto have caused this Release to be duly executed and attested, all as of the date first above written.

Dated: ●

[GUARANTEEING SUBSIDIARY]

MANITOK ENERGY INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

By: _____

Name:

Title:

By: _____

Name:

Title:

**COMPUTERSHARE TRUST COMPANY
OF CANADA, as Trustee**

By: _____

Name:

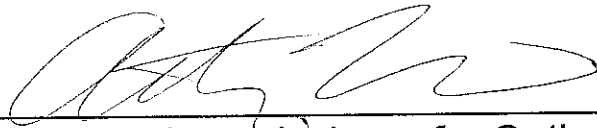
Title:

By: _____

Name:

Title:

THIS IS EXHIBIT "G" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

INTERCREDITOR AGREEMENT

This Intercreditor Agreement, dated as of October 27, 2016, is entered into by and among (i) National Bank of Canada (for so long as it is the sole lender under the Bank Facility (as hereinafter defined) and its successors, replacements and/or assigns (if any) in the capacity of either sole lender under the Bank Facility, or, if at any time there shall be multiple Bank Lenders, administrative or collateral agent, as applicable, under the Bank Facility (as hereinafter defined) and for any other holders of Priority Lien Obligations (as hereinafter defined) (including successors, replacements and/or assigns constituting agents, receivers, receivers and managers, and monitors, and their respective successors, replacements and/or assigns), in such capacity, the "*Priority Lien Collateral Agent*"), (ii) Computershare Trust Company of Canada, not individually but solely in its capacity as the collateral agent for the Parity Lien Secured Parties (as hereinafter defined) (in such capacity, the "*Parity Lien Collateral Agent*"), (iii) the Credit Parties, as hereinafter defined, and (iv) Computershare Trust Company of Canada, as trustee under the Indenture (as hereinafter defined) (in such capacity, and including any permitted successors or assigns, the "*Trustee*").

WITNESSETH:

WHEREAS, Manitok Energy Inc., a corporation formed under the laws of Alberta (the "*Issuer*"), has entered into an amended and restated offering letter loan agreement dated as of October 27, 2016 (as further amended, restated, supplemented, renewed or otherwise modified from time to time, together with any other agreements pursuant to which any of the indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, the "*Bank Facility*") with the Priority Lien Collateral Agent, the Bank Lenders (as hereinafter defined) and the other agents and arrangers from time to time party thereto, pursuant to which, among other things, the Bank Lenders have made loans and provided other extensions of credit to the Issuer;

WHEREAS, Raimont Oil and Gas Inc., the Issuer, the Trustee and the Parity Lien Collateral Agent have entered into that certain indenture dated as of even date herewith (as such agreement may be amended, restated, supplemented, renewed or otherwise modified from time to time, together with any other agreements pursuant to which any of the indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, the "*Indenture*"), pursuant to which, among other things, the Issuer has issued Notes (as hereinafter defined) to the Note Holders (as hereinafter defined);

WHEREAS, the Issuer and certain Subsidiaries of the Issuer (whether now or hereafter existing) may become a party to Parity Lien Documents (as hereinafter defined) governing future Parity Lien Obligations; and

WHEREAS, it is (a) a requirement under the Bank Facility and (b) a requirement under the Indenture that the parties set forth their agreement as to certain of their respective rights and obligations with respect to certain assets and properties of the Credit Parties;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions

1.1. Definitions

As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Affiliate" of any specified Person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control", as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling", "controlled by" and "under common control with" have correlative meanings.

"Agents" shall mean, collectively, the Priority Lien Collateral Agent and the Parity Lien Collateral Agent.

"Agreement" shall mean this Intercreditor Agreement, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

"Asserted Indemnification Claim" shall mean any matters or circumstances for which notice has been furnished to, or demand has been made upon or asserted against, the applicable Agent or any Secured Party, in writing, that such Agent has determined could reasonably be expected to result in direct or actual damages and/or expenses to such Agent or such Secured Party and which are subject to indemnification by the Credit Parties pursuant to the terms of the Bank Documents.

"Attributable Debt" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including during any period for which such lease has been extended), calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; provided, however, that if such Sale/Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation".

"Bank Documents" shall mean, collectively, the Bank Facility, Hedge Agreements governing Hedging Obligations included in Lenders' Debt, agreements

governing Cash Management Obligations included in Lenders' Debt, and the credit agreements, indentures or other agreements governing any other Credit Facility, Hedging Obligations or Cash Management Obligations pursuant to which any other Priority Lien Debt is incurred and in each case all related guarantees and all other agreements, instruments and other documents governing, securing or related to any Priority Lien Obligations (including, without limitation, this Agreement and the other Security Documents).

"*Bank Facility*" shall have the meaning set forth in the recitals to this Agreement.

"*Bank Guarantee*" of a Person means a guarantee by such Person of (i) any Indebtedness or other obligations owing under the Bank Facility, (ii) any Cash Management Obligations or Hedging Obligations owing to a Priority Lien Secured Party or (iii) any combination of the foregoing clauses (i) and (ii).

"*Bank Lenders*" shall mean, collectively, the lenders from time to time under the Bank Facility and any other Persons who extend credit to the Credit Parties under the Bank Documents, including the Lender.

"*Bank Secured Obligors*" shall mean each of the Issuer and each other Person which hereafter incurs any obligations under or with respect to the Bank Facility, as a borrower thereunder or a guarantor thereof, and grants a Priority Lien on any of its property or assets.

"*Bankruptcy Law*" shall mean any of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "*BIA*"), the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "*CCAA*") and the *Winding-Up and Restructuring Act*, R.S.C. 1985, c. W-11, or any similar federal, provincial, territorial or foreign applicable corporate law or law for the relief of debtors or any arrangement, reorganization, insolvency, moratorium, assignment for the benefit of creditors, any other marshalling of the assets and liabilities of any Credit Party or any similar law relating to or affecting the enforcement of creditors' rights generally and including without limitation the arrangement and reorganization provisions of the *Canada Business Corporations Act* or the *Business Corporations Act* (Alberta).

"*Business Day*" shall mean a day other than a Saturday, Sunday or other day on which banking institutions in the Provinces of Ontario or Alberta are authorized or required by law to close.

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be classified and accounted for as a financing lease or capitalized lease obligation on a balance sheet in accordance with GAAP. Notwithstanding the foregoing, any lease (whether entered into before or after December 31, 2015) that would have been classified as an operating lease pursuant to GAAP as in effect on December 31, 2015 shall be deemed not to be a capital lease or a financing lease.

"Cash Management Arrangements" means arrangements entered into by the Issuer or any Guarantor with a Cash Manager for or in respect of cash management services for the Issuer or any Guarantor consisting of automated clearing house transactions, controlled disbursement and payroll services, treasury, depository, overdraft and electronic funds transfer services, foreign exchange facilities, currency exchange transactions or agreements and options with respect thereto, credit card processing services, credit or debit cards, purchase cards and any indemnity given in connection with any of the foregoing.

"Cash Management Obligations" means Obligations in respect of Cash Management Arrangements.

"Cash Manager" means any financial institution which is the provider of Cash Management Arrangements to the Issuer or any Guarantor and its successors in such capacity.

"Collateral" shall mean all of the property, assets and undertakings of any Credit Party, whether real, personal or mixed, constituting both Priority Lien Collateral and Parity Lien Collateral.

"Collateral Documents" shall mean, collectively, the Priority Lien Collateral Documents and the Parity Lien Collateral Documents.

"Collateral Enforcement Action" shall mean any exercise of any rights or remedies against the Collateral (including, without limitation, set-off, recoupment, enforcement, collection, execution, levy or foreclosure action or other disposition or realization action or proceeding with respect to the Collateral) or the petition for or commencement of any court or other proceedings for the purpose of exercising any such rights or remedies (including (A) any such proceedings to appoint a trustee in bankruptcy, Receiver, liquidator, custodian, sequestrator or other similar official for or in respect of, or with control over, any Collateral, or (B) CCAA proceedings commenced by or on behalf of the Credit Parties that, in the opinion of the Priority Lien Collateral Agent, will result in a sale of all or a material portion of the Collateral) whether or not pursuant to any Bankruptcy Law.

"Commodity Hedging Contracts" means any transaction, arrangement or agreement entered into between a Person (or any of its Restricted Subsidiaries) and a counterparty on a case by case basis, including any commodity futures contract, a commodity option, a commodity swap or forward sale or other similar commodity related transaction, the purpose of which is intended to mitigate, manage or reduce its exposure to fluctuations in commodity prices, transportation or basis costs or differentials or other similar factors but excluding contracts settled by physical delivery of the commodity that are settled within 60 days of the date of any such contract.

"Court-Ordered Charges" shall mean all charges granted by order of any court pursuant to any Bankruptcy Law to secure the payment of fees and expenses of professionals retained by the Credit Parties as debtors or applicants or the fees and

expenses of any Receiver or Monitor appointed by the court in such proceedings or the fees and expenses of such Monitor's or Receiver's counsel or any other liabilities.

"Credit Facilities" means one or more credit or debt facilities (including, without limitation, under the Bank Facility), commercial paper facilities or Debt Issuances, in each case with banks, investment banks, insurance companies, mutual or other institutional lenders or investors providing for, among other things, revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or letter of credit guarantees or Debt Issuances, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Credit Parties" shall mean, collectively, the Issuer and any Guarantor.

"Currency Agreement" means any financial arrangement entered into between a Person (or its Restricted Subsidiaries) and a counterparty on a case by case basis in connection with a foreign exchange futures contract, currency swap agreement, currency option or currency exchange or other similar currency related transaction, the purpose of which is intended to mitigate, manage or reduce its exposure to fluctuations in exchange rates and currency values but excluding any Cash Management Arrangements.

"Debt Issuances" means, with respect to the Issuer or any Restricted Subsidiary of the Issuer, one or more issuances after the date hereof of Indebtedness evidenced by notes Issued under the Indenture, debentures, bonds or other similar securities or instruments.

"Discharge of Priority Lien Obligations" means the occurrence of all of the following:

- (a) termination of all commitments to extend credit that would constitute Priority Lien Debt;
- (b) payment in full in cash of the principal of and interest, fees and premium (if any) on all Priority Lien Debt (other than any undrawn letters of credit);
- (c) discharge or cash collateralization (in the amount required under the terms of the applicable Priority Lien Collateral Document) of all outstanding letters of credit and bankers' acceptances constituting Priority Lien Debt; and
- (d) payment in full in cash of all other Priority Lien Obligations that are outstanding and unpaid at the time the Priority Lien Debt is paid in full in cash (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities in respect of which no claim or demand for payment has been made by the Bank Lenders at such time).

"Dollars," "dollars", and "\$" each mean Canadian dollars.

"GAAP" shall mean generally accepted accounting principles in effect in Canada from time to time consistently applied, which for greater certainty shall include International Financial Reporting Standards.

"Governmental Authority" means any nation or government, any state, province, territory or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

"Guarantor" means any person who is a guarantor of (a) any Priority Lien Obligations pursuant to the Bank Documents or (b) any Parity Lien Obligations pursuant to the Parity Lien Documents.

"Hedge Agreements" means Currency Agreements, Interest Rate Agreements and Commodity Hedging Contracts.

"Hedging Obligations" means, with respect to any specified Person, all net payment obligations of such Person under all Hedge Agreements.

"Hedge Provider" means any Person that enters into a Hedge Agreement with the Issuer or any Guarantor.

"Indebtedness" means with respect to any specified Person, whether or not contingent (but without duplication):

- (a) all indebtedness of such Person in respect of borrowed money;
- (b) all obligations of such Person evidenced by bonds, notes, debentures or similar instruments;
- (c) all obligations of such Person in respect of banker's acceptances, and all reimbursement obligations of such Person in respect of letters of credit securing financial accommodation;
- (d) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale/Leaseback Transactions entered into by such Person;
- (e) all obligations of such Person representing the balance deferred and unpaid of the purchase price of any property that would be included on a balance sheet as a liability in accordance with GAAP, except any such balance that constitutes an accrued expense or trade payable;
- (f) all net payment obligations of such Person under Hedging Obligations;

(g) all obligations of such Person under an agreement or arrangement that in substance provides financing pursuant to the factoring of accounts receivable; and

(h) all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, a guarantee by the specified Person of any Indebtedness of any other Person, the amount of such obligation being deemed to be the lesser of the fair market value of such asset and the amount of the obligation so secured;

provided that Indebtedness with respect to any specified Person shall not include:

(a) trade payables and accrued liabilities incurred in the ordinary course of business;

(b) deferred tax obligations;

(c) minority interests;

(d) uncapitalized interest;

(e) in connection with a purchase by the Issuer or any Restricted Subsidiary of any business or assets, any post-closing payment adjustment to which the seller may become entitled to the extent such adjustment is determined by a final closing balance sheet or such adjustment depends on the performance of such business or assets after the closing; *provided*, however, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 45 days thereafter; and

(f) pension fund obligations or rehabilitation obligations that are classified as "indebtedness" under GAAP but that would not otherwise constitute Indebtedness under clauses (a) through (h) in the first paragraph of the definition thereof.

The amount of any Indebtedness issued at a price that is less than the principal amount thereof shall be the accreted value of such Indebtedness.

"*Indenture*" shall have the meaning set forth in the recitals to this Agreement.

"*Insolvency or Liquidation Proceeding*" shall mean a bankruptcy, insolvency, receivership, liquidation, winding up, reorganization or similar proceeding.

"*Intercreditor Agreement Supplement*" has the meaning set forth in Section 8.6.

"*Interest Rate Agreements*" means any financial arrangement entered into between a Person (or its Restricted Subsidiaries) and a counterparty on a case by case basis in connection with interest rate swap transactions, interest rate options, cap transactions, floor transactions or collar transactions and other similar interest rate protection related

transactions, the purpose of which is intended to mitigate, manage or reduce its exposure to fluctuations in interest rates.

"Issuer" shall have the meaning set forth in the recitals to this Agreement.

"Lender Cash Manager" means a Cash Manager which provides Cash Management Arrangements to the Issuer or a Guarantor that are permitted by each applicable Secured Debt Document and which, at the time of entering into the agreement(s) governing such Cash Management Arrangements, is a Bank Lender or an Affiliate thereof.

"Lender" means National Bank of Canada, as the current lender under the Bank Facility to the Issuer or any Guarantor, and its successors and permitted assigns in such capacity.

"Lenders' Debt" means: (1) all Obligations incurred or owing from time to time under the Bank Facility; (2) all Obligations incurred or owing from time to time to any and all Lender Hedge Providers under any Hedge Agreements entered when such Lender Hedge Provider is a Lender Hedge Provider; and (3) all Cash Management Obligations incurred or owing from time to time to any and all Lender Cash Managers.

"Lender Hedge Provider" means a Hedge Provider which enters into a Hedge Agreement with the Issuer or a Guarantor that is permitted (or not prohibited, as applicable) by each applicable Secured Debt Document and which, at the time of entering into such Hedge Agreement, is a Bank Lender or an Affiliate thereof.

"Lien" shall mean any mortgage, lien (statutory or otherwise), pledge, charge, security interest or encumbrance upon or with respect to any property of any kind, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement. Notwithstanding the foregoing, any lease that would have been an operating lease (as determined in accordance with GAAP in effect on December 31, 2015) shall be deemed to not constitute a Lien.

"Monitor" means any monitor appointed by a court in any proceedings in respect of any Credit Party under the CCAA.

"Note Documents" shall mean the Indenture, the Notes, the Note Guarantees, this Agreement (and related Security Documents), each Parity Debt Sharing Confirmation, and all other agreements related to the Indenture, the Notes and the Note Guarantees, excluding, for greater certainty, any Hedging Agreements.

"Note Guarantee" of a Person means a guarantee by such Person of any Indebtedness or other obligations under the Notes or the Indenture.

"Note Holder" means each registered holder of Notes.

"Notes" means (i) the "Notes" (as such term is defined in the Indenture as in effect on the date hereof) issued under the Indenture on the date of the Indenture (and including any Notes issued in replacement thereof), in an initial aggregate principal amount

of \$21,207,100 and (ii) any "Additional Notes" (as such term is defined in the Indenture as in effect on the date hereof) issued under the Indenture by the Issuer, to the extent such issuance of Additional Notes is not, at the time of such issuance, prohibited by the Indenture, the Bank Facility, any other Bank Documents or any Parity Lien Document.

"*Obligations*" means with respect to any Indebtedness of any Person (collectively, without duplication):

(a) all debt, financial liabilities and obligations of such Person of whatsoever nature and howsoever evidenced (including principal, interest, fees, reimbursement obligations, cash cover obligations, penalties, indemnities and legal and other expenses, whether due after acceleration or otherwise) to the providers or holders of such Indebtedness or to any agent, trustee or other representative of such providers or holders of such Indebtedness under or pursuant to each agreement, document or instrument evidencing, securing, guaranteeing or relating to such Indebtedness, financial liabilities or obligations relating to such Indebtedness (including Secured Debt Documents applicable to such Indebtedness (if any)), in each case, direct or indirect, primary or secondary, fixed or contingent, now or hereafter arising out of or relating to any such agreement, document or instrument;

(b) any and all sums advanced by the Parity Lien Collateral Agent or any other Person in order to preserve the Collateral or any other collateral securing such Indebtedness or to preserve the Liens and security interests in the Collateral or any other collateral, securing such Indebtedness; and

(c) the costs and expenses of collection and enforcement of the obligations referred to in clauses (a) and (b), including:

(i) the costs and expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on any Collateral or any other collateral;

(ii) the costs and expenses of any exercise by the Parity Lien Collateral Agent or any other Person of its rights under the Security Documents or any other security documents; and

(iii) reasonable legal fees and court costs.

"*Officer's Certificate*" means a certificate signed by any executive officer or vice-president, or the Corporate Secretary, of the Issuer.

"*Parity Debt Representative*" means:

(a) in the case of the Notes and the related debentures and Note Guarantees, the Trustee; or

(b) in the case of any other Series of Parity Lien Debt, the trustee, agent or representative of the holders of such Series of Parity Lien Debt which is appointed as a

Parity Debt Representative (for purposes related to the administration of the Security Documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Parity Lien Debt, and which has become a party to this Agreement.

"Parity Debt Sharing Confirmation" means, as to any Series of Parity Lien Debt, the written agreement of the holders (or the Parity Debt Representative on behalf of such holders) of that Series of Parity Lien Debt, as set forth in the Indenture or other agreement governing that Series of Parity Lien Debt, for the benefit of all holders of each other existing and future Series of Parity Lien Debt and each existing and future Parity Debt Representative, that all Parity Lien Obligations will be and are secured equally and ratably by all Liens at any time granted by the Issuer or any Guarantor to secure any Obligations in respect of such Series of Parity Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Parity Lien Collateral Agent for the benefit of all holders of Parity Lien Obligations equally and ratably, and that the holders of Obligations in respect of such Series of Parity Lien Debt are bound by the provisions of this Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Parity Lien Collateral Agent to perform its obligations under this Agreement.

"Parity Lien Collateral" shall mean all of the assets of the Credit Parties, whether real, personal or mixed, with respect to which a Lien is granted or purported to be granted as security for any Parity Lien Obligation.

"Parity Lien Collateral Agent" shall include, in addition to the Parity Lien Collateral Agent referred to in the preamble hereto, any successors and assigns thereto or any acting Parity Lien Collateral Agent as permitted under the Parity Lien Documents.

"Parity Lien Collateral Documents" shall mean, collectively, the Security Documents and all other security agreements, pledge agreements, mortgages, and other documents (including guarantees), in each case to the extent giving rise to Liens securing Parity Lien Obligations and executed and/or delivered by the Credit Parties.

"Parity Lien Debt" means:

(a) the Notes and the related debentures and Note Guarantees issued under and on the date of the Indenture; and

(b) any other Indebtedness (including Additional Notes (as defined under the Indenture as in effect on the date hereof) and any guarantees thereof) of the Issuer or a Restricted Subsidiary that is secured equally and ratably with the Notes by a Lien that was permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and so secured at the date of incurrence.

"Parity Lien Documents" shall mean, collectively, the Note Documents and any indenture or agreement governing Permitted Additional Pari Passu Obligations and in each case all related guarantees and all other agreements, instruments and other documents governing, securing or relating to any Parity Lien Obligations (including, without limitation, this Agreement and the other Security Documents).

"Parity Lien Obligations" shall mean Parity Lien Debt and all other Obligations in respect thereof.

"Parity Liens" shall mean all Liens granted by a Security Document upon any property of the Issuer or any Guarantor to secure Parity Lien Obligations.

"Parity Lien Secured Parties" shall mean, collectively, the Parity Lien Collateral Agent, the Trustee, each Note Holder, and each other holder of Parity Lien Obligations.

"Parity Standstill Period" shall mean the period commencing (a) on the date of the Priority Lien Collateral Agent's receipt of written notice from the Parity Lien Collateral Agent certifying that (x) the Parity Lien Obligations have been accelerated and (y) such written notice commences the Parity Standstill Period under this Agreement and (b) ending on the date which is 180 days thereafter.

"Permitted Additional Pari Passu Obligations" means any Parity Lien Obligations other than those arising pursuant to (i) the Notes issued under the Indenture on the date of the Indenture or (ii) the Note Guarantees thereof.

"Person" means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, public benefit corporation, other entity or government (whether federal, state, provincial, county, city, municipal, local, foreign, or otherwise, including any instrumentality, division, agency, body or department thereof).

"Post-Petition Financing" shall mean any financing obtained by any Credit Party during any Insolvency or Liquidation Proceeding pursuant to any Bankruptcy Law, including any such financing obtained by any Credit Party under Section 364 of the Bankruptcy Code, Section 11.2 of the CCAA or Section 50.6 of the BIA or consisting of any arrangement for use of cash collateral held in respect of any Priority Lien Obligation under the provisions of any Bankruptcy Law.

"PPSA" means the *Personal Property Security Act* (Alberta) and the Regulations thereunder, as from time to time in effect; *provided, however*, if attachment, perfection or priority of the Priority Lien Collateral Agent's or the Parity Lien Collateral Agent's security interests in any Collateral are governed by the personal property security laws of any jurisdiction other than Alberta, PPSA shall mean those personal property security laws in such other jurisdiction for the purposes of the provisions hereof relating to such attachment, perfection or priority and for the definitions related to such provisions.

"Priority Debt Representative" means:

(a) in the case of Lenders' Debt, the Priority Lien Collateral Agent and which is or has become a party to this Agreement;

(b) in the case of Hedging Obligations or Cash Management Obligations which are not Lenders' Debt, the financial institution or other counterparty which is owed

such Hedging Obligations or Cash Management Obligations and which has become a party to this Agreement; and

(c) in the case of any other Series of Priority Lien Debt, the trustee, agent or representative of the holders of such Series of Priority Lien Debt which is appointed as a Priority Debt Representative for such holders (for purposes related to the administration of the Security Documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Priority Lien Debt, and who has become a party to this Agreement.

"Priority Debt Sharing Confirmation" means, as to any Series of Priority Lien Debt, the written agreement of the holders of such Series of Priority Lien Debt (or the Priority Debt Representative on behalf of such holders), as set forth in the agreement governing such Series of Priority Lien Debt, for the benefit of all holders of each other existing and future Series of Priority Lien Debt and each existing and future Priority Debt Representative, that all Priority Lien Obligations will be and are secured equally and rateably by all Liens at any time granted by the Issuer or any Guarantor to secure any Obligations in respect of such Series of Priority Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Collateral Agent for the benefit of all holders of Priority Lien Obligations equally and rateably, and that the holders of Obligations in respect of such Series of Priority Lien Debt are bound by the provisions in this Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Collateral Agent to perform its obligations under this Agreement.

"Priority Lien Collateral" shall mean all of the assets of the Credit Parties, whether real, personal or mixed, with respect to which a Lien is granted or purported to be granted as security for any Priority Lien Obligation.

"Priority Lien Collateral Agent" shall include, in addition to the Priority Lien Collateral Agent referred to in the preamble hereto, any successors and assigns thereto or any acting Priority Lien Collateral Agent as permitted under the Bank Facility.

"Priority Lien Collateral Documents" shall mean all security agreements, guarantees, pledge agreements, mortgages and other documents, instruments and agreements, in each case, to the extent giving rise to Liens that secure the Priority Lien Obligations, including all Security to the extent giving rise to Liens that secure the Priority Lien Obligations.

"Priority Lien Documents" means, collectively, the Bank Facility, Hedge Agreements governing Hedging Obligations included in Lenders' Debt, agreements governing Cash Management Obligations included in Lenders' Debt, and the credit agreements, indentures or other agreements governing any other Credit Facility, Hedging Obligations or Cash Management Obligations pursuant to which any other Priority Lien Debt is incurred and in each case all related guarantees and all other agreements, instruments and other documents governing, securing or related to any Priority Lien

Obligations (including, without limitation, this Agreement and the other Security Documents).

"Priority Lien Debt" means:

(a) Indebtedness under the Bank Facility and any guarantees thereof that, in each case, was permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and secured by a Lien on assets ranking prior to any Parity Lien on such assets at the date of incurrence;

(b) Hedging Obligations included in Lenders' Debt and any guarantees thereof that, in each case, were permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and secured by a Lien on assets ranking prior to any Parity Lien on such assets at the date of incurrence;

(c) Cash Management Obligations included in Lenders' Debt and any guarantees thereof; and

(d) Indebtedness under any other Credit Facility, Hedge Agreement, Cash Management Arrangements and any guarantees thereof of the Issuer or any Guarantor that is secured equally and rateably with the Bank Facility by a Lien that was permitted (or not prohibited, as applicable) under each applicable Secured Debt Document to be incurred and so secured; provided, in the case of each issue or series of Indebtedness referred to in this clause, that:

(i) on or before the date on which such Indebtedness is incurred by the Issuer or any Guarantor, such Indebtedness is designated by the Issuer, in an Officers' Certificate delivered to the Collateral Agent, as "Priority Lien Debt" for the purposes of the Secured Debt Documents; provided, that no Obligation or Indebtedness may be designated as both Priority Lien Debt and Parity Lien Debt;

(ii) such Indebtedness is governed by a credit agreement, an indenture or other agreement that includes a Priority Debt Sharing Confirmation; and

(iii) all requirements set forth in this Agreement as to the confirmation, grant or perfection of the Priority Lien Collateral Agent's Lien to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (d) will be conclusively established if the Issuer delivers to the Parity Lien Collateral Agent an Officer's Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is "Priority Lien Debt").

"Priority Lien Obligations" shall mean the Priority Lien Debt and all other Obligations in respect thereof.

"Priority Lien Secured Parties" shall mean, collectively, the Priority Lien Collateral Agent, all Bank Lenders, all Affiliates of the Bank Lenders or the Priority Lien

Collateral Agent who hold any Priority Lien Obligations and each other holder of Priority Lien Obligations.

"Priority Liens" shall mean all Liens granted, for the benefit of the Priority Lien Secured Parties, upon any property of the Issuer or any Guarantor to secure Priority Lien Obligations.

"Purchase Date" has the meaning set forth in Section 8.7(a).

"Purchase Notice" has the meaning set forth in Section 8.7(a).

"Purchase Option Event" has the meaning set forth in Section 8.7(a).

"Purchasing Creditors" has the meaning set forth in Section 8.7(a).

"Receiver" means a receiver, a manager, a receiver and manager or an interim receiver, whether appointed privately or by court order.

"Recovery" has the meaning set forth in Section 5.3(c).

"Restricted Subsidiary" has the meaning set forth in the Indenture as in effect on the date hereof.

"Sale/Leaseback Transaction" means an arrangement relating to property owned by the Issuer or a Restricted Subsidiary on the date hereof by the Issuer or a Restricted Subsidiary whereby the Issuer or a Restricted Subsidiary transfers such property to a Person and the Issuer or a Restricted Subsidiary then leases it from such Person.

"Secured Claims" shall mean, collectively, the Priority Lien Obligations and the Parity Lien Obligations.

"Secured Debt Documents" means the Priority Lien Documents and the Parity Lien Documents.

"Secured Parties" shall mean, collectively, the Priority Lien Secured Parties and the Parity Lien Secured Parties.

"Security" means the documents described under the heading "Security" on page 9 of the Bank Facility as in effect on the date hereof and any other documents including, without limitation, any document giving rise to any additional security granted pursuant to the Bank Facility, which may be given to or held by the agent under the Bank Facility or the Lenders from time to time to secure repayment of any or all of the Indebtedness (as defined under the Bank Facility as in effect on the date hereof) including, without limitation, the Financial Instruments (as defined under the Bank Facility as in effect on the date hereof), as such documents may be supplemented, amended or replaced from time to time.

"*Security Documents*" means this Agreement and one or more security agreements, debentures, pledge agreements, collateral assignments, mortgages, collateral agency agreements, control agreements, deeds of trust or other grants or transfers for security executed and delivered by the Issuer and each Guarantor creating (or purporting to create) a Lien upon Collateral in favour of the Parity Lien Collateral Agent, for the benefit of the secured parties, and each other document or instrument entered into in furtherance of the foregoing, in each case, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time in accordance with its terms.

"*Series of Parity Lien Debt*" means, severally, (i) the Notes and the related debentures and Restricted Subsidiary guarantees and (ii) each other issue or series of Parity Lien Debt for which a single transfer register is maintained.

"*Series of Priority Lien Debt*" means, severally, each issue or series of Priority Lien Debt for which a single transfer register is maintained, and for purposes hereof, (a) Hedging Obligations and Cash Management Obligations included in Lenders' Debt will be treated as, and deemed to be a part of, the same Series of Priority Lien Debt as the other Lenders' Debt and (b) all Credit Facilities under the same credit agreement will be deemed to be the same Series of Priority Lien Debt.

"*STA*" means the *Securities Transfer Act, 2006* (Alberta), provided that, to the extent that perfection or the effect of perfection or non-perfection or the priority of any Lien on Collateral that is "Investment Property" (as defined in the PPSA) is governed by the laws in effect in any province or territory of Canada other than Alberta in which there is in force legislation substantially the same as the *Securities Transfer Act, 2006* (Alberta) (an "*Other STA Province*"), then "*STA*" shall mean such other legislation as in effect from time to time in such Other STA Province for purposes of the provisions hereof referring to or incorporating by reference provisions of the STA; and to the extent that such perfection or the effect of perfection or non-perfection or the priority of any Lien created hereunder on the Collateral is governed by the laws of a jurisdiction other than Alberta or an Other STA Province, then references herein to the STA shall be disregarded except for the terms "*Certificated Security*" and "*Uncertificated Security*", which shall have the meanings herein as defined in the *Securities Transfer Act, 2006* (Alberta) regardless of whether the STA is in force in the applicable jurisdiction.

"*Subsidiary*" has the meaning given to such term in the Indenture as in effect on the date hereof.

"*Trustee*" shall have the meaning set forth in the recitals to this Agreement.

"*Unrestricted Subsidiary*" has the meaning set forth in the Indenture as in effect on the date hereof.

1.2. *Certain Other Terms*

(a) The terms "*herein*," "*hereof*," "*hereto*" and "*hereunder*" and similar terms refer to this Agreement as a whole and not to any particular Article, Section, subsection or clause in this Agreement.

(b) References herein to an Annex, Schedule, Article, Section, subsection or clause, unless specifically stated otherwise, refer to the appropriate Annex or Schedule to, or Article, Section, subsection or clause in this Agreement.

(c) Where the context requires, provisions relating to any collateral, when used in relation to any Credit Party, shall refer to such Credit Party's collateral or any relevant part thereof.

(d) Any reference in this Agreement to a Bank Document or any Parity Lien Document shall include all appendices, exhibits and schedules thereto, and, unless specifically stated otherwise herein, all amendments, restatements, supplements or other modifications thereto, and as the same may be in effect at any time such reference becomes operative.

(e) The term "*including*" means "*including, without limitation*" except when used in the computation of time periods.

(f) To the extent the described asset is owned by a Credit Party, the terms describing such asset have the meanings given to them in the PPSA and/or the STA, as applicable, unless otherwise defined herein.

(g) References in this Agreement to any statute shall be to such statute as amended or modified and in effect from time to time.

Section 2. *Priority of Liens*

2.1. *Lien Subordination.* Until the Discharge of Priority Lien Obligations, notwithstanding the time, order or method of creation, attachment or perfection of any Priority Lien Obligations, Priority Liens, Parity Lien Obligations or Parity Liens, and notwithstanding any provisions of the PPSA, or of any other applicable law or decision, or of the documents governing the Priority Lien Obligations, the Indenture, the Notes, the Collateral Documents or any agreement governing Permitted Additional Pari Passu Obligations to the contrary, and irrespective of whether any holder of any Priority Lien Obligation or any holder of any Parity Lien Obligation holds "possession" or "control" (within the meaning of the PPSA and/or the STA as applicable) of any Collateral, or of any failure, defect or deficiency or alleged failure, defect or deficiency in any of the foregoing or of any avoidance, invalidation or subordination thereof by any third party or court of competent jurisdiction, the Priority Lien Collateral Agent, on behalf of each Priority Lien Secured Party, and the Parity Lien Collateral Agent, on behalf of each applicable Parity Lien Secured Party, hereby agrees that:

(a) the Priority Liens in respect of the Collateral securing the Priority Lien Obligations, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, shall be and shall remain senior and prior in all respects to any Parity Lien in respect of the Collateral securing the Parity Lien Obligations, and

(b) the Parity Liens in respect of the Collateral securing the Parity Lien Obligations, regardless of how acquired, whether by grant, statute, operation of applicable

law, subrogation or otherwise, shall be junior and subordinate in all respects to the Priority Liens in respect of the Collateral securing the Priority Lien Obligations.

2.2. *Prohibition on Contesting Liens and Claims.*

(a) Each Agent, on behalf of the applicable Secured Parties, agrees that it shall not, and hereby waives any right to, contest, or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the priority, validity, perfection or enforceability of any Lien on any Collateral held by the other Agent or any Secured Claims held by the other Agent and the other Secured Parties; provided that nothing in this Section 2.2(a) will impair the rights of any Secured Party to enforce this Agreement, including the priority of the Liens securing the applicable Secured Claims established hereby or the provisions for exercise of remedies set forth herein.

(b) Prior to the Discharge of Priority Lien Obligations, to the fullest extent permitted by law, the Parity Lien Collateral Agent, on behalf of the Parity Lien Secured Parties, agrees that it shall not, and hereby waives any right to, demand, request, plead or otherwise assert or claim the benefit of any marshalling, appraisal, valuation or other similar right which it may have under applicable law or any other similar rights a junior creditor may have under applicable law in respect of the Collateral or the Priority Liens on the Collateral.

(c) This Section 2.2 is intended solely for the purpose of defining the relative rights of (i) the Priority Lien Collateral Agent and the Priority Lien Secured Parties on the one hand and (ii) the Parity Lien Collateral Agent and the Parity Lien Secured Parties on the other hand, and is not intended to impair, as between (a) the Credit Parties on the one hand and (b) any Agent and its respective Secured Parties on the other hand, the effect of any covenants or other provisions of any Bank Document or any Parity Lien Document, as the case may be.

2.3. *Separate Liens.*

(a) Each of the parties hereto acknowledges and agrees that (i) the grants of Liens in respect of the Collateral pursuant to the Collateral Documents constitute separate and distinct grants of Liens and (ii) because of, among other things, their differing rights in the Collateral, the Priority Lien Obligations and the Parity Lien Obligations in respect of the Collateral are fundamentally different from each other and the Priority Lien Secured Parties and the Parity Lien Secured Parties do not share a common interest.

(b) To further effectuate the intent of the parties as provided in Section 2.3(a) above, if it is held that, in respect of the Collateral, the Priority Lien Obligations and the Parity Lien Obligations constitute only one secured claim (rather than separate classes of secured claims), then all distributions from the Collateral shall be made in accordance with Section 4.1 and as if there were separate classes of secured claims against the Credit Parties in respect of the Collateral (with the effect that, to the extent that the aggregate value of the Collateral is sufficient (for this purpose ignoring all claims held by the Parity Lien Secured Parties), the Priority Lien Secured Parties shall be entitled to receive payment

in full of the Priority Lien Obligations (including all amounts owing in respect of post-petition and post-filing interest on account of the Priority Lien Obligations whether or not allowed or allowable in an Insolvency or Liquidation Proceeding) before any distribution is made from the Collateral in respect of the claims held by the Parity Lien Secured Parties with respect to the Collateral, with the Parity Lien Secured Parties hereby acknowledging and agreeing to turn over, subject to Section 4.1, to the Priority Lien Secured Parties amounts otherwise received or receivable by them from the Collateral to the extent necessary to effectuate the intent of this Section 2.3, even if such turnover has the effect of reducing the claim or recovery of the Parity Lien Secured Parties).

(c) The Parties agree that, after the date hereof and prior to the Discharge of Priority Lien Obligations, in no event will the Parity Debt Representatives or any Parity Lien Secured Parties have a Lien on any Collateral that is not subject and subordinate to the senior Lien of the Priority Lien Secured Parties.

2.4. *New Liens.* Subject to the other provisions of this Section 2 and Section 5, each Credit Party agrees not to grant any Lien on any of its assets, or permit any of its Subsidiaries to grant a Lien on any of its assets, in favor of any of the Priority Lien Collateral Agent or any Priority Lien Secured Party securing Priority Lien Obligations, or the Parity Lien Collateral Agent or any Parity Lien Secured Party securing Parity Lien Obligations, unless, it, or such Subsidiary, grants a similar Lien on such assets in favor of the other Agent(s) or the other Secured Parties, as the case may be, securing such other Priority Lien Obligations or Parity Lien Obligations, as the case may be, it being understood that the relative priority of such Lien shall be as set out in this Agreement. To the extent that the foregoing provisions are not complied with for any reason, the Priority Lien Collateral Agent and the Parity Lien Collateral Agent agrees that any amounts received by or distributed to any of them pursuant to or as a result of Liens granted in contravention of this Section 2.4 shall be subject to this Agreement such that proceeds thereof will be treated as proceeds of Collateral subject to Section 4 hereof. In the event that, pursuant to this Section 2.4, (a) the Priority Lien Collateral Agent or any Priority Lien Secured Party shall acquire or hold any Lien on any assets of any Credit Party and the Parity Lien Collateral Agent and the Parity Lien Secured Parties shall not have a similar Lien on such asset, the Priority Lien Collateral Agent or such Priority Lien Secured Party, as the case may be, shall be deemed, subject to Section 7, to hold such Collateral as agent or as bailee, as the case may be, for the Parity Lien Collateral Agent and the Parity Lien Secured Parties for purposes of perfecting the Lien of the Parity Lien Collateral Agent and the Parity Lien Secured Parties thereon, and (b) a Parity Lien Collateral Agent or any Parity Lien Secured Party shall acquire or hold any Lien on any assets of any Credit Party and the Priority Lien Collateral Agent and the Priority Lien Secured Parties shall not have a similar Lien on such asset, the Parity Lien Collateral Agent or such Parity Lien Secured Party, as the case may be, shall be deemed, subject to Section 7, to hold such Collateral as agent or as bailee, as the case may be, for the Priority Lien Collateral Agent and the Priority Lien Secured Parties for purposes of perfecting the Lien of the Priority Lien Collateral Agent thereon.

2.5. *Financing Change Statements.* Upon the request of the Priority Lien Collateral Agent, and at the expense of the Credit Parties, the Parity Lien Collateral Agent

shall cause to be filed such financing change statements in the Alberta Personal Property Registry and in any other registry or office in order to reflect the priorities set out in Section 2 hereof.

Section 3. Exercise of Remedies

3.1. Remedies.

(a) Prior to the Discharge of Priority Lien Obligations, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against any Credit Party, no Parity Lien Secured Party shall (or shall direct the Parity Lien Collateral Agent to):

(i) take any Collateral Enforcement Action against the Collateral or any proceeds of the Collateral; *provided* that the Parity Lien Collateral Agent may take any Collateral Enforcement Action after the expiry of any applicable Parity Standstill Period and upon providing the Priority Lien Collateral Agent with not less than ten (10) Business Days' advance written notice (which notice may be provided to the Priority Lien Collateral Agent prior to or after the expiry of the applicable Parity Standstill Period) of the Parity Lien Collateral Agent's intention to commence a Collateral Enforcement Action against the Collateral; *provided, further,* that notwithstanding anything in this Section 3.1(a) to the contrary, in no event shall the Parity Lien Collateral Agent or any Parity Lien Secured Party take any Collateral Enforcement Action if the Priority Lien Collateral Agent (1) has commenced and is diligently pursuing Collateral Enforcement Action against all or a material portion of the Collateral, or (2) is diligently attempting in good faith to vacate any stay prohibiting a Collateral Enforcement Action;

(ii) object to any Collateral Enforcement Action brought by the Priority Lien Collateral Agent or any Priority Lien Secured Party or any other exercise of any rights and remedies relating to the Collateral under the Bank Documents or otherwise by the Priority Lien Collateral Agent or any Priority Lien Secured Party; *provided* that the respective interests of the Parity Lien Secured Parties in such Collateral attach to the proceeds thereof on the same basis and to the same extent as such original Collateral, to the extent permitted by the relative priorities described in this Agreement; or

(iii) object to the forbearance by the Priority Lien Secured Parties from bringing or pursuing any Collateral Enforcement Action against the Collateral.

(b) Prior to the Discharge of Priority Lien Obligations, whether or not an Insolvency or Liquidation Proceeding has been commenced by or against any Credit Party, subject to the Parity Lien Collateral Agent's rights under Section 3.1(a), the Priority Lien Collateral Agent, on behalf of the Priority Lien Secured Parties, shall have the exclusive right to take any and all Collateral Enforcement Actions, all in such order and in such manner as the Priority Lien Collateral Agent may determine in the exercise of its sole discretion. Such Collateral Enforcement Actions shall include, without limitation, the

rights of an agent appointed by the Priority Lien Collateral Agent to sell or otherwise dispose of the Collateral upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured lender under the PPSA of any applicable jurisdiction and of a secured creditor under any Bankruptcy Law. Nothing in this Agreement modifies any rights or remedies which any Priority Lien Secured Party may have with respect to the Collateral.

(c) The Parity Lien Collateral Agent, on behalf of each applicable Parity Lien Secured Party, in respect of the Collateral (i) agrees that, subject to Section 3.1(a), neither it nor any Parity Lien Secured Party shall take any action with respect to the Collateral that would hinder any exercise of remedies undertaken by any Priority Lien Secured Party in respect of the Collateral, including any sale, lease, exchange, transfer or other disposition of the Collateral or the commencement or initiation of court or other proceedings relating to any Collateral against or with respect to any Credit Party pursuant to any Bankruptcy Law, whether by any Credit Party or any Priority Lien Secured Party, and whether by foreclosure, public or private sale, or otherwise, and (ii) subject to applicable law, hereby waives any and all rights it or (to the extent within its capacity to so waive) any Parity Lien Secured Party may have as a junior creditor to object to the manner in which any Priority Lien Secured Party may seek to enforce or collect the Priority Lien Obligations or the Priority Liens granted in the Collateral securing the Priority Lien Obligations.

3.2. *Actions Not Subject to Limitation.* Nothing in this Agreement shall be construed to in any way limit or impair the right of: (a) the Parity Lien Collateral Agent or any Parity Lien Secured Party to demand payment on, accelerate amounts due under, or file a claim, proof of claim, notice of appearance or statement of interest with respect to the Parity Lien Obligations; (b) the Parity Lien Collateral Agent or any Parity Lien Secured Party to take any action (not adverse to the priority status of the Priority Liens on the Collateral securing the Priority Lien Obligations, or the rights of Priority Lien Collateral Agent to exercise remedies in respect thereof) in order to create, prove, perfect, preserve or protect (but not enforce) its Parity Lien on the Collateral, subject to the other terms of this Agreement (including, without limitation, sending such notices of the existence of, or any evidence or confirmation of, the Parity Lien Obligations or the Liens of the Parity Lien Collateral Agent in the Collateral to any court or governmental agency, or filing or recording any such notice or evidence to the extent necessary or appropriate to prove or preserve the Liens of the Parity Lien Collateral Agent in the Collateral); (c) the Parity Lien Collateral Agent or any Parity Lien Secured Party to file any necessary or appropriate responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims or Liens of the Parity Lien Secured Parties, including, without limitation, any claims secured by the Collateral, if any, in each case not otherwise in contravention of the terms of this Agreement; (d) the Parity Lien Collateral Agent or any Parity Lien Secured Party to exercise any rights or remedies available to unsecured creditors or file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Credit Parties arising under the Parity Lien Documents, any Insolvency or Liquidation Proceeding or applicable non-bankruptcy law; or (e) the Parity Lien Collateral Agent or any Parity Lien Secured Party to vote on any plan of

reorganization, in each case in a manner and to the extent consistent with the provisions of this Agreement which, for certainty, shall prohibit any action constituting a claim to priority which is equal to or in priority to the Priority Lien Obligations and that is adverse to, or adversely affects, the Priority Lien Collateral Documents or the priority thereof or the rights or claims of the Priority Lien Creditors under this Agreement, or the Priority Lien Obligations.

3.3. *Access to Books and Records.* In the event that any Secured Party, in the exercise of its respective rights under the Bank Documents or the Parity Lien Documents, as the case may be, receives possession or control of any books and records of any Credit Party which contain information identifying or pertaining to the Collateral and which are not otherwise made available to the other Agent or other Secured Parties, such Secured Party receiving possession or control of such books and records of any Credit Party shall as promptly as practical thereafter, make such books and records available for inspection and duplication by the other Agent and other Secured Parties to the extent requested in writing by such Persons.

3.4. *Exercise of Remedies of Unsecured Creditors.* Each Parity Lien Secured Party may exercise its rights and remedies available to unsecured creditors against the Credit Parties in accordance with the terms of the Parity Lien Documents and applicable law. In the event any Parity Lien Secured Party becomes a judgment lien creditor in respect of the Collateral as a result of its enforcement of its rights as an unsecured creditor, such judgment lien shall be subordinated to the Priority Liens on the Collateral securing Priority Lien Obligations on the same basis and to the same extent as the other Parity Liens on the Collateral are subordinated under this Agreement to the Priority Liens on the Collateral securing Priority Lien Obligations.

Section 4. *Application of Payments; Subrogation; Revolving Nature of Priority Lien Obligations; Reserves.*

4.1. *Proceeds of Collateral.* Until the Discharge of Priority Lien Obligations, proceeds of Collateral realized upon any Collateral Enforcement Action after the time at which any Priority Lien Obligations or any Parity Lien Obligations have been accelerated or in connection with any Insolvency or Liquidation Proceeding with respect to any Credit Party, shall be applied as follows (unless otherwise required by law or order of a court (including any court order issued in connection with Post-Petition Financing to be provided by the Priority Lien Collateral Agent, any Bank Lender or any other Person, in each case, with the written consent of the Priority Lien Collateral Agent)):

(a) *first*, to the payment of all amounts payable under this Agreement on account of the Priority Lien Collateral Agent's fees and Parity Lien Collateral Agent's fees, respectively, and any reasonable legal fees, costs and expenses incurred by the Priority Lien Collateral Agent or the Parity Lien Collateral Agent, respectively, or any co-trustee or agent in connection with any Security Document (as defined in the Indenture as in effect on the date hereof);

(b) *second*, to the Priority Lien Obligations in accordance with the Bank Documents, including all interest accrued thereon after the commencement of any Insolvency Proceeding at the rate, including any applicable post-default rate, specified in the Priority Lien Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding and the provision of cash collateral or other credit support in an amount reasonably determined by, and on terms reasonably satisfactory to, the Priority Lien Collateral Agent to be held for the benefit of the Priority Lien Secured Parties with respect to the letter of credit obligations, Asserted Indemnification Claims and any other unmatured or contingent Priority Lien Obligation (other than unknown indemnity obligations with respect to then unknown unasserted claims);

(c) *third*, to the extent required under the Parity Lien Documents, to the Parity Lien Obligations in accordance with the Parity Lien Documents; and

(d) *fourth*, to the applicable Credit Party or its successors or assigns, or as a court of competent jurisdiction may direct or as may be required by applicable law.

4.2. *Turn Over.* Until the Discharge of Priority Lien Obligations, any receipt by a Priority Lien Secured Party or a Parity Lien Secured Party of Collateral or the proceeds thereof in violation of Section 4.1, shall be segregated and held in trust and forthwith paid over to the Priority Lien Collateral Agent or the Parity Lien Collateral Agent, as the case may be, for application in accordance with the Bank Documents or Parity Lien Documents, as the case may be, in the same form as received, with any necessary endorsements or as a court of competent jurisdiction shall otherwise direct. Each Agent is hereby authorized to make any such endorsements as agent for such other Agent or such other Secured Parties as contemplated by this Section 4.2. This authorization is coupled with an interest and is irrevocable. No Agent shall have any liability for any actions of the other Agent as a result of the use of such authorization other than in respect of its gross negligence or willful misconduct.

4.3. *Subrogation.* The Parity Lien Collateral Agent in respect of any Collateral, on behalf of each applicable Parity Lien Secured Party, hereby agrees not to assert any rights of subrogation it may acquire as a result of any payment hereunder until the Discharge of Priority Lien Obligations. Each Credit Party acknowledges and agrees that the value of any payments or distributions in cash, property or other assets received by the Parity Lien Collateral Agent or the Parity Lien Secured Parties that are paid over to the Priority Lien Collateral Agent or the Priority Lien Secured Parties pursuant to this Agreement shall not reduce any of the Parity Lien Obligations.

4.4. *Revolving Nature of Priority Lien Obligations.* The Parity Lien Collateral Agent, for and on behalf of itself and the Parity Lien Secured Parties, expressly acknowledges and agrees that (i) the Bank Facility includes a revolving commitment, that in the ordinary course of business the Priority Lien Collateral Agent and the Bank Lenders will apply payments and make advances thereunder, and that no application of any Collateral or the release of any Lien pursuant to Section 7.1 by the Priority Lien Collateral Agent upon any portion of the Collateral shall constitute a Collateral Enforcement Action under this Agreement; (ii) the amount of the Priority Lien Obligations that may be

outstanding at any time or from time to time may be increased or reduced and subsequently reborrowed, and that the terms of the Priority Lien Obligations may be modified, extended or amended from time to time, and that the aggregate amount of the Priority Lien Obligations may be increased, replaced or refinanced, in each event, without notice to or consent by the Parity Lien Secured Parties and without affecting the provisions hereof; and (iii) all Collateral received by the Priority Lien Collateral Agent may be applied, reversed, reapplied, credited, or reborrowed, in whole or in part, to the Priority Lien Obligations at any time.

Section 5. *Insolvency or Liquidation Proceedings*

5.1. *Applicability to Insolvency or Liquidation Proceeding.* This Agreement shall be applicable both before and after the commencement or initiation of any Insolvency or Liquidation Proceeding and all converted or succeeding cases or proceedings in respect thereof, and all references herein to any Credit Party shall be deemed to apply to the trustee or trustee in bankruptcy or Receiver, custodian, liquidator or any other official with similar powers under any Bankruptcy Law for such Credit Party, the estate of such Credit Party and such Credit Party as a debtor-in-possession. The relative rights of the Priority Lien Secured Parties and the Parity Lien Secured Parties in respect of the Collateral or proceeds thereof shall continue after the filing of such petition or the commencement or initiation of such proceedings on the same basis as prior to the date of such filing, commencement or initiation, subject to any court order approving the financing of, or use of cash collateral by, any Credit Party.

5.2. *Waivers.* In the event an Insolvency or Liquidation Proceeding shall be commenced by or against any Credit Party, in respect of any part of the Collateral or proceeds thereof or any Priority Lien which may exist thereon, each of the Parity Lien Secured Parties hereby agrees that such Person shall not, until the Discharge of Priority Lien Obligations (irrespective of whether the Priority Lien Obligations are scheduled to be paid in full as part of an applicable Insolvency or Liquidation Proceeding):

(a) seek any relief from, or modification of, the automatic stay with respect to the Collateral as provided in any statutory or court ordered stay of proceedings with respect to the Collateral (or any provision of any Bankruptcy Law);

(b) object to any motion seeking relief from the stay of proceedings in any Insolvency Proceeding which has been supported by the holders of Priority Lien Obligations; or

(c) challenge any claim by the Priority Lien Collateral Agent or Priority Lien Secured Parties for allowance in any Insolvency or Liquidation Proceeding of Priority Lien Obligations consisting of pre- or post-petition or pre- or post-filing interest, fees or expenses, without regard to the existence of the Lien of the Parity Lien Collateral Agent on behalf of the Note Holders (or any other Parity Lien Obligations, if any) on the Collateral.

5.3. *Post-Petition Financing.*

(a) If any Credit Party shall become subject to an Insolvency or Liquidation Proceeding and if, as a debtor-in-possession or otherwise, such Credit Party or a Receiver seeks approval of (i) financing to be provided by the Priority Lien Collateral Agent or any Bank Lender or any other Person with the written consent of the Priority Lien Collateral Agent under any Bankruptcy Law or (ii) the use of cash collateral derived from Collateral with the consent of the Priority Lien Collateral Agent under any Bankruptcy Law, each Parity Lien Secured Party agrees (x) not to object to any use of cash collateral derived from Collateral or any such financing (nor support any other Person objecting to such use of cash collateral derived from Collateral or such financing), and (y) that, without any further action by, or consent of, the Parity Lien Collateral Agent or Parity Lien Secured Party, the Parity Liens may be made subordinate to (A) any Court-Ordered Charges to secure fees and expenses of professionals retained by the Credit Parties as debtors or debtors in possession or the fees and expenses of a trustee, receiver or court-appointed monitor in such Insolvency or Liquidation Proceeding and other Court-Ordered Charges, in each case, that have been agreed upon by the Priority Lien Collateral Agent, and (B) to the Liens on Collateral securing such debtor in possession financing and all obligations relating thereto, provided that the Liens securing the Priority Lien Obligations rank junior or *pari passu* to the Liens securing the debtor in possession financing described in clause (i) above. For greater certainty, (i) the Parity Lien Collateral Agent reserves the right to object to any use of cash Collateral, Liens securing debtor in possession financing or Court-Ordered Charges that do not strictly meet the criteria set forth above and (ii) in the event that any Post-Petition Financing is then being offered by Priority Lien Collateral Agent or any Bank Lender or any other Person with the written consent of the Priority Lien Collateral Agent, then neither the Parity Lien Collateral Agent nor any other Parity Lien Secured Party may, directly or indirectly, provide for or propose, or support any Person in providing or proposing, Post-Petition Financing to any Credit Party or any of its Subsidiaries (and any such provision, offer or support with respect to such Post-Petition Financing shall be deemed to be a violation of this Section 5.3(a)).

(b) The Parity Lien Collateral Agent, on behalf the applicable Parity Lien Secured Parties, agrees that they shall not oppose, and will consent to, the release of the Parity Liens in connection with any sale or other disposition of any Collateral under Section 36 of the CCAA or Section 65.13 of the BIA or any similar provision of any Bankruptcy Law (including without limitation any such sale by a Receiver) or pursuant to any plan of reorganization, plan of compromise or arrangement or similar plan or proposal if the Priority Lien Collateral Agent has consented to such sale or disposition of such assets free and clear of the Liens (other than with respect to the proceeds of such sale or disposition) of the holders of Priority Lien Obligations, *provided* that the proceeds of such sale or disposition attach to the parties' respective Liens with the same priority as set forth in this Agreement.

(c) If any Priority Lien Secured Party is required in any Insolvency or Liquidation Proceeding, or otherwise, to turn over or otherwise pay to the estate of any Bank Secured Obligor or any other Credit Party any amount paid in respect of any of the Priority Lien Obligations (each, a "*Recovery*"), then such Priority Lien Secured Party shall

be entitled to a reinstatement of Priority Lien Obligations with respect to all such recovered amounts, and the Discharge of Priority Lien Obligations shall be deemed not to have occurred for all purposes hereunder. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto.

5.4. *Plans of Arrangement, Arrangement and Compromise or Reorganization.* Neither the Priority Lien Collateral Agent, nor any other Priority Lien Secured Party, nor the Parity Lien Collateral Agent nor any Parity Lien Secured Party may support any plan of arrangement, plan of arrangement and compromise, or plan of reorganization or proposal in any Insolvency or Liquidation Proceeding which contravenes the provisions of this Agreement or which does not contemplate and provide for the Discharge of the Priority Lien Obligations in cash (unless consented to in writing by the Priority Lien Collateral Agent or the Parity Lien Collateral Agent, as applicable, representing the holders of the Liens entitled to the benefit of such contravened provisions of this Agreement).

Section 6. *Priority Lien Collateral Agent as Agent and Bailee for Perfection*

6.1. The Priority Lien Collateral Agent agrees to (i) hold the Collateral that is in its "possession" or "control" (as defined in the PPSA, and/or the STA, as applicable) (or in the possession or control of its agents or bailees) as agent or as bailee, as the case may be, and on behalf of and for the benefit of Parity Lien Collateral Agent and (ii) be the agent of the Parity Lien Collateral Agent with respect to any deposit accounts or securities accounts that are controlled or held by it or any bailee agreements entered into by it, in each case, solely for the purpose of perfecting the security interest granted in such Collateral by possession or control pursuant to the Parity Lien Documents, subject to the terms and conditions of this Section 6. Notwithstanding any other term or condition hereof, the Priority Lien Collateral Agent shall have no obligation to the Parity Lien Collateral Agent and the Parity Lien Collateral Agent shall have no claim against any monies in any account of any Credit Party maintained at the Priority Lien Collateral Agent or any monies deposited in or disbursed from any such accounts, except to the extent of amounts deposited to such an account after the Discharge of the Priority Lien Obligations.

6.2. Prior to the Discharge of Priority Lien Obligations, (i) the Priority Lien Collateral Agent shall be entitled to deal with the Collateral in its possession or under its control in accordance with the terms of the Bank Documents as if the Lien of the Parity Lien Collateral Agent under the Parity Lien Documents did not exist (subject to the obligation of the Priority Lien Collateral Agent to comply with its obligations under this Agreement) and (ii) the rights of the Parity Lien Collateral Agent in respect of the Collateral and the proceeds thereof shall at all times be subject to the terms of this Agreement.

6.3. No Agent shall have any obligation whatsoever to the other Agents or any of such other Agent's applicable Secured Parties to ensure that the Collateral in its possession or under its control is genuine or owned by a Credit Party or to preserve the

rights or benefits of any Person except as expressly set forth in this Section 6. The duties or responsibilities of the Priority Lien Collateral Agent or the Parity Lien Collateral Agent, as the case may be, under this Section 6 shall be limited solely to holding the Collateral as agent or as bailee, as the case may be, and controlling deposit accounts and securities accounts as agent, in each case for the other Agent for purposes of perfecting the Lien thereon held by the such other Agent. The Priority Lien Collateral Agent shall not have, or be deemed to have, by reason of this Agreement or otherwise a fiduciary relationship in respect of any Parity Lien Secured Party. The Parity Lien Collateral Agent shall not have, or be deemed to have, by reason of this Agreement or otherwise a fiduciary relationship in respect of any Priority Lien Secured Party. Neither any Priority Lien Secured Party nor any of its Affiliates or their respective officers, directors, employees, agents or representatives shall be liable to any Parity Lien Secured Party for any action taken or omitted to be taken by it under or in connection with this Article 6. Neither any Parity Lien Secured Party nor any of its Affiliates or their respective officers, directors, employees, agents or representatives shall be liable to any Priority Lien Secured Party for any action taken or omitted to be taken by it under or in connection with this Article 6.

6.4. Upon the Discharge of Priority Lien Obligations, the Priority Lien Collateral Agent shall transfer the possession and control of the Collateral in its "possession" or "control", together with any necessary endorsements and releases or as a court of competent jurisdiction shall otherwise direct but without recourse, representation or warranty, to the Parity Lien Collateral Agent, at the cost and expense of the Credit Parties. Upon the Discharge of Priority Lien Obligations, the Priority Lien Collateral Agent agrees, upon the reasonable request of the Parity Lien Collateral Agent, to give reasonably prompt notice to any depository bank subject to a deposit account control agreement, blocked account or similar agreement, in each case, indicating that the Discharge of Priority Lien Obligations has occurred.

6.5. Until the Discharge of Priority Lien Obligations, the Priority Lien Collateral Agent shall have the exclusive right, subject to the rights of the Credit Parties under the Bank Facility, to settle and adjust all insurance claims compensating for the loss, damage or destruction of Collateral (including all business interruption insurance claims) and all proceeds of any such policy and any such award shall be applied in accordance with Section 4.

Section 7. *Release of Collateral*

7.1. The Parity Lien Collateral Agent shall, at any time prior to the Discharge of Priority Lien Obligations, promptly (but in any event within five (5) Business Days of receipt thereof) upon the written request of Priority Lien Collateral Agent, execute and deliver, at the Credit Parties' expense, such instruments (including such customary instruments as are prepared and provided to it by the Priority Lien Collateral Agent) as are required to release, without recourse, representation or warranty, its Liens on any Collateral, to the extent such Collateral is to be sold or otherwise disposed of either by (a) the Priority Lien Collateral Agent or its agents, or by any Credit Party with the consent of, at the direction of, the Priority Lien Collateral Agent, in connection with a Collateral Enforcement Action against the Collateral (which shall be deemed to include dispositions

of the Collateral after the occurrence of an event of default under the Bank Documents with the consent of, or at the direction of, the Priority Lien Collateral Agent), or (b) any Credit Parties in accordance with the terms of the Bank Facility (or with the consent of the requisite Priority Lien Secured Parties in accordance with the Bank Facility) and the Parity Lien Documents (or with the consent of the requisite Parity Lien Secured Parties in accordance with the Parity Lien Documents) to a Person that is not an "Issuer" or a "Guarantor" (as such terms are defined in the Indenture as in effect on the date hereof), in each case, to the extent such Liens on such Collateral securing Priority Lien Obligations are released and discharged; *provided, however*, any failure by the Parity Lien Collateral Agent to so timely execute and deliver such terminations, in any event, shall result in such Liens on such Collateral to be automatically, unconditionally and simultaneously released on the sixth (6th) Business Day following receipt of such written request but only to the extent such Liens on such Collateral securing Priority Lien Obligations are released and discharged. The release provisions of this Section 7.1 are in addition to and not in limitation of any release of the Parity Lien Collateral Agent's Liens pursuant to and as provided in Section 5.3.

7.2. Until the Discharge of Priority Lien Obligations, the Parity Lien Collateral Agent, at the expense of the Credit Parties, (a) shall promptly execute and deliver to the Priority Lien Collateral Agent or such Credit Party such termination statements, releases and other documents, in each case without recourse, representation or warranty, as reasonably requested in writing (and including such customary instruments prepared and provided to it by such requesting party) by the Priority Lien Collateral Agent or such Credit Party to effectively confirm the releases expressly provided in this Section 7 and (b) hereby authorizes the Priority Lien Collateral Agent or such Credit Party, as the case may be, to file such termination statements, releases and other documents; *provided that*, in the event that the Parity Lien Collateral Agent fails to execute and deliver such termination statements, releases and other documents, the Parity Lien Collateral Agent hereby irrevocably constitutes and appoints the Priority Lien Collateral Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of the Parity Lien Collateral Agent (and solely in its capacity as such) or in the Priority Lien Collateral Agent's own name, to execute and file such termination statements, releases and other documents, in each case without recourse, representation or warranty, as are necessary to release the Parity Lien Collateral Agent's Lien on the Collateral. The power of attorney granted in this Section 7.2 is a power coupled with an interest and is irrevocable and, for the avoidance of doubt, the Priority Lien Collateral Agent shall not have any duty to any Credit Party or any other Person to exercise such power of attorney. The Parity Lien Collateral Agent shall have no claim against the Priority Lien Collateral Agent pursuant to or in the use of such power of attorney other than for its gross negligence or willful misconduct. The Priority Lien Collateral Agent shall provide notice (which may be subsequent notice) to the Parity Lien Collateral Agent regarding any use of such power of attorney.

7.3. The provisions of this Section 7 shall not limit, impair or modify the provisions of Section 5.3(b), but rather are supplemental to such provisions.

Section 8. *Acknowledgements*

8.1. *Reliance by Priority Lien Secured Parties.* All loans and other extensions of credit made or deemed made on and after the date hereof by the Priority Lien Secured Parties to the Credit Parties shall be deemed to have been given and made in reliance upon this Agreement.

8.2. *Independent Analysis.* Each Parity Lien Secured Party (other than the Parity Lien Collateral Agent) and each Priority Lien Secured Party has, independently and without reliance on the Priority Lien Collateral Agent or any Priority Lien Secured Party or the Parity Lien Collateral Agent or any Parity Lien Secured Party, respectively, and based on documents and information deemed by it appropriate, made its own credit analysis and decision to enter into this Agreement, the Parity Lien Documents and Bank Documents, as applicable, and the transactions contemplated hereby and thereby and agrees that it will continue to make its own credit decision in taking or not taking any action under the Parity Lien Documents or the Bank Documents, as applicable, or this Agreement.

8.3. *No Warranties or Liability.* The Parity Lien Collateral Agent, on behalf of each applicable Parity Lien Secured Party, and the Priority Lien Collateral Agent, on behalf of each Priority Lien Secured Party, acknowledges and agrees that:

(a) no Priority Lien Secured Party and no Parity Lien Secured Party has made any express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any Bank Document or any Parity Lien Documents, as applicable;

(b) the Priority Lien Secured Parties will be entitled to manage and supervise their respective loans and extensions of credit to the Credit Parties as they may, in their sole discretion, deem appropriate and without regard to any rights or interests that any Parity Lien Secured Party may have in the Collateral or otherwise; and

(c) no Priority Lien Secured Party shall have any duty to any Parity Lien Secured Party and no Parity Lien Secured Party shall have any duty to any Priority Lien Secured Party to act or refrain from acting in a manner which allows, or results in, the occurrence or continuance of an event of default or default under any agreements with any Credit Party (including the Parity Lien Documents and the Bank Documents), regardless of any knowledge thereof which they may have or be charged with.

8.4. *No Waiver of Lien Priorities.*

(a) No right of any Priority Lien Secured Party or any Parity Lien Secured Party to enforce any provision of this Agreement shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Credit Party or by any act or failure to act by any Priority Lien Secured Party or by any Parity Lien Secured Party, or by any noncompliance by any Person with the terms, provisions and covenants of this Agreement, any of the Bank Documents or any of the Parity Lien Documents, regardless of any knowledge thereof which any Priority Lien Secured Party or any Parity Lien Secured Party may have or be otherwise charged with.

(b) Without in any way limiting the generality of the foregoing clause (a) (but subject to clause (c) below and the rights of, and restrictions on, the Credit Parties under the Bank Documents or the Parity Lien Documents, as the case may be, and the rights of, and restrictions on, the Priority Lien Secured Parties and Parity Lien Secured Parties, respectively, under the Bank Documents or the Parity Lien Documents), each Priority Lien Secured Party and each Parity Lien Secured Party, may, at any time and from time to time, without the consent of, or notice to, any Parity Lien Secured Party or any Priority Lien Secured Party, respectively, without incurring any liability to any Parity Lien Secured Party or any Priority Lien Secured Party, respectively, and without impairing or releasing the lien priorities and other benefits provided in this Agreement (even if any right of subrogation or remedy is affected, impaired or extinguished thereby) do any one or more of the following (it being agreed that nothing in this Section 8.4 shall be deemed to constitute the consent of any Priority Lien Secured Party or any Parity Lien Secured Party, as the case may be, in favor of any Credit Party to any of the following):

(i) make loans and advances to any Credit Party or issue, guaranty or obtain letters of credit for account of any Credit Party or otherwise extend credit to any Credit Party, in any amount and on any terms, whether pursuant to a commitment or as a discretionary advance and whether or not any default or event of default or failure of condition is then continuing;

(ii) subject to the terms of this Agreement, change the manner, place or terms of payment or change or extend the time of payment of, or renew, exchange, amend, increase or alter, the terms of any Priority Lien Obligation or any Parity Lien Obligation, as applicable, any Lien in respect of the Collateral, any guaranty of any Priority Lien Obligation or any Parity Lien Obligation, as applicable, or any liability of any Credit Party incurred directly or indirectly in respect of any of the foregoing (including any increase in or extension of the Priority Lien Obligations or any Parity Lien Obligation, as applicable, without any restriction as to the amount, tenor or terms of any such increase or extension) or otherwise amend, renew, exchange, extend, modify or supplement in any manner the Priority Lien Obligations, any Liens held by the Priority Lien Collateral Agent or the Priority Lien Secured Parties, or any of the Bank Documents or the Parity Lien Obligations, any Liens held by the Parity Lien Collateral Agent or the Parity Lien Secured Parties, or any of the Parity Lien Documents;

(iii) subject to the provisions of this Agreement, sell, exchange, release, surrender, realize upon, enforce or otherwise deal with in any manner and in any order any part of the Collateral or any liability of any Credit Party to the Priority Lien Collateral Agent or any Priority Lien Secured Party or to the Parity Lien Collateral Agent or any Parity Lien Secured Party, or any liability incurred directly or indirectly in respect thereof;

(iv) subject to the provisions of this Agreement, settle or compromise any Priority Lien Obligation or any Parity Lien Obligation or any other liability of any Credit Party or any security therefor or any liability incurred directly or indirectly in respect thereof and apply any sums by whomsoever paid and

however realized to any liability (including the Priority Lien Obligations and the Parity Lien Obligations) in any manner or order; or

(v) subject to the provisions of this Agreement, exercise or delay in or refrain from exercising any right or remedy against any security or any Credit Party or any other Person, elect any remedy and otherwise deal freely with the Credit Parties, the Collateral and any security, any guarantor or any liability of any Credit Party to any Priority Lien Secured Party, or any liability incurred directly or indirectly, in respect of the foregoing.

(c) Until the Discharge of Priority Lien Obligations occurs, without the prior written consent of the Priority Lien Collateral Agent, on behalf of the Priority Lien Secured Parties, no Parity Lien Document may be amended, restated, supplemented or otherwise modified, entered into or refinanced to the extent such amendment, restatement, supplement or modification, or the terms of such new Parity Lien Document, or such refinancing, would contravene the provisions of this Agreement; *provided, however*, that notwithstanding any to the contrary hereunder the Trustee shall be permitted hereunder to make any amendment to the Indenture without the consent of any holder of Notes in accordance with Section 12.3 of the Indenture as in effect on the date hereof.

(d) The Parity Lien Collateral Agent, on behalf of each applicable Parity Lien Secured Party, hereby waives all claims against each Priority Lien Secured Party arising out of any and all actions which any Priority Lien Secured Party may take or permit or omit to take with respect to: (i) the Bank Documents, (ii) the collection of the Priority Lien Obligations in a manner not otherwise prohibited by this Agreement, (iii) the foreclosure upon, or sale, liquidation or other disposition of, the Collateral in a manner not otherwise prohibited by this Agreement, (iv) the release of any Lien in respect of the Collateral in a manner not otherwise prohibited by this Agreement, (v) the maintenance or preservation of the Collateral, the Priority Lien Obligations or otherwise or (vi) the perfection or non-perfection of any Priority Lien.

8.5. *Obligations Unconditional.* All rights, interests, agreements and obligations hereunder of the Priority Lien Collateral Agent, the Priority Lien Secured Parties, the Parity Lien Collateral Agent and the Parity Lien Secured Parties shall remain in full force and effect regardless of:

(a) any change in the time, manner or place of payment of, or in any other terms of, all or any of the Priority Lien Obligations or Parity Lien Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of any Bank Document or any Parity Lien Document;

(b) any exchange or release of any Lien on the Collateral or any other asset, or any amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of all or any of the Priority Lien Obligations or Parity Lien Obligations or any guarantee thereof;

(c) the commencement of any Insolvency or Liquidation Proceeding in respect of any Credit Party; or

(d) any other circumstances which otherwise might constitute a defense available to, or a discharge of, (i) any Credit Party in respect of any Priority Lien Obligation or any Parity Lien Obligation or (ii) any Parity Lien Secured Party in respect of this Agreement.

8.6. *Consent of Credit Parties.* Each Credit Party hereby consents to the provisions of this Agreement and the intercreditor arrangements provided for herein and agrees that the obligations of the Credit Parties under any Bank Document, any Parity Lien Document or any other Collateral Document shall not in any way be diminished or otherwise affected by such provisions or arrangements. All references to any Credit Party shall include reference to such Credit Party as a debtor and debtor-in-possession or CCAA applicant and any trustee or trustee in bankruptcy or Receiver, custodian, liquidator or any other official with similar powers under any Bankruptcy Law for such Credit Party, and the estate of such Credit Party in any Insolvency or Liquidation Proceeding. Each Credit Party hereby agrees that, if, pursuant to the provisions of either the Bank Documents or the Parity Lien Documents, a Credit Party shall be required to cause any Subsidiary that is not a Credit Party to become a Credit Party, or if for any reason a Credit Party desires any such Subsidiary to become a Credit Party, such Subsidiary shall execute and deliver to the Priority Lien Collateral Agent and the Parity Lien Collateral Agent an Intercreditor Supplement in substantially the form of Exhibit A ("*Intercreditor Agreement Supplement*") attached hereto and shall thereafter for all purposes be a party hereto and have the same rights, benefits and obligations as a Credit Party hereto on the date first written above. Each Credit Party hereby authorizes the Priority Lien Collateral Agent and the Parity Lien Collateral Agent to share with each other any information possessed by either of them relating to the Priority Lien Obligations, the Priority Lien Documents, the Parity Lien Obligations or the Parity Lien Documents.

8.7. *Parity Lien Secured Party Purchase Option of Priority Lien Obligations.*

(a) If (i) the Priority Lien Secured Parties shall take a Collateral Enforcement Action against a material portion of the Collateral after the Priority Lien Obligations shall have been accelerated or (ii) an Insolvency or Liquidation Proceeding occurs with respect to any of the Credit Parties (each such event described in clauses (i) and (ii) above, the "*Purchase Option Event*"), the Parity Lien Collateral Agent, acting on the instructions of the holders of the Parity Lien Obligations (voting as a single class) shall have the opportunity to purchase all (but not less than all) of the Priority Lien Obligations pursuant to this Section 8.7; *provided*, that such option shall expire if the Parity Lien Collateral Agent fails to deliver a written notice (a "*Purchase Notice*") to the Priority Lien Collateral Agent within ninety (90) days following the commencement date of any Collateral Enforcement Action constituting a Purchase Option Event described in clause (i) above or of an Insolvency or Liquidation Proceeding constituting a Purchase Option Event described in clause (ii) above, which Purchase Notice shall (A) be signed by the Parity Lien Secured Parties committing to such purchase (the "*Purchasing Creditors*") and indicate the

percentage of the Priority Lien Obligations to be purchased by each Purchasing Creditor (which aggregate commitments must add up to 100% of the Priority Lien Obligations) and (B) state that (1) it is a Purchase Notice delivered pursuant to this Section 8.7 and (2) the offer contained therein is irrevocable. Upon receipt of such Purchase Notice by the Priority Lien Collateral Agent, the Purchasing Creditors shall have from the date of delivery thereof to and including the date that is ten (10) Business Days after the Purchase Notice was received by the Priority Lien Collateral Agent to purchase all (but not less than all) of the Priority Lien Obligations pursuant to this Section 8.7 (the date of such purchase, the "Purchase Date").

(b) On the Purchase Date, the Priority Lien Collateral Agent and the other Priority Lien Secured Parties shall, subject to any required approval of any Governmental Authority and any limitation in the Bank Facility, in each case then in effect, if any, sell to the Purchasing Creditors all (but not less than all) of the Priority Lien Obligations. On such Purchase Date, the Purchasing Creditors shall (i) pay to the Priority Lien Collateral Agent, for the benefit of the Priority Lien Secured Parties, as directed by the Priority Lien Collateral Agent, in immediately available funds the full amount (at par) of all Priority Lien Obligations then outstanding together with all accrued and unpaid interest, fees, costs, expenses and other amounts thereon (but excluding any prepayment fee, prepayment premium or early termination fee not then due and owing (other than as provided below) other than, for the avoidance of doubt, any default interest provided for under the Credit Agreement), all in the amounts specified by the Priority Lien Collateral Agent and determined in good faith in accordance with the applicable Bank Documents or other applicable documents and (ii) furnish cash collateral as the Priority Lien Collateral Agent reasonably determines is necessary to secure the Priority Lien Secured Parties on terms and in amounts reasonably satisfactory to the Priority Lien Collateral Agent in connection with any (x) contingent Priority Lien Obligations (including (A) Asserted Indemnification Claims and (B) for any loss, cost, damage or expense resulting from the granting of provisional credit for any checks, wire or ACH transfers that are reversed or not final or other payments provisionally credited to the Priority Lien Obligations under the Bank Facility and as to which the Priority Lien Secured Parties have not yet received final payment as of the Purchase Date) and (y) issued and outstanding letters of credit issued under the Bank Facility; *provided* that the Purchasing Creditors agree (x) to pay to the Priority Lien Collateral Agent, for the benefit of the Priority Lien Secured Parties, any prepayment fee, prepayment premium or early termination fee set forth in the Bank Documents within five (5) Business Days after receipt by the Purchasing Creditors (or any of them) of amount on account of any such prepayment fee, prepayment premium or early termination fee and (y) not to amend the terms of the Bank Documents (as in effect on the Purchase Date) in respect of any prepayment fee, prepayment premium or early termination fee after the purchase by the Purchasing Creditors of the Priority Lien Obligations. Such purchase price shall be remitted by wire transfer in immediately available funds to such bank account of the Priority Lien Collateral Agent (for the benefit of the Priority Lien Secured Parties) as the Priority Lien Collateral Agent shall have specified in writing to the Parity Lien Collateral Agent. Interest and fees shall be calculated to but excluding the Purchase Date if the amounts so paid by the Purchasing Creditors to the bank account designated by the Priority Lien Collateral Agent are received in such bank account prior to 1:00 p.m., Toronto, Ontario time, and interest shall be calculated to and including such

Purchase Date if the amounts so paid by the Purchasing Creditors to the bank account designated by the Priority Lien Collateral Agent are received in such bank account after 1:00 p.m., Toronto, Ontario time.

(c) Any purchase pursuant to the purchase option set forth in this Section 8.7 shall, except as provided below, be expressly made without representation or warranty of any kind by the Priority Lien Collateral Agent or the other Priority Lien Secured Parties as to the Priority Lien Obligations, the collateral or otherwise, and without recourse to the Priority Lien Collateral Agent and the other Priority Lien Secured Parties as to the Priority Lien Obligations, the collateral or otherwise, except that the Priority Lien Collateral Agent and each of the Priority Lien Secured Parties, as to itself only, shall represent and warrant only as to (i) the principal amount of the Priority Lien Obligations being sold by it, (ii) that such Person has not created any Lien on, or sold any participation in, any Priority Lien Obligations being sold by it, and (iii) that such Person has the right to assign the Priority Lien Obligations being assigned by it and its assignment agreement has been duly authorized by it. The Credit Parties irrevocably, by their execution of the acknowledgment hereto, authorize and consent to the Priority Lien Collateral Agent and the other Priority Lien Secured Parties assigning the Priority Lien Obligations to the Purchasing Creditors as provided in this Section 8.7.

(d) Upon the consummation of the purchase of the Priority Lien Obligations pursuant to this Section 8.7, the Priority Lien Collateral Agent (and all other agents under the Bank Facility) shall be deemed to have resigned as an "agent" or "administrative agent" or "collateral agent" (or any similar role) for the Priority Lien Secured Parties under the Bank Documents; *provided* that the Priority Lien Collateral Agent (and all other agents under the Bank Facility) shall be entitled to all of the rights and benefits of a former "agent" or "administrative agent" or "collateral agent" under the Bank Documents.

(e) Notwithstanding the foregoing purchase of the Priority Lien Obligations by the Purchasing Creditors, the Priority Lien Secured Parties shall retain all of their rights and privileges under the Bank Documents which by their express terms survive any repayment of the Priority Lien Obligations.

Section 9. *Miscellaneous*

9.1. *Consents.*

- (a) The Priority Lien Collateral Agent acknowledges and consents to:
- (i) the incurring of the Parity Lien Obligations, on and subject to the respective terms of this Agreement and the Parity Lien Documents; and
 - (ii) the granting of the Parity Liens by the Credit Parties.
- (b) The Parity Lien Collateral Agent acknowledges and consents to:

- (i) the incurring of the Priority Lien Obligations, on and subject to the respective terms of this Agreement and the Priority Lien Documents; and
- (ii) the granting of the Priority Liens by the Credit Parties.

9.2. *Assignments of Obligations.* To the extent provided in the Bank Documents or the Parity Lien Documents, as applicable, each of the Priority Lien Secured Parties and the Parity Lien Secured Parties reserves their respective rights to grant participations in, or otherwise sell, assign, transfer or negotiate all or any part of, or any interest in, the Priority Lien Obligations or the Parity Lien Obligations, as the case may be; *provided* that any successor or assignee to any Priority Lien Obligation or Parity Lien Obligation shall be bound by the terms of this Agreement.

9.3. *Conflicts.* Except as expressly provided herein, in the event of any conflict between the provisions of this Agreement and the provisions of the Parity Lien Documents or the Bank Documents, the provisions of this Agreement shall govern as between the Priority Lien Collateral Agent and the Priority Lien Secured Parties, on the one hand, and the Parity Lien Collateral Agent and the applicable Parity Lien Secured Parties, on the other hand.

9.4. *Continuing Nature.* This is a continuing agreement of lien subordination and the Priority Lien Secured Parties may continue, at any time and without notice to any Parity Lien Secured Party, to extend credit and other financial accommodations and lend monies constituting Priority Lien Obligations on the faith hereof. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding.

9.5. *Amendments; Waivers.* Subject to Sections 9.14 and 9.15 hereof, no amendment, modification or waiver of any provision of this Agreement shall be deemed to be made unless the same shall be in writing signed by the Priority Lien Collateral Agent and the Parity Lien Collateral Agent. The consent of any Credit Party shall not be required for amendments, modifications or waivers of the provisions of this Agreement, except that the Credit Parties' consent shall be required for those that affect any obligation or right of any Credit Party hereunder or that would impose any additional obligations on any Credit Party under any of this Agreement, the Bank Documents or the Parity Lien Documents. In the case of a waiver of any provision of this Agreement, such waiver shall be effective only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties in any other respect or at any other time.

9.6. *Consent to Jurisdiction; Waiver of Trial by Jury.*

(a) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Courts of the Province of Alberta, and any appellate court thereof, in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment, and

each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in Alberta. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Nothing in this Agreement shall affect any right that any party hereto may otherwise have to bring any action or proceeding relating to this Agreement in the courts of any other jurisdiction.

(b) Each of the parties hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 9.6(a). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Law, any forum non conveniens defence to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.7.

(d) Nothing contained in this Section 9.6 shall affect the right of the Priority Lien Collateral Agent, the Parity Lien Collateral Agent, any Priority Lien Secured Party or any Parity Lien Secured Party to serve process in any other manner permitted by law or commence legal proceedings or otherwise proceed against any party hereto in any other jurisdiction.

(e) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT.

9.7. *Notices.* All notices and other communications which are required or may be given pursuant to the terms of this Agreement shall be in writing and shall be sufficient and effective in all respects if given in writing or telecopied, delivered or mailed by registered or certified mail, postage prepaid to the address or addresses of the applicable party or parties set forth on Annex A attached hereto or to such other address or addresses as any party hereto shall have designated by written notice to the other parties hereto. Notices shall be deemed given and effective upon receipt by the party to whom such notice is directed.

9.8. *Governing Law.* This Agreement shall be interpreted, and the rights and liabilities of the parties bound hereby determined, in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

9.9. *Specific Performance.* Each of the Priority Lien Collateral Agent and the Priority Lien Secured Parties may demand specific performance of this Agreement. The Parity Lien Collateral Agent, on behalf of each Parity Lien Secured Party, hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Priority Lien Collateral Agent or any Priority Lien Secured Party.

9.10. *Section Titles.* The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of this Agreement.

9.11. *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same document. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed counterpart of this Agreement by telecopier, facsimile or other electronic means (including .pdf format) shall be effective as delivery of a manually executed counterpart thereof

9.12. *No Third Party Beneficiaries.* This Agreement shall be binding upon, and the rights and benefits hereof shall inure to the benefit of, the parties hereto, the Priority Lien Secured Parties, the Parity Lien Secured Parties and each of their respective permitted successors and assigns, and, subject to Sections 9.14 and 9.15, no other Person shall have or be entitled to assert rights or benefits hereunder. To the extent applicable, this Agreement shall be binding upon the Credit Parties and their respective permitted successors and assigns, and each Credit Party shall cause each of its Subsidiaries, to the extent such Subsidiary becomes or is required to become a Credit Party, to comply with the terms of this Agreement.

9.13. *No Fiduciary Duty.* The Priority Lien Collateral Agent shall not have by reason of this Agreement or any other document a fiduciary relationship in respect of the Parity Lien Collateral Agent or any Parity Lien Secured Party. The Parity Lien Collateral Agent shall not have by reason of this Agreement or any other document a fiduciary relationship in respect of the Priority Lien Collateral Agent or any Priority Lien Secured Party.

9.14. *Further Assurances.* Each of the Credit Parties and the Agents, on behalf of each applicable Secured Party, agrees that each such Person shall, at the Credit Parties' expense, take such further action and execute and deliver to the other Agent such additional documents and instruments (in recordable form, if requested), as such Agent may reasonably request to effectuate the terms of this Agreement.

9.15. *Refinancings and Replacements.*

(a) The Priority Lien Obligations and the Parity Lien Obligations may be refinanced or replaced, in whole or in part, in each case, without notice to, or the consent (except to the extent a consent is otherwise required to permit the refinancing or replacement transaction under any Bank Document or any Parity Lien Document) of any Priority Lien Secured Party or any Parity Lien Secured Party, all without affecting the Lien priorities provided for herein or the other provisions hereof; *provided, however*, that the holders of any such refinancing or replacement Indebtedness (or an authorized agent or trustee on their behalf) bind themselves in writing to the terms of this Agreement pursuant to such documents or agreements (including amendments or supplements to this Agreement) as the Parity Lien Collateral Agent or the Priority Lien Collateral Agent, as the

case may be, shall reasonably request and in form and substance reasonably acceptable to the Priority Lien Collateral Agent. For the avoidance of doubt, (i) each of the Priority Lien Obligations and the Parity Lien Obligations may be refinanced or replaced by one facility or multiple facilities, (ii) no facility refinancing or replacing the Priority Lien Obligations, in whole or in part, shall be required to be a revolving or asset-based loan facility and may be a facility evidenced or governed by a credit agreement, loan agreement, note agreement, promissory note, indenture or any other agreement or instrument; *provided* that the Priority Liens securing such facility shall be subject to the terms of this Agreement for all purposes (including the lien priorities as set forth herein) and (iii) no facility refinancing or replacing the Parity Lien Obligations, in whole or in part, shall be required to be evidenced by notes or other instruments and may be a facility evidenced or governed by a credit agreement, loan agreement, note agreement, promissory note, indenture or any other agreement or instrument; *provided* that the Parity Liens securing such facility shall be subject to the terms of this Agreement for all purposes (including the lien priorities as set forth herein).

(b) In addition, if at any time after the Discharge of Priority Lien Obligations, the Credit Parties enter into any replacement of the Bank Documents secured by all or a portion of the Collateral on a Priority Lien basis which is permitted under the terms of the Parity Lien Documents, then such Discharge of Priority Lien Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement, such replacement credit facility, the Parity Lien Documents, and the obligations under the replacement credit facility shall automatically be treated as Priority Lien Obligations for all purposes of this Agreement, including for purposes of the Lien priorities set forth therein. The Parity Lien Collateral Agent may, and, at the request and at the cost and expense of the Credit Parties, shall enter into a supplemental agreement (which may take the form of an amendment, an amendment and restatement or a supplement of this Agreement) to facilitate the designation of such replacement credit facility as the Priority Lien Obligations; *provided* that each such supplemental agreement shall be in form and substance reasonably satisfactory to the representative of such replacement credit facility.

9.16. *Joinder Requirements.* The Credit Parties and/or the Parity Lien Collateral Agent may designate additional obligations as Parity Lien Obligations if the incurrence of such obligations, and the securing of such obligations with Parity Liens, is permitted under each Bank Document, the Indenture, all other applicable Parity Lien Documents and this Agreement. If so permitted, as a condition precedent to the effectiveness of such designation, the administrative agent or trustee and collateral agent for such additional obligations shall execute and deliver to the Priority Lien Collateral Agent and the Parity Lien Collateral Agent, a joinder agreement to this Agreement in form and substance reasonably satisfactory to the Priority Lien Collateral Agent. Notwithstanding anything to the contrary set forth in this Section 9.16 or in Section 9.4 hereof, the Parity Lien Collateral Agent may, and, at the request of the Credit Parties, shall, in each case, enter into a supplemental agreement (which may take the form of an amendment, an amendment and restatement or a supplement of this Agreement) to facilitate the designation of such additional obligations as Parity Lien Obligations; *provided* that each such supplemental agreement shall be in form and substance satisfactory to the Priority Lien Collateral Agent. Any such amendment may, among other things, (i) add other parties holding such additional obligations (or any agent or trustee therefor) to the

extent such obligations are permitted by the Bank Documents, the Indenture or any other Parity Lien Document, (ii) establish that the Lien on the Collateral securing such additional obligations shall be junior and subordinate in all respects to all Liens on the Collateral securing any Priority Lien Obligations and shall share in the benefits of the Collateral equally and ratably with all Liens on the Collateral securing any Parity Lien Obligations, and (iii) provide to the holders of such additional obligations (or any agent or trustee thereof) the comparable rights and benefits (including any improved rights and benefits that have been consented to by the Priority Lien Collateral Agent) as are provided to the holders of Parity Lien Obligations under the foregoing Agreement prior to the incurrence of such additional obligations. Any such additional party, the Parity Lien Collateral Agent and the Priority Lien Collateral Agent shall be entitled to rely on the determination of officers of the Credit Parties that such modifications do not violate the Bank Documents, the Indenture or any other Parity Lien Document if such determination is set forth in an officer's certificate delivered to such party, the Priority Lien Collateral Agent and the Parity Lien Collateral Agent.

9.17. *Entire Agreement.* This Agreement, the Parity Lien Documents and the Bank Documents embody the entire agreement of the Credit Parties, the Priority Lien Collateral Agent, the other Priority Lien Secured Parties, the Parity Lien Collateral Agent and the other Parity Lien Secured Parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings relating to the subject matter hereof and thereof and any draft agreements, negotiations or discussions involving any Credit Party and any of the Priority Lien Collateral Agent, the other Priority Lien Secured Parties, the Parity Lien Collateral Agent and the other Parity Lien Secured Parties relating to the subject matter hereof.

9.18. *Certain Provisions Relating to the Agents.*

(a) Notwithstanding anything to the contrary contained herein, the obligations of each Agent under or in respect of this Agreement are obligations of such Agent, not individually but solely in its capacity as agent representative for its respective Secured Parties, and, in all events, are non-recourse to such Agent in its individual capacity other than for its gross negligence or willful misconduct. No recourse, claim (in the nature of a deficiency claim, tort claim or otherwise) or proceeding shall be made, asked for, taken, commenced or enforced against any Agent in its individual capacity under or in respect of this Agreement other than for such Agent's gross negligence or willful misconduct. In no event shall any Agent be liable for any indirect, special, punitive or consequential damages of any kind whatsoever (including but not limited to loss of profit). None of the provisions of this Agreement shall be construed to require any Agent (other than for its gross negligence or willful misconduct) to expend or risk its own funds or otherwise to incur any financial liability in the performance of any of its duties hereunder if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(b) It is understood and agreed that (i) National Bank of Canada is entering into this Agreement in its capacity as Priority Lien Collateral Agent and the provisions of the Bank Facility applicable to National Bank of Canada as Priority Lien

Collateral Agent thereunder shall also apply to National Bank of Canada as Priority Lien Collateral Agent hereunder and (ii) Computershare Trust Company of Canada is entering into this Agreement in its capacity as Parity Lien Collateral Agent, and the provisions of the Indenture applicable to the collateral agent thereunder shall also apply to the Parity Lien Collateral Agent hereunder. For the avoidance of doubt, but subject to Section 4.1(a) hereunder, the Parity Lien Collateral Agent agrees that its claims for indemnities, fees and expenses under and in respect of the Indenture and the other Parity Lien Documents are Parity Lien Obligations secured under the Parity Lien Documents and not Priority Lien Obligations under the Priority Lien Loan Documents, and no Parity Lien Collateral Agent shall have any claim for any amounts (whether fees, expenses, indemnities or otherwise) from the Priority Lien Secured Parties.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

NATIONAL BANK OF CANADA, as Priority
Lien Collateral Agent

By: 

Name:

MURRAY D'ANGELO

Title:

VIC PRESIDENT

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]


**COMPUTERSHARE TRUST COMPANY OF
CANADA, not individually but solely in its
capacity as Parity Lien Collateral Agent**

By: 
Name: BEATRIZ FEDOZZI
Title: CORPORATE TRUST OFFICER

By: 
Name: SHANNON GROVER
Title: CORPORATE TRUST OFFICER

**COMPUTERSHARE TRUST COMPANY OF
CANADA, as Trustee**

By: 
Name: BEATRIZ FEDOZZI
Title: CORPORATE TRUST OFFICER

By: 
Name: SHANNON GROVER
Title: CORPORATE TRUST OFFICER

CREDIT PARTIES:

MANITOK ENERGY INC.

By: 

Name:

Robert G. Dion

Title:

Vice President, Finance & CFO

RAIMOUNT OIL AND GAS INC.

By: 

Name:

Robert G. Dion

Title:

Vice President, Finance & CFO

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

Annex A

Addresses for Notices

If to Priority Lien Collateral Agent, at

National Bank Financial
Intact Place
1800, 311 - 6th Avenue SW
Calgary, Alberta, T2P 3H2

Attention: Manito Energy Inc. Account Representative
Facsimile: 403-294-3078

If to Parity Lien Collateral Agent, at

Computershare Trust Company of Canada
Suite 600, 530 - 8th Avenue S.W.
Calgary, Alberta T2P 3S8
Attention: Beatriz Fedozzi
Fax: 403-267-6598

EXHIBIT A

INTERCREDITOR AGREEMENT SUPPLEMENT

This Intercreditor Agreement Supplement, dated as of _____, 20__, is delivered pursuant to Section 8.6 of the Intercreditor Agreement referred to below. The undersigned hereby agrees that this Intercreditor Agreement Supplement may be attached to the Intercreditor Agreement, dated as of October 27, 2016, among (i) National Bank of Canada as administrative agent for the Priority Lien Secured Parties, as therein defined, (ii) Computershare Trust Company of Canada, not individually but solely in its capacity as the collateral agent for the Parity Lien Secured Parties, as therein defined, (iii) the Credit Parties, as therein defined, and (iv) Computershare Trust Company of Canada, as trustee under the Indenture, as therein defined (as amended, restated, modified, renewed, supplemented or extended from time to time, the "*Intercreditor Agreement*"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Intercreditor Agreement.

The undersigned hereby agrees to be added as a party to the Intercreditor Agreement as a "Credit Party" and to be bound by all of the terms and conditions of the Intercreditor Agreement in all respects, as if the undersigned were an original signatory thereto. The undersigned hereby further agrees that this Intercreditor Agreement Supplement may be appended to the Intercreditor Agreement.

This Intercreditor Agreement Supplement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

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Credit Party:

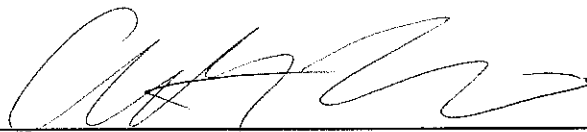
[NAME OF CREDIT PARTY]

By: _____

Name:

Title:

THIS IS EXHIBIT "H" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

January 8, 2018

Delivered Via Courier

Manitok Energy Inc.
444 7 Ave SW #700
Calgary, AB T2P 0X8

Attention: Land Department & Massimo Geremia, President & Chief Executive Officer

RE: Lease Issuance and Drilling Commitment Agreement dated April 30, 2015, as amended September 25, 2015, March 1, 2016, August 15, 2016, January 3, 2017 and May 1, 2017 (collectively, the "Agreement"), between PrairieSky Royalty Ltd. ("PSK") and Manitok Energy Inc. ("Manitok")
PSK File No.: C022010

Notice is hereby provided to Manitok that it has failed to satisfy the Drilling Expenditure obligation for the Commitment Period pursuant to Section 9.2(a) of the Agreement. Therefore, in accordance with Section 9.7(b), the following shall apply with immediate effect:

- (i) the Commitment Payment in the amount of Eight Million Dollars (\$8,000,000.00) is due payable to PSK by Manitok, on or before March 31, 2018; and
- (ii) PSK hereby elects to terminate the Agreement, with the exception of (A) any provisions of the Agreement which survive termination, and specifically, (B) Article 18 which shall remain in full force and effect until such time the Commitment Payment has been received.

As a result of the above, Manitok is deemed to have immediately and irrevocably surrendered to PSK all Leases and Existing Leases issued under the Agreement, excluding those leases where Production Operations and Drilling Operations are being conducted. Kindly withdraw and discharge any caveats registered against the land with Alberta Land Titles and provide the Certificate of Title evidencing same to PrairieSky to complete our records.

The forgoing shall not be construed as limiting in any way any rights or remedies of PSK pursuant to the provisions of the Agreement which survive termination.


All capitalized terms used in this letter but not defined shall have the meaning given to them in the Agreement.

Regards,



Cameron Proctor
Chief Operating Officer

THIS IS EXHIBIT "I" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Cumming, Tom

From: Cumming, Tom
Sent: December-22-17 5:56 PM
To: Collins, Sean F.
Cc: 'Greg Vavra'; Massimo Geremia; Peterson, Gregory; Frank Y. Sur (frank.sur@gowlingwlg.com)
Subject: Manitok - Eighth Amending Agreement between National Bank of Canada (the "Bank") and Manitok Energy Inc. (the "Borrower") (the "8AA")
Attachments: Main_Copier_20171222_180528.pdf; Scan Dec 22, 2017 at 5.39 PM.PDF

Sean

Capitalized terms herein have the meaning given to them in the 8AA. I am delivering the following to you in trust subject to the release conditions set out below:

1. the execution page of the 8AA, signed by the Borrower; and
2. page 13 of the consent receivership order, with the consent signed by Gowling WLG (the "CRO").

The 8AA may be released from trust upon:

- a) Gowling (via me) delivering an email to McCarthy (c/o you) confirming that the 8AA can be released from trust.

The Borrower is having to address several questions of SCCC with respect to the timeline and the 8AA. As soon as the Borrower has the concurrence of SCCC we will communicate a release from escrow to you.

With respect to the CRO:

- i. The CRO should be returned to Gowling in the event that (A) the conditions precedent in 5.1(a), (b) and (f) are not satisfied, or (B) the Manitok signature page for the 8AA is not released from trust by December 26, 2017; or (C) Gowling has not received the execution page to the 8AA signed by the Bank;
- ii. The CRO may be released by McCarthy from trust to the Bank in the event that a Milestone is not satisfied.

Please let us know if the trust conditions set out above are not satisfactory.

Kind regards,

Tom

Tom Cumming
Partner
T +1 403 298 1938
M +1 403 606 4592
tom.cumming@gowlingwlg.com



Gowling WLG (Canada) LLP
Suite 1600, 421 7th Avenue SW

Calgary AB T2P 4K9
Canada

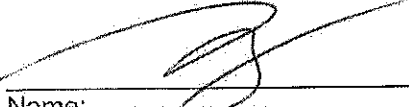


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IN WITNESS WHEREOF the parties hereto have caused this Eighth Amending Agreement to be duly executed on the date and year first above written.

MANITOK ENERGY INC., as Borrower

Per  _____

Name: _____
Title: **Massimo M. Geremia**
President & CEO

Per _____

Name:
Title:

NATIONAL BANK OF CANADA, as Bank

Per _____

Name:
Title:

Per _____

Name:
Title:

ACKNOWLEDGEMENT AND CONFIRMATION OF GUARANTOR

The undersigned hereby:

- (a) acknowledges the execution and delivery of the Eighth Amending Agreement by the Borrower and agrees to be independently bound by all covenants, agreements, conditions and proviso contained therein applicable to it;
- (b) acknowledges and agrees that the entering into of the Eighth Amending Agreement does not and shall not limit or diminish in any manner its obligations under the guarantee granted by it in favour of the Bank in connection with the Credit Facilities;
- (c) acknowledges, confirms and agrees that its guarantee (i) shall continue in full force and effect and has not been amended, terminated, discharged or released, (ii) guarantees the obligations of the Borrower to the Bank in connection with the Amended Offering Letter and the Loan Documents in accordance with the terms of its guarantee whether incurred prior or subsequent to the entering into of the Eighth Amending Agreement, (iii) constitutes a legal, valid and binding obligation of the undersigned in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iv) is hereby ratified and confirmed; and
- (d) acknowledges, confirms and agrees that (i) the Security to which it is a party shall continue in full force and effect as continuing security for any and all of its indebtedness, liabilities and obligations to the Bank pursuant to its guarantee, (ii) the Security to which it is a party constitutes a legal, valid and binding obligation of the undersigned enforceable against it in accordance with its terms (except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity), and (iii) the Security to which it is a party is hereby ratified and confirmed.

RAIMOUNT ENERGY CORP., as Guarantor

By: 

Name: _____

Massimo M. Geremia

Title: _____

President & CEO

By: _____

Name: _____

Title: _____

31. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

32. The Receiver shall establish and maintain a website in respect of these proceedings at _____ and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publically available; and
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

Justice of the Court of Queen's Bench of Alberta

CONSENTED TO BY:

MANITOK ENERGY INC.

Per: _____

Name:
Gowling WLG (Canada) LLP
Counsel to Manitek Energy Inc.

31. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING


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- (a) all materials prescribed by statute or regulation to be made publically available; and
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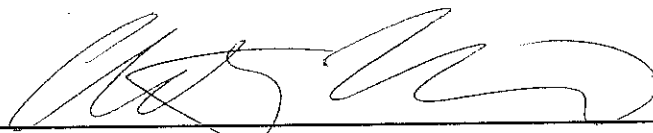
Justice of the Court of Queen's Bench of Alberta

CONSENTED TO BY:

MANITOK ENERGY INC.

Per: 
Name:
Gowling WLG (Canada) LLP
Counsel to Manitok Energy Inc.

THIS IS EXHIBIT "J" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Cumming, Tom

From: Collins, Sean F. <scollins@MCCARTHY.CA>
Sent: December-27-17 1:29 PM
To: Cumming, Tom
Cc: Peterson, Gregory; Sur, Frank
Subject: RE: Manitok - Eighth Amending Agreement between National Bank of Canada (the "Bank") and Manitok Energy Inc. (the "Borrower") (the "8AA")

Tom,

Further to your email below we confirm we did not forward the attachments and have deleted same on our end. We are instructed to issue a demand for repayment and 244 notice. Please advise if you are instructed to accept service of the demand and 244 notice.

Regards,



Sean Collins
Partner | Associé
Bankruptcy and Restructuring | Faillite et restructuration
T: 403-260-3531
C: 403-607-8534
F: 403-260-3501
E: scollins@mccarthy.ca

McCarthy Tétrault LLP
Suite 4000
421 - 7th Avenue SW
Calgary AB T2P 4K9



From: Cumming, Tom [mailto:Tom.Cumming@gowlingwlg.com]
Sent: Friday, December 22, 2017 5:56 PM
To: Collins, Sean F.
Cc: Greg Vavra; Massimo Geremia; Peterson, Gregory; Sur, Frank
Subject: Manitok - Eighth Amending Agreement between National Bank of Canada (the "Bank") and Manitok Energy Inc. (the "Borrower") (the "8AA")

Sean

Capitalized terms herein have the meaning given to them in the 8AA. I am delivering the following to you in trust subject to the release conditions set out below:

1. the execution page of the 8AA, signed by the Borrower; and
2. page 13 of the consent receivership order, with the consent signed by Gowling WLG (the "CRO").

The 8AA may be released from trust upon:

a) Gowling (via me) delivering an email to McCarthy (c/o you) confirming that the 8AA can be released from trust.

The Borrower is having to address several questions of SCCC with respect to the timeline and the 8AA. As soon as the Borrower has the concurrence of SCCC we will communicate a release from escrow to you.

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- ii. The CRO may be released by McCarthy from trust to the Bank in the event that a Milestone is not satisfied.

Please let us know if the trust conditions set out above are not satisfactory.

Kind regards,

Tom

Tom Cumming

Partner

T +1 403 298 1938

M +1 403 606 4592

tom.cumming@gowlingwlg.com



Gowling WLG (Canada) LLP
Suite 1600, 421 7th Avenue SW
Calgary AB T2P 4K9
Canada



gowlingwlg.com

Gowling WLG | 1,400+ legal professionals | 18 offices worldwide

The information in this email is intended only for the named recipient and may be privileged or confidential. If you are not the intended recipient please notify us immediately and do not copy, distribute or take action based on this email. If this email is marked 'personal' Gowling WLG is not liable in any way for its content. E-mails are susceptible to alteration. Gowling WLG shall not be liable for the message if altered, changed or falsified.

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References to 'Gowling WLG' mean one or more members of Gowling WLG International Limited and/or any

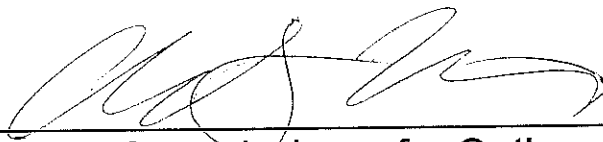
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Suite 5300, TD Bank Tower, Box 48, 66 Wellington Street West, Toronto, ON M5K 1E6

THIS IS EXHIBIT "K" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor



McCarthy Tétrault LLP
Suite 4000
421-7th Avenue S.W.
Calgary AB T2P 4K9
Canada
Tel: 403-260-3500
Fax: 403-260-3501

Sean F. Collins
Direct Line: (403) 260-3531
Direct Fax: (403) 260-3501
Email: scollins@mccarthy.ca

Assistant: *Katie Doran*
Direct Line: 403-260-3560
Email: kdoran@mccarthy.ca

VIA EMAIL (Tom.Cumming@gowlingwlg.com)

December 29, 2017

Manitok Energy Inc.
c/o Gowling WLG
Suite 1600, 421 7th Avenue SW
Calgary, Alberta T2P 4K9

Attention: Tom Cumming

Dear Sir:

Re: **Secured, uncommitted demand Credit Facilities granted by National Bank of Canada ("NBC") to Manitok Energy Inc. (the "Borrower") pursuant to the Amended and Restated Offering Letter, dated October 27, 2016, between NBC, as lender, the Borrower, as borrower, and Raimount Oil and Gas Inc., as the original guarantor, as same has been amended, supplemented, restated, and/or replaced, from time to time**

DEMAND FOR REPAYMENT

As you are aware we are counsel to National Bank of Canada ("NBC") in connection with the secured, uncommitted demand credit facilities (collectively, the "**Credit Facilities**") granted by NBC to and in favour of the Borrower pursuant to the Amended and Restated Offering Letter, dated October 27, 2016, as subsequently amended, restated, and supplemented pursuant to the following: (i) first amending agreement, dated December 21, 2016; (ii) waiver and amending agreement, dated May 29, 2017; (iii) second amending agreement, dated May 31, 2017; (iv) third amending agreement, dated July 20, 2017; (v) fourth amending agreement, dated August 31, 2017; (vi) fifth amending agreement, dated September 30, 2017; (vii) sixth amending agreement, dated November 1, 2017; and, (viii) seventh amending agreement, dated November 27, 2017 (collectively referred to as, the "**Offering Letter**"). We write to you in your capacity as counsel to the Borrower and further to your advice that you are instructed by the Borrower to accept delivery of this Demand for Repayment and accompanying notice of intention to enforce security issued under and pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*.

Reference is also made to the \$200,000,000 Demand Debenture, dated February 4, 2013, granted by the Borrower to and in favour of NBC, as subsequently amended pursuant to a Demand Debenture Amending Agreement, dated September 30, 2017, between the Borrower and NBC (collectively, the "**Demand Debenture**"). Capitalized terms used herein and not otherwise defined shall have the same meaning as ascribed to such terms in the Offering Letter or the Demand Debenture, as the context may require.

As of December 29, 2017, the Borrower is indebted to NBC, pursuant to the Offering Letter, in the amount of \$37,123,776.03 (the "**Borrowings**"). Particulars of the Borrowings are set out in the enclosed statement.

Pursuant to the terms of the Offering Letter, the Credit Facilities are repayable on demand. In accordance with the demand nature of the Credit Facilities, NBC hereby demands repayment of the Borrowings, plus any and all further interest, stand-by fees, costs, and expenses, including legal costs and expenses, on a solicitor and his own client basis with a right to full indemnity, which have accrued and continue to accrue in accordance with the terms and conditions of the Offering Letter and the Demand Debenture. Given the variable rate of interest, accruing amounts, and the impending maturity of the risk management instruments issued under Credit Facility D, please contact our office on or prior to the date repayment is to be made and NBC will provide the then outstanding Borrowings.

In accordance with the terms of the Offering Letter, the Credit Facilities are uncommitted in nature and NBC may cancel the availability of Credit Facility A at any time without notice or demand. As a result of NBC's demand herein, and notwithstanding the fact that NBC is not required to provide notice or demand in connection with the cancellation of the Credit Facilities, the Borrower should nevertheless be advised that the availability of Credit Facility A has been cancelled effectively immediately. For clarity, NBC has no further liability or obligation to make any further Advances under the Credit Facilities or the Offering Letter and has cancelled and terminated any and all availability under the Credit Facilities and the Offering Letter.

If full payment, as set forth above, is not made within ten (10) days from the date hereof, NBC will take whatever steps it deems necessary or appropriate to secure payment of all amounts outstanding. In connection therewith, please find enclosed a Notice of Intention to Enforce Security, in accordance with Section 244(1) of the *Bankruptcy and Insolvency Act*.

NBC requests that the Borrower provide its consent to NBC enforcing its security prior to the expiration of the statutorily mandated ten (10) day period and that in the event the Borrower determines it advisable to provide such consent, that the Borrower endorse the consent attached to the Notice of Intention to Enforce Security, as enclosed herein.

Furthermore, reference is also made to the following agreements:

1. Guarantee, dated September 1, 2016 (the "**Guarantee**"), granted by Raimount Oil and Gas Inc. in favour of NBC, as acknowledged and confirmed by Raimount Energy Corp. (the "**Guarantor**"), pursuant to a Security and Guarantee Confirmation Agreement, dated June 9, 2017 (the "**Confirmation**"), granted by Raimount Energy Corp. to and in favour of NBC; and,
2. \$200,000,000 Demand Debenture, dated September 1, 2016 (the "**Guarantor Debenture**", the Guarantor Debenture and the Guarantee are collectively referred to as, the "**Guarantor Agreements**"), granted by Raimount Oil and Gas Inc. to and in favour of NBC, as acknowledged and confirmed by the Guarantor, pursuant to the Confirmation.

By way of a copy of this letter to the Guarantor, NBC hereby demands that the Guarantor perform its obligations, as set out under the Guarantor Agreements, within the time stipulated for repayment by the Borrower, as set out herein.

To this end, we enclose for service upon the Guarantor a Notice of Intention to Enforce Security, in accordance with Section 244(1) of the *Bankruptcy and Insolvency Act*.

NBC requests that the Guarantor provide its consent to NBC enforcing its security prior to the expiration of the statutorily mandated ten (10) day period and that in the event the Guarantor determines it advisable to provide such consent, that the Guarantor endorse the consent attached to the Notice of Intention to Enforce Security, as enclosed herein.

NBC expressly reserves any and all of its rights and remedies as against the Borrower and the Guarantor, including, but not limited to, those in connection with any further amounts that may become due and owing to NBC and NBC's right to make an immediate application to the Court of Queen's Bench for the appointment of an interim receiver or for the appointment of a receiver and manager, prior to the expiration of the prescribed 10 day notice period, if NBC determines that the collateral subject to the Demand Debenture, the Guarantor Debenture, or any of NBC's security interests, as against either the Borrower or the Guarantor, or any of the corresponding collateral are in jeopardy. This notice is without prejudice to any and all rights, powers, privileges, and remedies of NBC under the Offering Letter, the Demand Debenture, the Guarantor Agreements, or any applicable laws, including with respect to any defaults committed by the Borrower or the Guarantor or any additional defaults that are or may be committed by the Borrower or the Guarantor under any of the Offering Letter, the Demand Debenture, or the Guarantor Agreements, all of which rights and remedies are expressly reserved, and nothing herein shall act as a waiver thereof.

Yours truly,

McCarthy Tétrault LLP

Sean F. Collins

Encl.

cc. National Bank of Canada
Raimount Energy Corp.
Stream Asset Financial Manitoak LP

Manitok Energy Inc.

**Indebtedness to National Bank of Canada
Balance as at: December 29, 2017**

	<u>Amount (Cdn.\$)</u>	
Revolving Operating Loan ⁽¹⁾	\$25,950,000.00	Interest Rate: P+5.00%
Accrued Interest	\$17,388.49	Per Diem: \$5,829.86 ⁽²⁾
Standby Fee	\$668.64	Interest Rate: 0.45% on unused portion
Undrawn Letter of Credit	\$320,000.00	Scheduled Rate
Undrawn Letter of Credit	\$150,000.00	Scheduled Rate
Undrawn Letter of Credit	\$277,000.00	Scheduled Rate
Non-Revolving Demand Loan	\$10,400,000.00	Interest Rate: P+7.00%
Accrued Interest	\$8,718.90	Per Diem: \$2,906.30 ⁽²⁾
Total in Cdn.\$:	\$37,123,776.03	

⁽¹⁾ Subject to balance fluctuations in respect of items not yet cleared and subsequent deposits.

⁽²⁾ Subject to Prime Rate change. As at December 29, 2017, Canadian Prime Rate is 3.20%.

e&oe

FORM 86
Notice of Intention to Enforce Security
(Rule 124)

TO: Manitok Energy Inc. (the "Debtor"), an insolvent person

TAKE NOTICE THAT:

1. National Bank of Canada ("**NBC**"), a secured creditor, intends to enforce its security on the Debtor's property, being all of the Debtor's present and after acquired personal property, assets, and undertakings.
2. The security that is to be enforced is in the form of, *inter alia*, a \$200,000,000 Demand Debenture, dated February 4, 2013, granted by the Debtor to and in favour of NBC, as amended pursuant to a Demand Debenture Amending Agreement, dated September 30, 2017, between the Debtor and NBC (collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security, as of December 29, 2017, is Cdn. \$37,123,776.03 plus any and all accruing interest, costs, expenses, and fees including, without limitation, solicitor and its own client costs on a full indemnity basis.
4. The secured creditor will not have the right to enforce the Security until the expiry of the 10-day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

DATED at Calgary, Alberta, this 29th day of December, 2017.

NATIONAL BANK OF CANADA
by its duly authorized solicitors and agents
McCarthy Tétrault LLP

Per: _____

Sean Collins

CONSENT TO EARLY ENFORCEMENT

The undersigned, Manitok Energy Inc., being the Debtor referenced in the Notice of Intention to Enforce Security to which this consent is annexed, does hereby consent, in accordance with Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada), to the early enforcement by National Bank of Canada, the secured creditor, of all security held notwithstanding the fact that the requisite 10-day period, as prescribed by Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada), has not yet elapsed.

DATED at Calgary, Alberta, this ____ day of _____, _____.

MANITOK ENERGY INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

FORM 86
Notice of Intention to Enforce Security
(Rule 124)

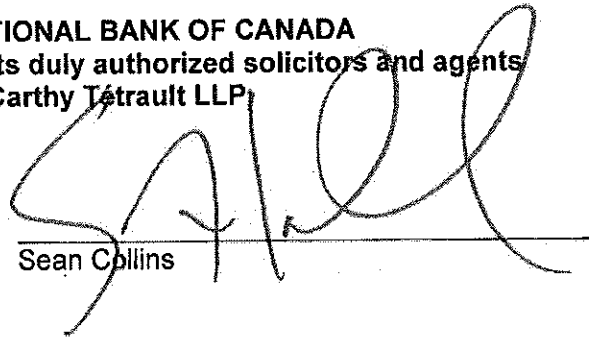
TO: Raimount Energy Corp. (the "Debtor"), an insolvent person

TAKE NOTICE THAT:

1. National Bank of Canada ("**NBC**"), a secured creditor, intends to enforce its security on the Debtor's property, being all of the Debtor's present and after acquired personal property, assets, and undertakings.
2. The security that is to be enforced is in the form of, *inter alia*, a \$200,000,000 Demand Debenture, dated September 1, 2016, granted by Raimount Oil and Gas Inc. in favour of NBC, as acknowledged and confirmed by the Debtor, pursuant to a Security and Guarantee Confirmation Agreement, dated June 9, 2017, as granted by the Debtor to and in favour of NBC (collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security, as of December 29, 2017, is Cdn. \$37,123,776.03 plus any and all accruing interest, costs, expenses, and fees including, without limitation, solicitor and its own client costs on a full indemnity basis.
4. The secured creditor will not have the right to enforce the Security until the expiry of the 10-day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

DATED at Calgary, Alberta, this 29th day of December, 2017.

NATIONAL BANK OF CANADA
by its duly authorized solicitors and agents
McCarthy Tétrault LLP

Per: 
Sean Collins

CONSENT TO EARLY ENFORCEMENT

The undersigned, Raimount Energy Corp., being the Debtor referenced in the Notice of Intention to Enforce Security to which this consent is annexed, does hereby consent, in accordance with Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada), to the early enforcement by National Bank of Canada, the secured creditor, of all security held notwithstanding the fact that the requisite 10-day period, as prescribed by Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada), has not yet elapsed.

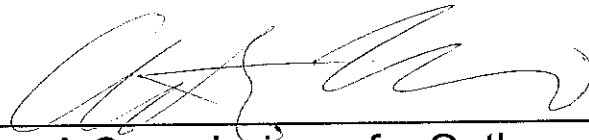
DATED at Calgary, Alberta, this ____ day of _____, _____.

RAIMOUNT ENERGY CORP.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

THIS IS EXHIBIT "L" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-2332583
Estate No. 25-2332583

In the Matter of the Notice of Intention to make a
proposal of:

Manitok Energy Inc.
Insolvent Person

FTI CONSULTING CANADA INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: January 10, 2018

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: January 11, 2018, 12:38

E-File/Dépôt Electronique

Official Receiver

Standard Life Tower, 639 5 Avenue SW, Suite 400, Calgary, Alberta, Canada, T2P0M9, (877)376-9902

Canada



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-2332610
Estate No. 25-2332610

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proposal of:

Raimount Energy Corp.
Insolvent Person

FTI CONSULTING CANADA INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: January 10, 2018

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Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: January 11, 2018, 13:05

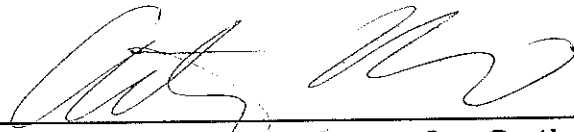
E-File/Dépôt Electronique

Official Receiver

Standard Life Tower, 639 5 Avenue SW, Suite 400, Calgary, Alberta, Canada, T2P0M9, (877)376-9902

Canada

THIS IS EXHIBIT "M" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

January 8, 2018

Manitok Energy Inc.
585 – 8 Avenue SW, Suite 2600
Calgary, AB T2P 1G1

Attention: Massimo M. Geramia, President & CEO
Rob Dion, Vice President, Finance & CFO

Dear Sirs:

Re: \$25,500,000 Committed Non-Revolver Term Loan

Stream Asset Financial Manitok LP (“Lender”) is pleased to establish, on and subject to the terms and conditions herein, the following credit facility in favour of Manitok Energy Inc. (the “Borrower”):

Non-Revolver Term Loan (the “Term Facility”)

Purpose: Refinancing and retirement of existing senior debt and Borrower’s general corporate purposes and capital expenditures.

Amount: \$25,500,000, subject to an original issue discount of 1.96% for a maximum aggregate advance of \$25,000,000.

Description: A non-revolving term loan, available by way of one draw on or before January 31, 2018, subject to the terms and conditions herein. Any amount not drawn down on or before that date will be cancelled and no longer available to Borrower.

The Term Facility is non-revolving. Amounts repaid may not be reborrowed.

Interest Rate: Prior to, and following cessation of, any Default Period, interest on amounts outstanding under the Term Facility will be calculated at the Base Rate. During any Default Period, interest on amounts outstanding under the Term Facility will be calculated at the Default Rate.

Interest and fees will be calculated and payable monthly in arrears on the last day of each month and when the principal becomes due and payable in full or is repaid.

The following terms apply to all calculations of interest under the Term Facility:

(a) All interest hereunder shall be computed on the basis of the actual number of days elapsed divided by 365. Any such applicable interest rate, expressed as an annual rate of interest for the purpose of the *Interest Act* (Canada), shall be equivalent to such applicable interest rate multiplied by the actual number of days in the calendar year in which the same is to be determined and divided by 365.

(b) In calculating interest payable hereunder for any period, unless otherwise specifically stated, the first day of such period shall be included and the last day of such period shall be excluded.

(c) If any provision of this Agreement or of any of the other Loan Documents would obligate the Borrower or a Subsidiary to make any payment of interest or other amount payable to the Lender in an amount or calculated at a rate which would be prohibited by applicable law or would result in a receipt by the Lender of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) then, notwithstanding such provisions, such amount or rate shall be

deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by the Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: firstly, by reducing the amount or rate of interest required to be paid to the Lender under the applicable Loan Document, and thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to the Lender which would constitute "interest" for purposes of Section 347 of the *Criminal Code* (Canada).

**Maturity
Repayment:**

Date

and

The Term Facility is payable in full on the later of (i) January 31, 2019, or (ii) the date that is twelve (12) months following the date of the initial advance hereunder (the "Maturity Date"), subject to the right of the Lender (in its sole discretion) to accelerate the loan provided hereunder (together with all interest, fees and other amounts owing hereunder) upon the occurrence and continuance of any Event of Default. Upon the occurrence and continuance of an Event of Default, the Lender (in its sole discretion) may require immediate repayment of all amounts outstanding hereunder.

The Borrower shall have the option to prepay all or any part principal amount outstanding from time to time under Term Facility, together with all accrued but unpaid interest and fees thereon at any time, subject to: (a) providing at least one business days' prior written notice to the Lender; and (b) restructuring the Joint Venture Agreements to the satisfaction of the Lender. As consideration for any such early repayment of the principal amount outstanding from time to time under Term Facility, the Borrower agrees to pay to the Lender all interest payments which would have been required to be paid up to maturity in respect to any such prepaid amount.

Mandatory Repayments:

Within five Business Days after receipt by the Borrower or any of its Subsidiaries of Net Proceeds of property insurance, other than such Net Proceeds which are to be utilized to repair or replace the asset subject of such Net Proceeds or otherwise re-invested in the business of the Borrower or its Subsidiaries within 180 days, prepay, or, to the extent the Lender is loss payee under any insurance policy, irrevocably direct the Lender to prepay the principal amount outstanding from time to time under Term Facility in an aggregate amount equal to 100% of such Net Proceeds, such prepayment to be applied in accordance with the Section entitled "Applying Money Received".

Within five Business Days after receipt by the Borrower or any of its Subsidiaries of Net Proceeds from any issuance of equity securities of the Borrower or any of its Subsidiaries or of any capital contributions by any person in the Borrower or any of its Subsidiaries, other than pursuant to the Proposed Recapitalization, the aggregate of the principal amount outstanding from time to time under Term Facility in an aggregate amount equal to 100% of such Net Proceeds, such prepayment to be applied in accordance with the Section entitled "Applying Money Received".

Within five Business Days after receipt by the Borrower or any of its Subsidiaries of Net Proceeds of any Debt other than Debt permitted pursuant to Section entitled "Negative Covenants" (and for greater certainty, this Section shall not constitute approval for the incurrence of such Debt), the Borrower shall prepay the aggregate of the principal amount outstanding from time to time under Term Facility in an aggregate amount equal to 100% of such Net Proceeds, such prepayment to be applied in accordance with the Section entitled "Applying Money Received".

Commencing as of August 31, 2018 and continuing until the aggregate of the principal amount outstanding from time to time under Term Facility is less than

\$15,000,000, the Borrower shall, no later than 30 days after the end of each calendar month (which, for certainty, would result in a first of such payments occurring by September 30, 2018), use all Available Cash Flow in respect of the immediately prior calendar month to permanently repay the aggregate of the principal amount outstanding from time to time under Term Facility, such prepayment to be applied in accordance with the Section entitled "Applying Money Received". Each such payment shall be accompanied by a summary setting forth reasonable detail of the calculation of the Available Cash Flow comprising such payment.

Warrants:

In partial consideration for the Lender entering into this Agreement, the Borrower shall distribute 12,500,000 warrants to the Lender (in form and substance satisfactory to the Lender), each such warrant entitling the holder thereof to purchase one common share in the Borrower at a price of \$0.04 per share until its expiry on 2 years following the date of its issuance (the "Warrants"). The Warrants are to be documented separately.

Security:

The following security, which shall be in form and substance satisfactory to the Lender, is required to secure all present and future indebtedness and liabilities of the Borrower to each of the Lender and the Lender's Affiliates (including under any foreign exchange contract or derivative) under this Agreement. All references in any such security to indebtedness or liabilities of the Borrower to the Lender shall be deemed to be references to indebtedness and liabilities of the Borrower to each of the Lender and the Lender's Affiliates.

- ▶ Fixed and floating debenture and debenture pledge agreement providing the Lender with a first charge in all assets of the Borrower and with a negative pledge and undertaking to provide, at the request of the Lender (subject to such fixed charges being possible to provide), fixed charges against the Borrower's additional properties;
- ▶ Unlimited guarantee of the indebtedness of the Borrower to the Lender executed by each Subsidiary of the Borrower (collectively, the "Guarantors");
- ▶ Fixed and floating debenture and debenture pledge agreement providing the Lender with a first charge in all assets of each Guarantor and with a negative pledge and undertaking to provide, at the request of the Lender (subject to such fixed charges being possible to provide), fixed charges against such Guarantor's additional properties;
- ▶ Intercreditor Agreement, and if applicable, and supplement and amendment thereto confirming replacement of National Bank Canada with the Lender; and
- ▶ Such other security as may be equivalent to the security provided as security for the Notes from time to time.

The Security will be registered or filed in all jurisdictions and in all offices as the Lender considers necessary or advisable from time to time to create, perfect or protect any Lien created thereby. For certainty, it is understood no fixed charge will be required at this time, other than to the extent of registrations against the Loan Parties at the Alberta Personal Property Registry; provided that, if the Lender considers it necessary for its adequate protection, the Loan Parties, at the request of the Lender, will forthwith grant or cause to be granted to the Lender a fixed Lien (subject only to Permitted Encumbrances which under applicable Law rank in

priority thereto) in such of the applicable Loan Party's property as the Lender, in its sole discretion, determines as security for all then present and future obligations. In this connection, the applicable Loan Party will:

- ▶ provide the Lender with such information as is reasonably required by the Lender to identify the property to be charged pursuant to this Section;
- ▶ do all such things as are reasonably required to grant, or cause such Loan Party to grant, in favour of the Lender, a fixed Lien (subject only to Permitted Encumbrances which under applicable Law rank in priority thereto) in respect of such property to be so charged pursuant to this Section;
- ▶ provide the Lender with all resolutions and other action, as reasonably required, for such Loan Party to grant the fixed Lien (subject only to Permitted Encumbrances which under applicable Law rank in priority thereto) in the property identified by the Lender to be so charged;
- ▶ provide the Lender with such security instruments and other documents which the Lender, acting reasonably, deems necessary to give full force and effect to the provisions of this Section;
- ▶ assist the Lender in the registration or recording of such agreements and instruments in such public registry offices in Canada or any province thereof as the Lender, acting reasonably, deems necessary to give full force and effect to the provisions of this Section; and
- ▶ pay all reasonable out-of-pocket costs and expenses incurred by the Lender in connection with the preparation, execution and registration of all agreements, documents and instruments, including any amendments to the Security, made in connection with this Section.

Conditions Precedent:

The obligation of the Lender to make available the Term Facility is subject to the following:

- ▶ Concurrent issuance of the Warrants.
- ▶ The Lender shall have received evidence of the Borrower's successful completion of its Proposed Recapitalization (which shall be on terms substantively as outlined in the definition of Proposed Recapitalization unless otherwise agreed by the Lender), such that the initial amount advanced by the Lender under the Term Facility and the proceeds of the Proposed Recapitalization repays in full the Borrower's existing credit facility with National Bank of Canada.
- ▶ The Lender shall have received, in form and substance satisfactory to the Lender and its counsel, (a) this Agreement, (b) the Security, which shall have been duly registered and filed as required hereby, and (c) all consents, approvals, acknowledgements, confirmations, undertakings, subordinations, discharges, waivers, directions, negotiable documents of title and other documents and instruments to the Administrative Agent shall have been made which, in each case, are desirable or required to make effective the Security and to ensure the perfection and the first-ranking priority of such Security subject only to Permitted Liens which rank by law in priority, including a release and discharge from National Bank of Canada (provided such release and discharge may be conditional upon receipt of the required payout funds by National Bank of Canada or other arrangements acceptable

to the Lender to allow and reflect payout from the Term Facility advance).

- ▶ The Lender shall have received, in form and substance satisfactory to the Lender and its counsel, certificates of insurance, showing the Lender as additional insured (in the case of liability insurance) and first loss payee with respect to insurance required to be maintained by the Loan Parties pursuant to requirements of this Agreement.
- ▶ The Borrower shall have paid to the Lender all fees and other amounts which shall have become due and payable by it to the Lender on or prior to the initial borrowing date.
- ▶ The Lender shall have received a certified copy of the constating documents and by laws of each of the Loan Parties and of all corporate proceedings taken and required to be taken by each of them to authorize the execution and delivery of such of this Agreement and the other Loan Documents to which it is a party and the performance of the transactions by it contemplated therein.
- ▶ The Lender shall have received a certificate of incumbency for each of the Borrower and its Subsidiaries, and for each corporate guarantor, setting forth specimen signatures of the persons authorized to execute such of this Agreement and the other Loan Documents to which it is a party.
- ▶ The Lender shall have received a certificate of status, compliance or like certificate with respect to each Loan Party issued by the appropriate governmental authority of the jurisdiction of its incorporation and of each jurisdiction in which it owns any material assets or carries on any material business.
- ▶ The Lender shall have received a legal opinion from the Borrower's counsel, in form and substance satisfactory to the Lender and its counsel, that the Loan Parties have each been duly incorporated, are validly subsisting, and are in good standing, that this Agreement and the other Loan Documents have been duly authorized, executed and delivered, that each has the corporate power and capacity to enter into and perform the obligations contemplated by this Agreement and the other Loan Documents, the enforceability of this Agreement and the other Loan Documents and the perfection of the Security in the jurisdiction of incorporation of the Loan Parties and in any other relevant jurisdiction.
- ▶ The Lender shall have received, in form and substance satisfactory to the Lender and its counsel, all approvals, acknowledgments and consents of all governmental authorities and other persons which are required to be obtained by any Loan Party in order to complete the transactions contemplated by this Agreement and to perform its obligations under any Loan Document to which it is a party.
- ▶ The Lender shall have received the applicable notice of borrowing.
- ▶ On the applicable borrowing date, no Default or Event of Default shall have occurred and be continuing and would not arise immediately after giving effect to or as a result of the borrowing, and the Borrower shall have delivered to the Lender an Officers' Certificate to such effect.
- ▶ The representations and warranties contained in this Agreement and each of

the other Loan Documents shall be true on and as of the applicable borrowing date with the same effect as if such representations and warranties had been made on and as of the applicable borrowing date, and the Borrower shall have delivered to the Lender an Officers' Certificate to such effect.

Representations and Warranties.

To induce the Lender to establish and maintain the Term Facility, the Borrower represents and warrants as follows, in each case subject to the Proposed Recapitalization and applicable from and after the date of initial advance under the Term Facility:

- ▶ Each of the Borrower and its Subsidiaries is a corporation duly incorporated, organized and validly existing under the laws of Alberta. Each of the Borrower and its Subsidiaries is qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which such qualification, licensing or registration is necessary or where failure to be so qualified would have a Material Adverse Effect.
- ▶ Each of the Borrower and its Subsidiaries has all necessary power and authority to own its property, to carry on the business carried on by it, to enter into and perform its obligations under such of this Agreement and the other Loan Documents to which it is a party, and in the case of the Borrower, to obtain amounts under the Term Facility. Each of the Borrower and its Subsidiaries is in compliance with all applicable laws (including Environmental Laws) except to the extent that the failure to comply therewith would not, in the aggregate, have, or reasonably be expected to have, a Material Adverse Effect and the Borrower and its Subsidiaries have not received notice of any non-compliance in respect thereof.
- ▶ Each of the Borrower and its Subsidiaries has taken all action necessary to be taken to authorize the execution and delivery of and the performance of its obligations under this Agreement and the other Loan Documents and in the case of the Borrower, the obtaining of amounts under the Term Facility. Except as has been obtained and is in full force and effect, no consent, waiver or authorization of, or filing with or notice to, any person is required to be obtained in connection with the execution and delivery of and the performance by each of the Borrower and its Subsidiaries of its obligations under this Agreement and the other Loan Documents, or the obtaining by the Borrower of amounts under the Term Facility. This Agreement and the other Loan Documents have been duly executed and delivered by each of the Borrower and its Subsidiaries as are parties thereto, and constitute the legal, valid and binding obligation of each of them enforceable in accordance with their terms.
- ▶ The Borrower and each of its Subsidiaries possesses all authorizations, permits, consents, registrations and approvals necessary to properly conduct their respective businesses and all such authorizations, permits, consents, registrations and approvals are in good standing and in full force and effect, except where the failure to possess or maintain in good standing and in full force and effect such authorizations, permits, consents, registrations or approvals, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.
- ▶ The execution and delivery by the Borrower and its Subsidiaries of this Agreement and the other Loan Documents and the performance by them of their obligations thereunder, and the obtaining by the Borrower of amounts under the Term Facility, will not (a) conflict with or result in a breach of any

applicable law, and will not conflict with or result in a breach of or constitute a default under, or permit the termination of, or cause any material right of any of the Borrower and its Subsidiaries to be adversely affected under, any of the provisions of its constating documents or by laws or any agreement, permit, instrument, judgement, injunction or other contractual obligation to which it is a party or by which it is bound, or (b) result in, require or permit the creation or imposition of any Lien (other than the Security) upon any of its property or assets, the acceleration of the maturity of any Debt binding on or affecting the Borrower or any Subsidiary, or any third party to terminate or acquire rights under any material agreement.

- ▶ There is no action, suit or proceeding (whether or not purportedly on behalf of any of the Borrower and its Subsidiaries) pending or, to the knowledge of the Borrower, threatened, against or affecting any of its Borrower and its Subsidiaries before any court or before or by any governmental department, commission or agency, in Canada or elsewhere, or before any arbitrator or board, and none of the Borrower and its Subsidiaries is in default with respect to any order or award of any arbitrator or government department, commission or agency.
- ▶ The Borrower has delivered to the Lender a true and complete copy of its most recent consolidated financial statements, and such financial statements present fairly the financial position of the Borrower, in accordance with GAAP, as of the date thereof and for the fiscal period then ended. All financial statements of the Borrower delivered by the Borrower to the Lender after the date of this Agreement will present fairly the consolidated financial position of the Borrower, in accordance with GAAP, as of the dates thereof.
- ▶ Since the date of the most recent financial statements of the Borrower delivered to the Lender, there has occurred no event which (individually or with any other events) has had, or which may reasonably be expected to have, a Material Adverse Effect other than as disclosed by the Borrower to the Lender.
- ▶ Neither the Borrower nor any of its Subsidiaries has failed to observe or perform (beyond any period of grace permitted by the Lender) any of its covenants in this Agreement or any of the other Loan Documents.
- ▶ Neither the Borrower nor any of its Subsidiaries have failed to observe or perform (beyond any period of grace permitted thereunder) any of its covenants in the Note Indenture, other than as disclosed in writing to the Lender.
- ▶ The Borrower and each of its Subsidiaries has good and valid title to its P&NG Rights, subject only to Permitted Liens and to minor defects of title which in the aggregate do not affect its rights of ownership therein or the value thereof in any way which would reasonably be expected to have a Material Adverse Effect or to which the Lender has consented to in writing. The Borrower and each of its Subsidiaries is entitled to charge its interests in such P&NG Rights in favour of the Lender as provided in this Agreement and the other Loan Documents without the need to obtain any consent of or release from any other person which has not been obtained and such P&NG Rights are not held in trust by the Borrower or any of its Subsidiaries for any person.
- ▶ To the best of the Borrower's knowledge, information and belief, after due

enquiry, all of the oil, gas and other wells of the Loan Parties have been drilled, completed, shut-in and abandoned (and they have abandoned such wells if they were required by law to have been abandoned) in accordance with applicable law, the P&NG Rights of the Loan Parties have been operated and, if applicable, abandoned (and they have abandoned such properties to the extent required by applicable law to be abandoned) in accordance with applicable law and the facilities, plants and equipment in respect of all of the Loan Parties' properties have been and will continue to be operated and maintained, as the case may be, in a good and workmanlike manner in accordance with sound industry practice and in accordance with all applicable Law, except, in each case, to the extent that the failure to do any of the foregoing would not be reasonably expected to have a Material Adverse Effect.

- ▶ Each of the Borrower and its Subsidiaries (a) has obtained all permits, licenses and other authorizations which are required under Environmental Law; and (b) is in compliance with Environmental Law and with the terms and conditions of all such permits, licenses and authorizations, except, in all cases, to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect.

- ▶ The property or any part thereof owned, operated or controlled by the Borrower or any of its Subsidiaries, either directly or indirectly:
 - (a) is not, to the best of the knowledge of the Borrower, the subject of any outstanding claim, charge or order from an governmental authority alleging violation of Environmental Law or, if subject to any such claim, charge or order, the Borrower or any of its Subsidiaries is taking all such remedial, corrective or other action required under the claim, charge or order or is diligently and in good faith contesting the validity thereof; and
 - (b) complies in all respects with respect to each of its use and operation, with Environmental Law and with the terms and conditions of all permits, licenses and other authorizations which are required to be obtained under applicable Environmental Law, except to the extent that the failure to do so would not be reasonably expected to have a Material Adverse Effect.

- ▶ All factual information heretofore or contemporaneously furnished by or on behalf of the Borrower to the Agent in connection with the Loan Parties or the Term Facility was true and accurate in all material respects at the time given and the Borrower is not aware of any omission of any material fact which renders such factual information incomplete or misleading in any material way at the time given.

- ▶ To the extent that the Borrower or its Subsidiaries have any Pension Plans:
 - (a) The Borrower has furnished to the Lender true, correct and complete copies of all Pension Plans, together with all related documentation, including the most recent actuarial reports (including actuarial valuations in respect of any multi-employer pension plan), financial statements and asset statements, all material opinions and memoranda (whether externally or internally prepared) and all material correspondence with all regulatory authorities or other relevant persons.
 - (b) All Pension Plans have been established, registered, administered, communicated and invested, as applicable, in accordance with applicable laws in all material respects and no fact or circumstance exists which could

adversely affect the registered status, as applicable, of any such Pension Plan.

(c) On the date of this Agreement, none of the Pension Plans is a Defined Benefit Pension Plan.

(d) The Borrower and each of its Subsidiaries has made all contributions in respect of each Pension Plan in a timely fashion in accordance with the terms of each Pension Plan, any collective agreements, and applicable laws.

(e) No Pension Wind Up Event has occurred, and no condition exists and no event or transaction has occurred which could reasonably be expected to result in a Pension Wind Up Event, except to the extent written notice of the same has been provided to the Lender.

- ▶ There are no existing or, to the best knowledge of the Borrower, threatened strikes, lock-outs or other disputes relating to any collective bargaining agreement to which the Borrower or any Subsidiary is a party (if any) and no trade union, council of trade unions or employee bargaining agency has applied or, to the best knowledge of the Borrower, threatened to apply to be certified as the bargaining agent of any of the employees of the Borrower or any Subsidiary in the last three (3) years. The hours worked and payments made to employees of the Borrower and each Subsidiary have not been in violation of any applicable laws, except where such violations could not reasonably be expected to result in a Material Adverse Effect. Any individual who performs services for the Borrower or any Subsidiary (other than through a contract with an organization other than such individual) and who is not treated as an employee of the Borrower or such Subsidiary for any purpose, including income tax, withholding and remittances purposes, has been properly classified as an independent contractor and if such characterization is incorrect it could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.
- ▶ All books and records of the Borrower and each of its Subsidiaries have been fully, properly and accurately kept and completed in accordance with GAAP, where applicable, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein. The Borrower's and its Subsidiaries' books and records and other data and information are available to the Borrower in the ordinary course of its business.
- ▶ No Default or Event of Default has occurred and is continuing or would reasonably be expected to arise immediately after giving effect to or as result of the borrowing pursuant to this Agreement.
- ▶ Neither the Borrower nor any of its Subsidiaries is in violation of its constating documents, its by-laws or any shareholders' agreement applicable to it.
- ▶ Neither the Borrower nor any of its Subsidiaries is a party to any agreement or instrument or subject to any restriction (including any restriction set forth in its constating documents, by-laws or any shareholders' agreement applicable to it) which has or, to the best of its knowledge, in the future may have a Material Adverse Effect.
- ▶ All Material Agreements are in full force and effect, unamended. The Borrower and each of its Subsidiaries is in compliance with all Material

Agreements and none of the Borrower or any of its Subsidiaries, or to the best knowledge of the Borrower, any other party to any Material Agreement has defaulted under any of the Material Agreements. No event, to the best knowledge of the Borrower in the case of any other party's actions, has occurred which, with the giving of notice, lapse of time or both, would constitute a default under, or in respect of, any Material Agreement. There is no dispute regarding any Material Agreement.

- ▶ Each of the Borrower and its Subsidiaries has in full force and effect such policies of insurance in such amounts issued by such insurers of recognized standing covering the property of the Borrower and its Subsidiaries as required by this Agreement.
- ▶ The Borrower and each of its Subsidiaries has filed all tax and information returns which are required to be filed. The Borrower and each of its Subsidiaries has paid all Taxes which have become due pursuant to such returns or pursuant to any assessment received by any of them other than those in respect of which liability based on such returns or assessments is being contested in good faith and by appropriate proceedings where adequate reserves have been established in accordance with GAAP, and all Taxes that any governmental authority is currently entitled to collect in respect of such contest, if any, have been paid. Adequate provision for payment has been made for Taxes not yet due. There are no disputes with respect to Taxes existing or pending involving the Borrower, any of its Subsidiaries or the business of the Borrower and its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.
- ▶ The Borrower and each of its Subsidiaries has withheld from its employees, customers and other applicable payees (and timely paid to the applicable governmental authority) the proper and accurate amount of all Taxes, priority claims and other amounts required to be withheld or collected and remitted in compliance with all applicable laws.
- ▶ The Borrower has no Subsidiaries other than Raimount Oil and Gas Inc. and Corinthian Oil Corp.
- ▶ Neither the Borrower nor its Subsidiaries have any Debt, other than Debt permitted in the Section entitled "Negative Covenants", or Liens on their property, other than Permitted Liens.
- ▶ The Security is effective to create in favour of the Lenders, legal, valid and perfected first priority Liens (subject only to Permitted Liens which rank by law in priority), enforceable in accordance with their terms against third parties and any trustee in bankruptcy in the collateral subject thereto, except to the extent a secured creditor's rights are affected or limited by applicable bankruptcy, insolvency, moratorium, organization and other laws of general application limiting the enforcement of secured creditors' rights generally.

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Agreement shall survive the execution of this Agreement and the other Loan Documents, and shall be deemed to be repeated as of the date of the advance under this Agreement and as of the date of delivery of each Compliance Certificate, subject to modifications requested by the Borrower to the Lender in writing and accepted by the Lender. The Lender shall be deemed to have relied upon such representations and warranties at each such time as a condition of

making an advance hereunder or continuing to extend the Term Facility hereunder.

Financial Covenants:

From and after the date of initial advance under the Term Facility, the Borrower will ensure that:

- ▶ The Working Capital Ratio is not less than 1.00:1.00 at any time, calculated quarterly on annualized basis starting from Q1 of 2018;
- ▶ The Senior Debt to EBITDA ratio is no greater than:
 - 4.00:1.00 at any time during the first fiscal quarter of 2018;
 - 3.50:1.00 at any time during the second fiscal quarter of 2018;
 - 2.50:1.00 at any time during the third fiscal quarter of 2018; and
 - 2.00:1.00 at any time during the fourth fiscal quarter of 2018 and thereafter,calculated quarterly on annualized basis from Q1 2018; and
- ▶ The Asset Coverage Ratio is not less than 1.40:1.00 at any time, calculated on a trailing two fiscal quarter basis.

Each of the above financial ratios shall be maintained at all times and tested at the end of each fiscal quarter of the Borrower and shall be detailed in each Compliance Certificate required to be delivered hereunder.

For clarity, the thresholds set forth in this Section do not and are not intended to have any impact on the determination as to whether any event or circumstance has or will cause a Material Adverse Effect in any particular circumstances.

Positive Covenants:

Subject to the Proposed Recapitalization, the Borrower will, and shall cause each of the Guarantors to, from and after the date of initial advance under the Term Facility:

- ▶ use the Term Facility only for the purposes specified in this Agreement;
- ▶ carry on business in accordance with good practices consistent with acceptable industry standards and pursuant to applicable laws;
- ▶ maintain its corporate existence;
- ▶ furnish to the Lender as soon as practicable, and in any event within five days after the occurrence of each Default or Event of Default, a statement of the chief financial officer of the Borrower or any other officer acceptable to the Lender setting forth the details of the Default or Event of Default and the action which the Borrower proposes to take or has taken;
- ▶ from time to time upon request of the Lender, evidence of the maintenance of all insurance required to be maintained pursuant to this Agreement, including originals or copies as the Lender may request of policies, certificates of insurance, riders, endorsements and proof of premium payments;
- ▶ forthwith upon becoming aware thereof, notify the Lender of the

commencement of any legal or administrative proceedings against it which, if adversely determined against the Borrower or its Subsidiaries would reasonably be expected to have a Material Adverse Effect;

- ▶ forthwith upon becoming aware thereof, notify the Lender of any Change of Control;
- ▶ forthwith upon acquiring knowledge thereof, notify the Lender of the discovery of any Contaminant or of any Release of a Contaminant into the Environment from or upon the land or property owned (either individually or jointly), operated or controlled by the Borrower or any of its Subsidiaries which would reasonably be expected to have a Material Adverse Effect;
- ▶ furnish to the Lender all prospectuses, material change reports (except those filed on a confidential basis, but only for so long as such confidentiality remains in effect) and material press releases filed by the Borrower with securities commissions having jurisdiction and other documents distributed by the Borrower to its shareholders;
- ▶ furnish to the Lender promptly upon becoming aware thereof, a notice of (A) the threat of, or commencement of, any strike or lockout, (B) any work stoppage or other labour dispute, (C) any breach or non-performance of, or any default under, any Material Agreement of the Borrower or any of its Subsidiaries which is not cured, waived or otherwise remedied within any applicable grace period provided for (if any) under the applicable Material Agreement, (D) any dispute, litigation, investigation, proceeding or suspension between the Borrower or any of its Subsidiaries and any governmental authority, (E) the threat of, commencement of, or any adverse development in, any action, suit, arbitration, investigation or other proceeding affecting the Borrower or any of its Subsidiaries, (F) and any other matter, in the case of clauses (B) through (F), to the extent that the same has had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
- ▶ comply in all material respects with all applicable laws (including without limitation all environmental, health and safety laws and regulations) and obtain and maintain all permits, licenses, consents and approvals necessary to the ownership of its property and to the conduct of its business in each jurisdiction where it carries on material business or owns material property, including those issued or granted by governmental authorities, except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect;
- ▶ perform and observe, in all material respects, all terms and provisions of each Material Agreement to be performed or observed by it or such Subsidiary and maintain each Material Agreement in full force and effect; provided that this covenant will not restrict any right to surrender leases or terminate agreements which are immaterial and uneconomic to maintain;
- ▶ comply with all provisions of this Agreement and the other Loan Documents;
- ▶ comply with all provisions of the Notes and all security and other agreements provided in respect thereof;
- ▶ pay or cause to be paid and cause each of its Subsidiaries to pay or cause to be paid, when due, (i) all Taxes imposed upon it or upon its income, sales,

capital or profit or any other assets belonging to it or upon its Subsidiaries before the same becomes delinquent or in default, and (ii) all claims which, if unpaid, might by applicable law become a Lien upon the assets of the Borrower or any of its Subsidiaries, except any such Tax or claim which is being contested in good faith and by proper proceedings and in respect of which the Borrower or its Subsidiaries have established adequate reserves in accordance with GAAP or which are Permitted Liens;

- ▶ keep books of account and other accounting records in accordance with generally accepted accounting principles and all applicable laws; and permit representatives of the Lender at the Lender's expense no more than once a year while no Default or Event of Default exists and at any time at the Borrower's expense while a Default or Event of Default exists to visit and inspect any property of the Borrower or any of its Subsidiaries and to examine and make abstracts from any books and records of the Borrower or any of its Subsidiaries at any reasonable time during normal business hours and upon reasonable request and notice, and subject to the Borrower's health and safety requirements, and to discuss the business, property, condition (financial or otherwise) and prospects of the Borrower or any of its Subsidiaries with their senior officers and (in the presence of such representatives, if any, as it may designate) with its independent chartered accountants;
- ▶ keep all its assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for similar property and for any other risks the Lender may reasonably require. If the Lender requests, these policies will show the Lender as additional insured (in the case of liability insurance) and first loss payee under a mortgage clause in a form approved by the Insurance Bureau of Canada (in the case of property insurance). As further security, the Borrower assigns all insurance proceeds to the Lender. The Borrower will provide to the Lender either the policies themselves or adequate evidence of their existence. If any insurance coverage for any reason stops, the Lender may (but shall have no obligation to) insure the property. Finally, the Borrower will notify the Lender immediately of any loss or damage to any of its property;
- ▶ provide to the Lender copies of any notices of default received under the Note Indenture immediately following its receipt of same;
- ▶ provide to the Lender with 30 days prior written notice of an optional redemption under the Note Indenture;
- ▶ provide to the Lender notice of early redemption of the Permitted Notes promptly upon receipt of the same;
- ▶ do all things necessary to defend, protect and maintain its property and the Security (and the priority thereof), from all material adverse claims where the failure to do so in the opinion of the Lender, acting reasonably, threatens the intended priority or validity of the Security as herein provided, or would reasonably be expected to have a Material Adverse Effect;
- ▶ operate its respective property, or, if it is not the operator, use reasonable efforts to ensure that such property is operated, in accordance with sound industry practice and in accordance in all respects with applicable law, except to the extent failure to do so would not reasonably be expected to

have a Material Adverse Effect;

- ▶ perform its obligations under the Loan Documents and all other agreements relating to the P&NG Rights, including payment of rentals, royalties, Taxes or other charges in respect thereof which are necessary to maintain all such agreements in good standing in all respects, except to the extent failure to so perform would not reasonably be expected to have a Material Adverse Effect, provided that this covenant will not restrict any right to surrender leases or terminate agreements which are uneconomic to maintain;
- ▶ if the Lender, acting reasonably, determines that the Borrower's or any of its Subsidiaries' obligations or other liabilities in respect of matters dealing with the protection or contamination of the Environment or the maintenance of health and safety standards, whether contingent or actual, would reasonably be expected to have a Material Adverse Effect then, at the request of the Lender, the Borrower will, and will cause its Subsidiaries to, assist the Lender in conducting an environmental audit of the property which is the subject matter of such contingent or actual obligations or liabilities, by an independent consultant selected by the Lender after consultation with the Borrower. The reasonable costs of such audit will be for the account of the Borrower, provided that the Lender will carry out such audit in consultation with the Borrower to expedite its completion in a cost effective manner. Should the result of such audit indicate that the Borrower or any of its Subsidiaries is in breach, or with the passage of time will be in breach, of any Environmental Law and such breach or potential breach has or would reasonably be expected to have, in the opinion of the Lender, acting reasonably, a Material Adverse Effect, and without in any way prejudicing or suspending any of the rights and remedies of the Lender under the Loan Documents, the Borrower will forthwith commence and diligently proceed to rectify or cause to be rectified such breach or potential breach, as the case may be, and will keep the Lender fully advised of the actions it intends to take and has taken to rectify such breach or potential breach and the progress it is making in rectifying same. The Lender will be permitted to retain, for the account of the Borrower (to the extent such account is reasonable), the services of a consultant to monitor the Borrower's and its Subsidiaries compliance with this Section;
- ▶ within 120 days of the Borrower's fiscal year end or such later date as may be provided by the TSX Venture for delivery of same, provide the Lender an economic and reserve evaluation report prepared by an independent petroleum engineering firm satisfactory to the Lender covering the then current P&NG Rights of the Borrower and its Subsidiaries, with an effective date of such fiscal year end, in form satisfactory to the Lender, acting reasonably;
- ▶ on or prior to 60 days following each month, furnish to the Lender a report of the lease operating performance including year to date figures, a comparison to budgeted lease operating performance, operating expenses and net revenues and total revenues, in a format acceptable to the Lender, acting reasonably;
- ▶ on or prior to 30 days following each month, furnish to the Lender a field estimate report of production performance of the Borrower and its Subsidiaries' Proved Producing Reserves, in a format acceptable to the Lender, acting reasonably;

- ▶ in the event the Borrower or any of its Subsidiaries is party to a Pension Plan: (i) ensure that the Lender has at all times been furnished with true, correct and complete copies of all Pension Plans; (ii) deliver to the Lender, promptly after filing with the applicable governmental authority, all actuarial valuations in respect of any Defined Benefit Pension Plan and all related documentation and, upon the reasonable request of the Lender, other documents or information in the possession of the Borrower or any of the Subsidiaries related to a Pension Plan; (iii) make, and cause each Subsidiary to make, all contributions to all Pension Plans when or prior to when due; (iv) notify the Lender in writing as soon as practicable and, in any event, within five days of the occurrence of any Pension Wind Up Event or any condition, event or transaction which could reasonably be expected to result in a Pension Wind Up Event, and provide all related documentation, including any correspondence from any governmental authority, with respect to such Pension Wind Up Event; and (v) promptly notify the Lender in writing upon the Borrower or any Subsidiary commencing to maintain, sponsor, administer, contribute to, participate in, or have any liability, contingent or otherwise, with respect to, any Pension Plan. The Borrower will, and will cause each Subsidiary to, establish, register, administer, communicate and invest, as applicable, all Pension Plans in accordance with applicable laws in all material respects;

- ▶ maintain one or more contracts for commodity swaps or other protection agreements or options designed to protect against fluctuations in commodity prices (which, for greater certainty, includes both physically and financially settled hedges) (collectively, the "Commodity Swap Contracts") acceptable to the Agent under which the aggregate amount hedged under all such Commodity Swap Contracts is at a maximum of 60% of the aggregate petroleum, natural gas liquids and natural gas forecast to be produced from the Proved Producing Reserves (on a split commodity basis) for each of the first 2 years following the effective date of the economic reserves and evaluation report most recently delivered or required to be delivered pursuant to this Section entitled "Positive Covenants", all as set forth in such report;

- ▶ provide such further information about its business and its Subsidiaries as is reasonably requested by the Lender from time to time, and such information shall be in a form acceptable to the Lender; and

- ▶ from time to time promptly upon request by the Lender do and execute all such acts and documents as may be reasonably required by the Lender to give effect to this Agreement and the other Loan Documents.

Negative Covenants:

Subject to the Proposed Recapitalization, each of the following shall apply from and after the date of initial advance under the Term Facility:

Lien Restrictions: None of the Borrower or the Borrower's Subsidiaries will create, incur or suffer to exist any Lien on any of its property or assets, except Permitted Liens.

Amalgamations, etc.: None of the Borrower or the Borrower's Subsidiaries will enter into any amalgamation or consolidation or merger or liquidation, wind-up or dissolve itself (or permit any liquidation, winding-up or dissolution or any proceedings therefor) or continue itself under the laws of any other statute or jurisdiction, except that, subject to the Borrower and the Borrower's Subsidiaries taking such action, and executing and delivering to the Lender such agreements and other documents as the Lender may require, acting reasonably, to assure the continued validity, enforceability and effectiveness of the Loan Documents and the covenants,

agreements and obligations of the Borrower under the Term Facility, and provided that there does not then exist any failure by the Borrower to perform or observe any of its covenants in this Agreement and no such failure would be created thereby, any wholly-owned Subsidiary of the Borrower may be amalgamated or consolidated or merged or liquidated, wound-up or dissolved with or into the Borrower, provided that the Borrower shall be the continuing entity, or with or into any one or more other wholly-owned Subsidiaries.

Subsidiaries: None of the Borrower or its Subsidiaries will create or acquire any Subsidiaries without the prior written consent of the Lender.

Acquisitions: The Borrower will not, and will not permit any Subsidiary to, without the prior written consent of the Lender:

(i) purchase any (A) securities of capital stock of any class of any corporation, partnership units in the case of a partnership, trust units in the case of a trust, or other evidence of ownership serving similar purposes, (B) bonds, (C) notes, (D) debentures or (E) other securities of any person;

(ii) acquire any property (including real property), assets and undertakings of any person or a business carried on by, or a division of, such person;

(iii) make any advances, loans or other extensions of credit, guarantees, indemnities, capital contributions, assumption of debt, or other contingent liabilities in the nature of a guarantee or indemnity or capital contributions to or in respect of such person; or

(iv) make any investment of any cash balances other than in (i) certificates of deposit, deposit receipts and evidences of demand deposits in registered form in the name of the Borrower or any of its Subsidiaries, in each case as issued by a Canadian chartered bank, (ii) bonds or other evidences of indebtedness of or fully guaranteed by the government of Canada or any province thereof payable in Canadian dollars and rated A (or the then equivalent grade) by a recognized bond rating agency, and (iii) commercial paper rated A-1 or better, P-1 or better or R-1 middle/low or better by Standard & Poor's Rating Group, Moody's Investor Services, Inc. or Dominion Bond Rating Service Limited, respectively, in all cases having a payment or maturity date not later than 90 days after the acquisition thereof.

Debt Restrictions: None of the Borrower or the Borrower's Subsidiaries will create, incur, assume or permit to exist any Debt except: (a) amounts owed to the Lender under the Term Facility or otherwise, (b) Debt secured solely by Permitted Liens (including, for certainty, the Notes) and (c) unsecured ordinary course Debt (such as trade payables) up to a maximum aggregate amount not exceeding \$5,000,000 that is incurred in the normal course of the business of the Loan Parties and is consistent with its current unsecured ordinary course Debt.

Dispositions of Property: Without the prior consent of the Lender, none of the Borrower or its Subsidiaries directly or indirectly, make any sale, exchange, lease, transfer or other disposition of any of its property, whether now owned or hereafter acquired, except for between Loan Parties or any sale or disposition of current production of oil and natural gas made in the ordinary course of business.

Restricted Payments: None of the Borrower or the Borrower's Subsidiaries will declare, pay or make any Restricted Payments.

**Change in Business, Name,
Location or Fiscal Year:**

The Borrower will not, and will not permit any of its Subsidiaries to, (i) change in any material respect the nature of their business or operations from that of an oil and natural gas exploration and production company operating in the Western Canadian Sedimentary Basin, (ii) change its name, trade name or locations of business without giving the Lender 10 days prior notice thereof, (iii) change its fiscal year end, or (iv) change its auditors provided the Borrower may appoint a nationally recognized accounting firm upon prior written notice of such appointment to the Lender.

Notes: The Borrower shall not:

(1) amend the Notes or the Note Indenture (including, without limitation, increasing the interest rate contained therein) without the prior written consent of the Lender, in its sole discretion, other than administrative changes pursuant to the Note Indenture or as otherwise permitted under the Intercreditor Agreement;

(2) permit a default or breach of a term or condition to occur and continue under the Notes, the Note Indenture, or any security documentation related thereto, which is not remedied within any applicable cure period provided for therein; or

(3) pay any amounts owing to the noteholders under the Notes other than the regularly scheduled interest payments payable as set forth in the Notes and the Note Indenture; provided no payments may be so made if at the time of such payment there is an existing and continuing Event of Default unless the Lender otherwise consents.

**Transactions with Related
Parties:**

None of the Borrower or its Subsidiaries shall, except as otherwise specifically permitted hereunder, enter into any transaction, including the purchase, sale or exchange of any property or the rendering of any services, with any of its shareholders or with any of its Affiliates, or with any of its or their directors or officers, or enter into, assume or suffer to exist any employment, consulting or analogous agreement or arrangement with any such shareholder or Affiliate or with any of its directors or officers, except a transaction or agreement or arrangement which is in the ordinary course of business of the Borrower or its Subsidiaries and which is upon fair and reasonable terms not less favourable to the Borrower or its Subsidiaries than it would obtain in comparable arms-length transaction.

Capital Expenditures:

None of the Borrower or its Subsidiaries shall make or commit to make in any fiscal year any capital expenditures exceeding in the amount set out in the Business Plan.

Amendments: None of the Borrower or its Subsidiaries shall:

(i) make or permit to be made any amendments to any Material Agreement if such amendments could reasonably be expected to have a Material Adverse Effect or to be adverse to the interests of the Lender under the Loan Documents;

(ii) (A) amend or change any of its constituting documents or (B) enter into any agreement with respect to its equity securities, except where such amendment, change or new agreement is not adverse to the interests of the Lender under the Loan Documents.

Reporting Requirements:

The Borrower will provide to the Lender:

- ▶ Within 60 days after the end of each of its first three fiscal quarters, unaudited consolidated financial statements together with a Compliance

Certificate accompanied by detailed calculations of the Financial Covenants.

- ▶ Within 120 days after the end of each of its fiscal year, annual audited financial statements together with a Compliance Certificate accompanied by detailed calculations of the Financial Covenants.
- ▶ Within 120 days after the end of each of its fiscal year, an annual consolidated budget for the following fiscal year (in form and substance satisfactory to the Lender), including production, cash flow and capital expenditure forecasts (the "Business Plan").
- ▶ A comparison of its actual monthly performance to the forecasts set out in the Business Plan and a comparison of its actual monthly operating cash flow, EBITDA, net debt and capital expenditures (broken down as between maintenance and development capital expenditures) to the budgeted amounts set out in the Business Plan, including a commentary and description of any variance in excess of 10% and detailing actual production and revenue in aggregate and by area, as soon as available but in any event not more than 60 days after the end of each month.
- ▶ A list of all new capital projects entered into by the Borrower or any of its Subsidiaries within the past month, together with the status of each of the contracts having an aggregate revenue or liability in any calendar year in excess of \$2,000,000 to which the Borrower or any of its Subsidiaries is then a party, and a list of all capital projects proposed to be undertaken within the following month as soon as available but in any event not more than 60 days after the end of each month.

Events of Default:

Subject to the Proposed Recapitalization, the occurrence and continuance of any of the following (each referred to as an "Event of Default") on and after the date of initial advance under the Term Facility:

- ▶ if the Borrower fails to pay any principal amount (including the amount of the 1.96% original issue discount) when due and payable;
- ▶ if the Borrower fails to pay any interest, fee or other amount (except principal) when due and payable and such failure continues for three Business Days or more;
- ▶ if the Borrower or any of its Subsidiaries fails to perform, observe or comply with any of the covenants contained in the sections of this Agreement entitled "Financial Covenants" or "Negative Covenants";
- ▶ if the Borrower or any of its Subsidiaries fails to perform, observe or comply with any other term or covenant contained in this Agreement or the other Loan Documents and such failure remains unremedied for 10 days;
- ▶ if any representation or warranty contained in this Agreement or the other Loan Documents or in any certificate delivered to the Lender by or on behalf of the Borrower or its Subsidiaries is untrue in any material respect on the date as of which it was made and, if the circumstances giving rise to the incorrect representation or warranty are capable of modification or rectification (such that, thereafter the representation or warranty would be correct), the representation or warranty remains uncorrected for a period of 10 days;

- ▶ if there is outstanding any amount or amounts exceeding an aggregate of \$100,000 (or the equivalent amount in any other currency) which any of the Borrower and its Subsidiaries has failed to pay when due and payable, or if any amount or amounts exceeding an aggregate of \$100,000 (or the equivalent amount in any other currency) may then be declared to be due and payable by any of the Borrower and its Subsidiaries prior to the stated maturity date thereof or prior to the regularly scheduled date for payment thereof;
- ▶ if any of the Borrower and its Subsidiaries commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada), or institutes proceedings for its winding up, liquidation or dissolution, or takes action to become a voluntary bankrupt, or consents to the filing of a bankruptcy proceeding against it, or files a petition or other proceeding seeking reorganization, readjustment, arrangement, composition or similar relief under any bankruptcy law or insolvency law or consents to the filing of any such petition or other proceeding, or consents to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of the whole or any material part of its property, or makes an assignment for the benefit of creditors, or publicly announces or admits in writing its inability to pay its debts generally as they become due, or suspends or threatens to suspend transaction of all or any substantial part of its usual business, or any action is taken by any of the Borrower and its Subsidiaries or any shareholder of any of them in furtherance of any of the foregoing;
- ▶ if proceedings are instituted in any court of competent jurisdiction by any person (other than any of the Borrower and its Subsidiaries or a shareholder of any of them) for the winding up, liquidation or dissolution of any of the Borrower and its Subsidiaries, or for any reorganization, readjustment, arrangement, composition or similar relief with respect to any of the Borrower and its Subsidiaries under any bankruptcy law or any other applicable insolvency law, or for the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of the whole or any material part of the property of any of the Borrower and its Subsidiaries, and at any time thereafter such proceeding is not contested in good faith, or if any order sought in any such proceeding is granted and not discharged with 15 days;
- ▶ if the Borrower or any Subsidiary fails to perform or observe any term, covenant or agreement contained in any Material Agreement on its part to be performed or observed where such failure could reasonably be expected to have a Material Adverse Effect; or any Material Agreement is terminated or revoked or permitted to lapse (other than in accordance with its terms and not as a result of default); or any party to any Material Agreement delivers a notice of termination or revocation (other than in accordance with its terms and not as a result of default) in respect of the Material Agreement;
- ▶ if the Borrower or any Subsidiary repudiates its obligations under any Loan Document or any material provision thereof, or claims any of the Loan Documents or any material provision thereof to be invalid or withdrawn in whole or in part, if the enforceability of this Agreement or any other Loan Document is disputed by any of the Borrower and its Subsidiaries or if it is or will become unlawful for any of the Borrower and its Subsidiaries to perform or comply with any of its obligations under this Agreement or any other Loan Document;

- ▶ if any one or more of the Loan Documents or any material obligation of any of the Borrower and its Subsidiaries under this Agreement or any other Loan Document ceases to be its legal, valid, binding and enforceable obligation, or if any of the Security ceases to constitute a Lien of the nature and priority contemplated by this Agreement;
- ▶ if an encumbrancer (including without limitation an execution creditor) takes possession of any property of any of the Borrower and its Subsidiaries which in the opinion of the Lender is material;
- ▶ if there exists for any period of 10 days one or more non appealable judgements of a court of competent jurisdiction against any of the Borrower and its Subsidiaries for an aggregate amount exceeding \$100,000 (or the equivalent amount in any other currency) which has not been satisfied in full (exclusive of any amount adequately covered by insurance as to which the insurer has acknowledged coverage);
- ▶ the Borrower or any Subsidiary incurs any liabilities imposed by, under or pursuant to Environmental Laws or which relate to the existence of contaminants on, under or about its properties which will require expenditures, (i) for any one occurrence, in excess of \$100,000, or (ii) aggregating in any fiscal year on a consolidated basis, \$100,000;
- ▶ the audited consolidated financial statements of the Borrower are qualified by an Impermissible Qualification; provided that it is acknowledged that (i) the current financial statements of the Borrower for the fiscal quarter ended September 30, 2017 and prior financial statements include a "going concern" notation and (ii) such notation, until removed by the Borrower's auditors for at least one fiscal period, shall not constitute an Event of Default; provided further that, any "going concern notation" is permitted in the 2017 year-end financial statements only to the extent it would not be eliminated because it happened as a subsequent event and the financial statements for the first fiscal quarter of 2018 shall not include a "going concern notation";
- ▶ a Pension Wind Up Event occurs, if the wind up deficiency of the relevant Pension Plan, when aggregated with the wind up deficiencies of all other Pension Plans in respect of which a Pension Wind Up Event has occurred, is or could reasonably be expected to be in excess of \$100,000;
- ▶ if in the sole opinion of the Lender there has occurred any event which has had or could reasonably be expected to have a Material Adverse Effect;
- ▶ if a Change of Control occurs; or
- ▶ if the Borrower fails to perform or observe any term, covenant or agreement contained in the Joint Venture Agreement which is not cured, waived or otherwise remedied within the applicable grace period (if any) provided for under the Joint Venture Agreement.

Remedies on Default:

If any Event of Default shall occur, (1) Default Interest shall become applicable and (2) the Lender may:

- (a) by notice to the Borrower, declare the entire unpaid principal and interest hereunder to be forthwith due and payable, whereupon all such amounts shall

become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind; provided however that upon the occurrence of an Insolvency Event of Default, the entire unpaid principal and interest under this Agreement shall be immediately due and payable without declaration, notice or demand by the Lender;

(b) commence such legal action or proceedings as it, in its sole discretion, deems expedient, including the commencement of enforcement proceedings under this Agreement, the other Loan Documents and/or any other agreement or instrument entered into in relation thereto, all without any additional notice, presentation, demand, protest, notice of dishonour, entering into of possession of any property or assets, or any other action or notice, all of which are expressly waived by the Borrower; and

(c) exercise the Lenders' rights under this Agreement and the other Loan Documents.

The rights and remedies of the Lender under the Loan Documents are cumulative and are in addition to, and not in substitution for, any other rights or remedies. Nothing contained in the Loan Documents with respect to the indebtedness or liability of the Borrower to the Lender, nor any act or omission of the Lender, or any of them, with respect to the Loan Documents or the Security shall in any way prejudice or affect the rights, remedies and powers of the Lenders under the Loan Documents and the Security.

Other Provisions:

Schedule A: The attached Schedule A, which contains certain definitions, forms part of this Agreement.

Payment Timing: If any payment is due on a day other than a Business Day, such payment will be due on the next Business Day.

Lender's Records: The Lender's loan accounting records will provide conclusive evidence of all terms and conditions of the Term Facility such as principal loan balances, interest calculations, and payment dates.

Deemed Re Investment Principle: For the purpose of the *Interest Act* (Canada) and any other purpose, the principle of deemed re-investment of interest is not applicable to any calculation under this Agreement, and the rates of interest and fees specified in this Agreement are intended to be nominal rates and not effective rates or yields.

Right of Set Off: At any time that the Borrower has failed (beyond any period of grace permitted by the Lender) to perform or observe any of its covenants in this Agreement, the Lender is authorized at any time to set off and apply any deposits held by it and any other amounts owed by it to or for the credit of the Borrower against any and all of the obligations of the Borrower with respect to the Term Facility, irrespective of whether or not the Lender has made any demand and even though any such obligations may not yet be due and payable

Applying Money Received: At any time that the Borrower has failed (beyond any period of grace permitted by the Lender) to perform or observe any of its covenants in this Agreement, all moneys received by the Lender from the Borrower or from any other Loan Document may be applied on such parts of the Borrower's liabilities to the Lender as the Lender may determine.

Currency: All references to "dollars" or "\$" herein shall refer to Canadian dollars.

Assignment: The Lender may assign, sell or participate (herein referred to as a "transfer") all or any part of its rights and obligations under the Term Facility to any third party, and the Borrower agrees to sign any documents and take any actions that the Lender may reasonably require in connection with any such transfer. Upon completion of the transfer, the third party will have the same rights and obligations under this Agreement as if it were a party to it, with respect to all rights and obligations included in the transfer. The Borrower may not assign any of its rights or obligations under the Term Facility. The Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement and the other Loan Documents to secured obligations of the Lenders, but no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

Expenses: The Borrower will reimburse the Lender for all reasonable and out of pocket fees (including legal fees) and expenses incurred in preparing this Agreement and the other Loan Documents and registering any Security, in responding to requests from the Borrower for waivers, amendments and other matters, and in enforcing the Lender's rights under this Agreement or any other Loan Documents. The Borrower has provided a cost reserve to the Lender in the sum of \$100,000 (the "Cost Reserve"), which Cost Reserve is to be applied to the Lender's expenses in connection with this Agreement and preparing the Loan Documents and registering any Security.

Notwithstanding the foregoing, in the event borrowings are not extended hereunder, the maximum expenses of the Lender to be reimbursed by the Borrower shall not exceed \$50,000.

The Borrower shall be promptly reimbursed by the Lender for the remaining balance of the Cost Reserve (whether as a result of the \$50,000 maximum specified above or otherwise) after payment of such costs.

Waiver: No delay on the part of the Lender in exercising any right or privilege will operate as a waiver thereof, and no waiver of any failure or default will operate as a waiver thereof unless made in writing and signed by an authorized officer of the Lender, or will be applicable to any other failure or default.

Indemnities: (1) Tax Indemnity. All payments by the Borrower under this Agreement shall be made free and clear of, and without reduction for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, other than taxes imposed on the overall net income of the Lender or franchise taxes, taxes on doing business or taxes measured by the capital or net worth of the Lender (collectively "Excluded Taxes"), now or hereafter imposed, levied, collected, withheld or assessed by any country or any political subdivision thereof (collectively "Taxes"); provided, however, that if any Taxes are required to be withheld from any interest or other amount payable to the Lender hereunder, the amount so payable to the Lender shall be increased to the extent necessary to yield to the Lender, on a net basis after payment of all Taxes and after payment of all Excluded Taxes imposed by any relevant jurisdiction on any additional amounts payable under this section, interest or any such other amount payable hereunder at the rate or in the amount specified in this Agreement. The Borrower shall be fully liable and responsible for and shall, promptly following receipt of a request from the Lender, pay to the Lender any and all sales, goods and services taxes payable under the laws of Canada or any political subdivision thereof with respect to any and all goods and services made available hereunder to the

Borrower by the Lender, and such taxes shall be included in the definition of "Taxes" for all purposes hereof. Whenever any Taxes are payable by the Borrower, as promptly as possible thereafter it shall send to the Lender, a certified copy of an original official receipt showing payment thereof. If the Borrower fails to pay any Taxes when due or fails to remit to the Lender as aforesaid the required documentary evidence thereof, the Borrower shall indemnify and save harmless the Lender from any incremental taxes, interest, penalties or other liabilities that may become payable by the Lender or to which the Lender may be subjected as a result of any such failure. A certificate of the Lender as to the amount of any such taxes, interest or penalties and containing reasonable details of the calculation thereof shall be prima facie evidence thereof.

(2) Default Indemnity. The Borrower shall indemnify and save harmless the Lender from all claims, demands, liabilities, damages, losses, costs, charges and expenses, including any loss or expense arising from interest or fees payable by the Lender to lenders of funds obtained by it in order to make or maintain any amount under the Term Facility and any loss or expense incurred in liquidating or re employing deposits from which such funds were obtained, which may be incurred by the Lender as a consequence of (i) default by the Borrower in the payment when due of any amount hereunder or the occurrence of any other default relative to any of the Term Facility, (ii) default by the Borrower in obtaining any amount after the Borrower has given notice hereunder that it desires to obtain such amount, (iii) default by the Borrower in making any optional repayment of any amount after the Borrower has given notice hereunder that it desires to make such repayment, or (iv) the repayment of any loan on which interest is payable at a fixed annual rate otherwise than on the expiration of the fixed interest rate period applicable thereto, or the repayment of any other amount otherwise than on any specified maturity date thereof. A certificate of the Lender as to any such loss or expense and containing reasonable details of the calculation thereof shall be prima facie evidence thereof.

(3) Environmental Indemnity. If there occurs or occurred in the past any release, deposit, discharge or disposal of any substance that may cause any environmental harm or adverse environmental effect or that is or may be regulated by any law for the protection of the environment, human health or safety, (collectively, a "Discharge") in connection with the business or property of the Borrower or any of its Subsidiaries, and as a result the Lender suffers any third party claim, legal obligation, loss, expense or damage whatsoever, the Borrower will reimburse the Lender, its directors, officers, employees and agents for any and all losses, damages, fines, costs and other amounts that result (including amounts spent conducting any necessary environmental assessments or investigations or defending any third party claims or proceedings, government demands or orders). If the Lender asks, the Borrower will defend any third party claims or proceedings, investigations or prosecutions brought against the Lender or any of its directors, officers, employees and agents in connection with any Discharge.

(4) Notwithstanding the foregoing, in no event shall the Borrower indemnify the Lender for any claims arising from the gross negligence or wilful misconduct of the Lender or any agent of the Lender as determined by a court of competent jurisdiction by final and non-appealable judgment.

(5) The Borrower's obligation under this Section continues even after the Term Facility has been repaid and this Agreement has terminated.

Communications: Any communication or notice to be given with respect to the Term Facility may be effectively given by delivering the same at the addresses set out on the signature page hereof, or by sending the same by facsimile, electronic mail (including email)

or prepaid registered mail to the parties at such addresses. Any notice so mailed will be deemed to have been received on the tenth day next following the mailing thereof, provided that postal service is in normal operation during such time. Any facsimile or electronic mail notice will be deemed to have been received on transmission if sent on a Business Day and, if not, on the next Business Day following transmission. Either party may from time to time notify the other party, in accordance with this section, of any change of its address which thereafter will be the address of such party for all purposes of the Term Facility.

Conflict: If a contradiction exists between a Loan Document (other than this Agreement), or any part thereof, and this Agreement, this Agreement will be the operative document. Notwithstanding the foregoing, if there is any right or remedy of the Lenders set out in the Loan Documents (other than this Agreement), or any part thereof, which is not set out or provided for in this Agreement, such additional right shall not constitute a conflict or inconsistency.

Time: Time shall be of the essence in all provisions of this Agreement.

Replacements: This Agreement supersedes and replaces all prior discussions, letters and agreements (if any) describing the terms and conditions of any credit facility established by the Lender in favour of the Borrower.

No Fiduciary Duty: The Lender and its Affiliates (collectively, solely for purposes of this Section, the "Lenders"), may have economic interests that conflict with those of the Borrower, its shareholders and its Affiliates. The Borrower agrees that nothing in the Loan Documents will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Borrower, its shareholders or its Affiliates, on the other hand. The Borrower acknowledges and agrees that (a) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Borrower, on the other hand, and (b) in connection therewith and with the process leading thereto, (i) no Lender has assumed an advisory or fiduciary responsibility in favour of the Borrower, its shareholders or its Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise the Borrower, its shareholders or its Affiliates on other matters) or any other obligation to the Borrower except the obligations expressly set forth in the Loan Documents and (ii) each Lender is acting solely as principal and not as the agent or fiduciary of the Borrower, its management, shareholders, creditors or any other person. The Borrower acknowledges and agrees that the Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. The Borrower agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Borrower, in connection with such transactions or the process leading thereto.

Judgment Currency: If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to the Lender in any currency (the "Original Currency") into another currency (the "Other Currency"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Lender could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by applicable law, on the day on

which the judgment is paid or satisfied.

The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lender under any of the Loan Documents shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lender of any sum adjudged to be so due in the Other Currency, the Lender may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lender, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, the Lender shall remit such excess to the Borrower

Governing Law: This Agreement shall be governed by the laws of Alberta and Canada, and the Borrower submits itself to the jurisdiction of any competent federal or provincial court in such jurisdiction.

Counterparts: This Agreement may be executed in separate counterparts and delivered by electronic means, facsimile or email and, when so executed and delivered, will be deemed to be an original, all of which taken together will constitute one and the same agreement, and production of an originally executed or copy of each counterpart execution page hereof shall be sufficient for purposes of proof of the execution and delivery of this Agreement.

[Remainder of page intentionally blank; signature page to follow]

Please indicate your acceptance of the foregoing by signing and returning to the undersigned the enclosed duplicate copy of this letter.

Yours truly,

Address:
2650 Dome Tower, 333 7th Ave SW
Calgary, AB T2P 2Z1

**STREAM ASSET FINANCIAL MANITOK LP by its general
partner STREAM ASSET FINANCIAL MANITOK CORP.**

Facsimile: (587) 353-3343
E-Mail: rdunfield@streamasset.ca

By: _____
Name: Ryan Dunfield
Title: President

Accepted this ___ day of January, 2018.

Address:
585 – 8 Avenue SW, Suite 2600
Calgary, AB T2P 1G1

Facsimile:
E-Mail:

MANITOK ENERGY INC.

By: _____
Name: Massimo M. Geremia
Title: President & CEO

By: _____
Name: Robert G. Dion
Title: Vice President, Finance & CFO

Address:
585 – 8 Avenue SW, Suite 2600
Calgary, AB T2P 1G1

Facsimile:
E-Mail:

RAIMOUNT OIL AND GAS INC.

By: _____
Name: Massimo M. Geremia
Title: President & CEO

By: _____
Name: Robert G. Dion
Title: Vice President, Finance & CFO

Address:
585 – 8 Avenue SW, Suite 2600
Calgary, AB T2P 1G1

Facsimile:
E-Mail:

CORINTHIAN OIL CORP.

By: _____
Name: Massimo M. Geremia
Title: President & CEO

By: _____
Name: Robert G. Dion
Title: Vice President, Finance & CFO

**SCHEDULE A
ADDITIONAL DEFINITIONS**

Certain Definitions. In this Agreement the following terms have the following meanings:

"Affiliate" means, with respect to any person, any other person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such person, and includes any person in like relation to an Affiliate. A person shall be deemed to control another person if the first person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means the attached letter agreement between the Lender and the Borrower, including this Schedule and any other Schedules thereto, as the same may be amended or supplemented from time to time.

"Asset Coverage Ratio" means the ratio of (i) the Present Value of Proved Producing Reserves of the Loan Parties plus cash and hedging gains to (ii) Senior Debt.

"Available Cash Flow" means for any period:

- (a) the consolidated revenue of the Borrower from operations (including all net proceeds of any sales or dispositions) for such period;

less

- (b) royalties and other contractual obligations, the payment of which and compliance with which are necessary to preserve and maintain the consolidated P&NG Rights of the Borrower for such period; and
- (c) the reasonable general and administrative and operating expenses and transportation and marketing expenses of the Borrower for such period, including debt service; and
- (d) Taxes applicable to such period; and
- (e) any capital expenditures permitted by this Agreement.

"Base Rate" means an interest rate equal to eight (8%) percent per annum.

"Business Day" means any day excluding Saturday, Sunday and any day which is a legal holiday in Calgary, Canada.

"Change of Control" means if any person acquires, directly or indirectly, alone or in concert with other persons, over a period of time or at any one time, equity securities in the capital of the Borrower aggregating in excess of 30% of all of the then issued and outstanding equity securities of the Borrower, other than as a result of Proposed Recapitalization.

"Collateral Agent" means Computershare Trust Company of Canada in its capacity as the holder of the security interests granted to the Note Secured Parties as security for of the Notes, and its successors and permitted assigns in such capacity.

"Compliance Certificate" means an Officer's Certificate stating, as of the applicable date, (i) that the Borrower is not in default of the observance or performance of any of its covenants in this Agreement (or describing any default then existing), (ii) that all representations and warranties contained in this Agreement are true and accurate as if made on and as of such date (or describing any thereof that are not then true and accurate), and (iii) the particulars and calculation of all financial covenants of the Borrower contained in this Agreement, in a form and substance approved by the Lender.

"Contaminant" means those substances, pollutants, wastes and special wastes which are defined as contaminants, hazardous, toxic, or a threat to public health or to the Environment under any applicable Environmental Law, including any radioactive materials, urea formaldehyde foam insulation, asbestos or polychlorinated biphenyls (PCB's).

"Current Assets" means assets that would be shown as current assets on a consolidated balance sheet of the Borrower prepared in accordance with GAAP, and would include such assets as cash, accounts receivable, inventory and other assets that are likely to be converted into cash, sold, exchanged or expended in the normal course of business within one year or less, but shall exclude for the purpose of this definition all amounts due from Affiliates.

"Current Liabilities" means, as at any date of determination, the current liabilities of the Borrower on a consolidated basis for such date as determined in accordance with GAAP but excluding therefrom the Senior Debt.

"Debt" means, with respect to any person, (i) an obligation of such person for borrowed money, (ii) an obligation of such person evidenced by a note, bond, debenture or other similar instrument, (iii) an obligation of such person for the deferred purchase price of property or services, excluding trade payables and other accrued current liabilities incurred in the ordinary course of business in accordance with customary commercial terms, (iv) a capitalized lease obligation of such person, (v) a guarantee, indemnity, or

financial support obligation of such person, determined in accordance with GAAP, (vi) an obligation of such person or of any other person secured by a Lien on any property of such person, even though such person has not otherwise assumed or become liable for the payment of such obligation, (vii) an obligation arising in connection with an acceptance facility or letter of credit issued for the account of such person, or (viii) a share in the capital of such person that is redeemable by such person either at a fixed time or on demand by the holder of such share (valued at the maximum purchase price at which such person may be required to redeem, repurchase or otherwise acquire such share), but excluding, any Notes or other Debt which by their terms are convertible into securities of the Borrower.

"Default" means any event or condition which, with the giving of notice, lapse of time or upon a declaration or determination being made (or any combination thereof), would constitute an Event of Default.

"Default Period" means the time period commencing on the day of the occurrence of an Event of Default and continuing until the remedy, waiver or other cessation of existence of such Event of Default.

"Default Rate" means an interest rate equal to fifteen and a half (15.5%) percent per annum.

"Defined Benefit Pension Plan" means a Pension Plan with a "defined benefit provision" as such term is defined in the *Income Tax Act* (Canada).

"EBITDA" means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense, income taxes, depreciation and amortization, but adding back up to \$3,000,000 expenses related to the Proposed Recapitalization and this Agreement to the extent deducted therefrom (provided that such expenses shall first be approved by the Lender after the Borrower has provided a summary setting forth in reasonable detail such expenses).

"Environment" means all components of the earth, including all layers of the atmosphere, air, land (including all underground spaces and cavities and all lands submerged under water), soil, water (including surface and underground water), organic and inorganic matter and living organisms, and the interacting natural systems that include the components referred to in this definition.

"Environmental Law" means any law relating, in whole or in part, to the protection or enhancement of the Environment, including occupational safety, product liability, public health, public safety and transportation or handling of dangerous goods.

"GAAP" means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants. If the Borrower, or the party to which references to GAAP are intended to apply, has adopted International Financial Reporting Standards ("IFRS"), then the applicable references in this Agreement to GAAP or Generally Accepted Accounting Principles may be interpreted to mean IFRS, but only if the Lender has consented to such change.

"Impermissible Qualification" means, relative to the financial statements or notes thereto of the Borrower or the opinion or report of any independent auditors as to such financial statements or notes thereto, any qualification or exception to such financial statements, notes, opinion or report, as the case may be, which is of a "going concern" or similar nature or which relates to any limited scope of examination of matters relevant to such financial statements, if such limitation results from the refusal or failure of the Borrower to grant access to necessary information or to cause such access to be granted.

"Intercreditor Agreement" means the intercreditor agreement dated as of October 27, 2016 made among the Borrower, Raimount, the Collateral Agent and National Bank of Canada, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, or such alternative intercreditor agreement as may be entered into between the Borrower, its then Subsidiaries, the Collateral Agent and the Lender in a form and substance satisfactory to the Lender.

"Interest Expense" means, for any period, the aggregate amount accrued (whether or not payable or paid) during such period in accordance with GAAP on account of (i) interest expense including amortization of debt discount and debt issuance costs, capitalized interest, standby fees, commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptances and (ii) the interest expense components of all capitalized lease obligations.

"Joint Venture Agreements" means, collectively, the joint venture agreement dated December 30, 2014 between the Borrower and the Lender, as amended by a first amending agreement dated June 12, 2015 and a second amending agreement dated June 29, 2015 and the joint venture agreement dated June 12, 2015 between the Borrower and the Lender, as amended by a first amending agreement dated June 29, 2015, as each may be further amended, amended and restated, supplemented or otherwise modified from time to time.

"Lien" includes without limitation a mortgage, charge, lien, security interest or encumbrance of any sort on any property or asset, and includes conditional sales contracts, title retention agreements, capital trusts and capital leases.

"Loan Documents" means this Agreement, the Security, the Warrants and each instrument, agreement, certificate, application, request, indemnity and other document of any nature or kind now or hereafter executed in connection with this Agreement or any Security, all as amended, restated and replaced from time to time.

"Loan Parties" means Borrower and all Guarantors, and **"Loan Party"** means any of them.

"Material Adverse Effect" means a material adverse effect on the business, property, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries, considered as a whole, or a material adverse effect on the ability of any of the Borrower and its Subsidiaries to perform its obligations under any of this Agreement and the other Loan Documents to which it is a party.

"Material Agreements" means any agreement, contract or similar instrument to which the Borrower or any of its Subsidiaries is a party or to which any of their assets may be subject for which breach, non-performance, cancellation, termination or failure to renew could reasonably be expected to have a Material Adverse Effect.

"Net Income" means, for any period, the consolidated net income (loss) of the Borrower for such period, calculated in accordance with GAAP before extraordinary items but excluding (i) the income (or loss) of any person accrued prior to the date it becomes a Subsidiary of the Borrower or is amalgamated with or consolidated into the Borrower or into any of its Subsidiaries or such person's property is acquired by the Borrower or any of its Subsidiaries, and (ii) any after-tax gains (but not pre-tax losses) attributable to dispositions of property out of the ordinary course of business.

"Net Proceeds" means any one or more of the following:

- (a) with respect to the receipt of proceeds by the Borrower or any of its Subsidiaries under any insurance policy, the net amount equal to the aggregate amount received in cash in connection with such receipt of insurance proceeds less taxes incurred attributable to such proceeds, whenever payable; and
- (b) with respect to any issuance or creation of Debt or equity securities of the Borrower or any of its Subsidiaries or of any capital contributions by any person in the Borrower or any of its Subsidiaries, the net amount equal to the aggregate amount received in cash in connection with such issuance, creation or capital contribution, less the sum of reasonable fees (including, without limitation, reasonable accounting, advisory and legal fees), commissions and other out-of-pocket expenses incurred or paid for by the Borrower or the Subsidiary in connection with the issuance, creation or capital contribution (as evidenced by supporting documentation provided to the Lender upon request therefor by the Lender).

"Note Indenture" means the note indenture dated as of the date hereof among the Borrower, any guarantors a party thereto and Computershare Trust Company of Canada, as trustee, as the same may be amended, amended and restated, replaced or otherwise modified from time to time in accordance with or to give effect to the Proposed Recapitalization or otherwise with the terms of the Intercreditor Agreement and this Agreement.

"Note Secured Parties" means the Parity Lien Secured Parties as defined in the Intercreditor Agreement.

"Notes" means, collectively, the senior second lien notes due October 27, 2021 in an aggregate principal amount not exceeding \$21,207,000 issued by the Borrower subject to the terms of the Note Indenture; provided that following the completion of the Proposed Recapitalization all references in the Agreement to "Notes" shall be to such reduced Notes remaining following the recapitalization and any additional Notes issued with the Lender's prior written consent.

"Officer's Certificate" means a certificate, in form satisfactory to the Lender, signed by a senior officer of the Borrower.

"P&NG Rights" means all of the right, title, estate and interest, whether contingent or absolute, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of a Loan Party at such time in and to any, or such as are stipulated, of the following, by whatever name the same are known:

- (a) rights to explore for, drill for, produce, take, save or market Petroleum Substances from or allocated to its lands or lands with which the same have been pooled or unitized;
- (b) rights to a share of the production of Petroleum Substances from or allocated to lands or lands with which the same have been pooled or unitized;
- (c) rights to a share of the proceeds of, or to receive payments calculated by reference to the quantity or value of, the production of Petroleum Substances from or allocated to lands or lands with which the same have been pooled or unitized;
- (d) rights of such Loan Party in lands or documents of title related thereto, including leases, subleases, licenses, permits, reservations, rights and privileges; and
- (e) rights to acquire any of the above rights described in paragraphs (a) through (d) of this definition,

and includes interests and rights known as working interests, royalty interests, overriding royalty interests, gross overriding interests, production payments, profits interests, net profits interests, revenue interests, net revenue interests and other economic interests.

"Pension Plan" means a plan or arrangement maintained, sponsored or funded by the Borrower or any of its Subsidiaries or in respect of which the Borrower or any Restricted Subsidiary has any liability, contingent or otherwise, in each case, that is or is intended to be a "registered pension plan" as such term is defined in the *Income Tax Act* (Canada).

"Pension Wind Up Event" means (i) the wind up or termination (in whole or in part) of any Defined Benefit Pension Plan by an employer, or the taking of any actions by an employer with respect to, or in contemplation or anticipation of, such wind up or termination; (ii) the institution of proceedings by, or the receipt of a notice or any other communication from, any governmental

authority, the ultimate result of which could reasonably be expected to be the wind up or termination (in whole or in part) of, or the appointment of an administrator to administer, a Defined Benefit Pension Plan; or (iii) the occurrence of any other event or circumstance provided for in, or prescribed pursuant to, applicable pension benefits legislation that would entitle any governmental authority to require the wind up or termination (in whole or in part) of, or the appointment of a trustee to administer, a Defined Benefit Pension Plan.

"Permitted Lien" means, at any time, the following:

- (a) royalties, net profits and other interests and obligations arising in accordance with standard industry practice and in the ordinary course of business, under petroleum or natural gas leases or similar agreements;
- (b) Liens for taxes not overdue, or which are being contested if adequate reserves with respect thereto are maintained by the Borrower and its Subsidiaries in accordance with GAAP and the enforcement of any related Lien is stayed;
- (c) undetermined or inchoate Liens arising in the ordinary course of business which relate to obligations not overdue or a claim for which has not been filed or registered pursuant to applicable law;
- (d) carriers', warehousemen's, mechanics', materialmen's, repairmen's, construction or other similar Liens arising in the ordinary course of business which relate to obligations not overdue;
- (e) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or its Subsidiaries;
- (f) zoning and building by-laws and ordinances and municipal by-laws and regulations so long as the same are complied with;
- (g) statutory Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;
- (h) the reservations and exceptions contained in, or implied by statute in, the original disposition from the Crown and grants made by the Crown of interests so reserved or excepted;
- (i) liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of petroleum or natural gas interests, related production or processing facilities in which such person has an interest or the transmission of petroleum or natural gas as security in favour of any other person conducting the exploration, development, operation or transmission of the property to which such liens relate, for any Loan Party's portion of the costs and expenses of such exploration, development, operation or transmission, provided that such costs or expenses are not due or delinquent or, if due or delinquent, the validity of which is being contested at the time in good faith and by proper proceedings and in respect of which the Borrower or its Subsidiaries have established adequate reserves in accordance with GAAP;
- (j) liens for penalties arising under non-participation or independent operations provisions of operating or similar agreements in respect of any Loan Party's petroleum or natural gas interests, provided that such liens do not materially detract from the value of any material part of the property of any Loan Party;
- (k) any right of first refusal in favour of any person granted in the ordinary course of business with respect to all or any of the petroleum or natural gas interests of the Borrower;
- (l) any encumbrance or agreement entered into in the ordinary course of business relating to pooling or a plan of unitization affecting the property of the Borrower, or any part thereof;
- (m) Liens created by the Security or otherwise in favour of the Lender;
- (n) Liens in favour of the Collateral Agent, for and on behalf of the Note Secured Parties, securing the Notes under the Note Indenture, provided that such Liens are subject to the Intercreditor Agreement;
- (o) Purchase Money Liens up to a maximum aggregate amount not exceeding \$2,000,000;
- (p) Liens in respect of which the Lender has given its specific written consent.

"Petroleum Substances" means petroleum, natural gas, natural gas liquids, related hydrocarbons and any and all other substances, whether liquid, solid or gaseous, whether hydrocarbons or not, produced or producible in association with any of the foregoing.

"Present Value of Proved Producing Reserves" means present value of the estimated future net revenues generated by the Proved Producing Reserves, calculated on a before tax basis using a 10% per annum discount rate, the forecast costs set forth in the estimate of the Proved Producing Reserves and strip pricing (using reporting services satisfactory to the Lender, acting reasonably) in effect at the effective date of the calculation.

“Proposed Recapitalization” means the filing of either a Division 1 proposal under Section 50.4 of the *Bankruptcy and Insolvency Act* (Canada) by the Borrower or the filing of a plan of arrangement under the *Business Corporations Act* (Alberta) by the Borrower to restructure its existing capital arrangements as of the date hereof, and specifically to provide:

- (a) in relation to the Notes, (i) forgiveness of 25% of the principal amount of the Notes; (ii) conversion of 50% of the principal amount of the Notes into common shares in the Borrower at a price of \$0.035 per share; (iii) provide for the repayment of the remaining 25% principal of the Notes and all indebtedness in respect thereto at an interest rate of 8% and repayment of principal on or after the Maturity Date;
- (b) amendment and restatement of the through-put agreement between the Borrower and the Lender, providing for a through-put fee based upon [TBD], up to a maximum amount of \$2,500,000 annually, with an option to purchase in favour of the Borrower at the end of the term and [Additional Terms?];
- (c) conversion of the indebtedness owing to the Lender by the Borrower pursuant to the [Insert agreement] into common shares in the Borrower;
- (d) dilution of the pre-existing common shares of the Borrower such that such existing common shares shall equal approximately [TBD]% of the Borrower’s common shares;
- (e) a subscription for common shares in the Borrower being completed in an amount not less than \$10,000,000;
- (f) dispositions by the Borrower of certain assets with a purchase price in the aggregate of not more than \$5,000,000;
- (g) certain interim financing and administration charges; provided such financing and charges are repaid (or in the case of the financing, converted to common shares in the Borrower if elected) prior to or concurrently with the advance of the Term Facility; and
- (h) repayment in full of the amounts owing by the Borrower to National Bank of Canada,

as approved by (i) not less than the majority in number and two thirds in value of the holders of the Notes and (ii) the court and for which the Term Facility being utilized as exit financing.

“Proved Producing Reserves” means those reserves that are actually on production or, if not producing, that could be recovered from existing wells or facilities and where the reasons for the current non-producing status is the choice of the owner rather than the lack of markets or some other reasons.

“Purchase Money Lien” means any Lien which secures a Purchase Money Obligation permitted by this Agreement, provided that such Lien is created not later than 30 days after such Purchase Money Obligation is incurred and does not affect any asset other than the asset financed by such Purchase Money Obligation.

“Purchase Money Obligation” means any Debt (including without limitation a capitalized lease obligation) incurred or assumed to finance all or any part of the acquisition price of any asset acquired by any of the Borrower and its Subsidiaries or to finance all or any part of the cost of any improvement to any asset of any of the Borrower and its Subsidiaries, provided that such obligation is incurred or assumed prior to or within 30 days after the acquisition of such asset or the completion of such improvement and does not exceed the lesser of the acquisition price payable by the Borrower or such Subsidiary for such asset or improvement and the fair market value of such asset or improvement; and includes any extension, renewal or refunding of any such obligation so long as the principal amount thereof outstanding on the date of such extension, renewal or refunding is not increased.

“Release” includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping.

“Restricted Payments” means any payment by any person (i) of any dividends on any of its shares, (ii) on account of the purchase, redemption or other acquisition of any of its shares or any rights to acquire any such shares, or any other distribution in respect of any of its shares, (iii) of any principal in respect of the Notes, or (iv) of any management, consulting or similar fee or any bonus payment or comparable payment, or by way of gift or other gratuity, to (A) any Affiliate of such person, (B) any person that directly or indirectly owns or controls equity securities of such person carrying more than 10% of the voting rights outstanding at such time, (C) any Affiliate of a person described in clause (B), (D) any person that is an officer or director of such person or of any Affiliate of such person or of any person described in clause (B) or clause (C), or (E) any immediate family member of any of the foregoing.

“Security” means, collectively, all of the items of security held by the Lender for the indebtedness and liabilities, or any part or parts thereof, of the Loan Parties to the Lender.

“Senior Debt” means the principal outstanding under this Agreement.

“Senior Debt to EBITDA Ratio” means the ratio of (i) Senior Debt to (ii) EBITDA.

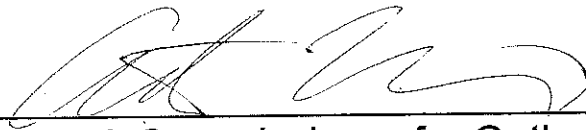
“Subsidiary” of any person means any other person of which shares or other equity units having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners’ equity or capital or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any

one or more of such first person and the Subsidiaries of such first person, and shall include any other person in like relationship to a Subsidiary of such first person.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any governmental authority, including any interest, additions to tax or penalties applicable thereto.

“Working Capital Ratio” means the ratio of (i) Current Assets to (ii) Current Liabilities.

THIS IS EXHIBIT "N" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

[Name of Noteholder]

Bruce Mitchell

Per:

Bruce Mitchell

Name:

Title:

Holdings: \$ 5740,000 of Notes *directly*

55000

100 000

1000

3500

50000

} *indirectly*

6457500 *total*

CAL_LAW1290843708

SCHEDULE "A"

RESTRUCTURING TERM SHEET

Process:	The Restructuring is proposed to be completed by way of a plan of arrangement under <i>Business Corporations Act</i> (Alberta). The Creditor's Meeting will be called by way of an arrangement proxy circular that contain full, true and plain disclosure regarding the Restructuring for the Noteholders to make an informed decision on the Restructuring will be mailed out to each of the Noteholders as of the record date to be set by Manitok.
Terms of the Restructuring:	Provided that the Proposal is approved by the Court of Queens' Bench of Alberta and by the Noteholders at the duly called Creditor's Meeting by not less than 66 2/3% of all Noteholders voting in person or by proxy at the Creditor's Meeting, each of the Noteholders will be required to exchange each Note in the principal amount of \$100, bearing interest rate of 10.5% per annum with a Note in the principal amount of \$37.50, bearing interest rate of 8.0% per annum and 1,071 common shares in the capital of Manitok.

01254002 WAWT_710

SCHEDULE "B"

FORM OF TRANSFEREE JOINDER

This Joinder (this "Joinder") to the Restructuring Support Agreement, dated as of 2016 (the "Agreement"), among (i) Manitok Energy Inc. ("Manitok"), Raimount Energy Corp. ("Raimount") and Corinthian Oil Corp. ("Corinthian", which together with Manitok and Raimount are collectively, the "Debtors" and each individually, a "Debtor"); and (ii) the Consenting Noteholders, is executed and delivered by Bruce Mitchell (the "Joining Party") as of January 4, 2018

1. **Capitalized Terms.** Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.
2. **Agreement to be Bound.** The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Parties.
3. **Representations and Warranties.** The Joining Party hereby represents and warrants to each other Consenting Noteholder in the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, or has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Notes identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section ~~Error~~ Reference source not found, of the Agreement to each other Party.
4. **Governing Law.** This Joinder, the rights and obligations of the Parties under this Joinder, and any claim or controversy directly or indirectly based upon or arising out of this Joinder or the transactions contemplated by this Joinder (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof.
5. **Notice.** All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

Joining Party: Bruce Mitchell
Attn: 342 River Road
Address: Ottawa, Ontario K1V 1H2
Fax:
Email: bmitchelle@papers.com

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

0011AW 2000-0375

Bruce Mitchell

RESTRUCTURING SUPPORT AGREEMENT

This Restructuring Support Agreement, dated as of January ____, 2018 (this "Agreement"), is among:

Manitok Energy Inc. ("Manitok"), Raimount Energy Corp. ("Raimount") and Corinthian Oil Corp. ("Corinthian", which together with Manitok and Raimount are collectively, the "Debtors" and each individually, a "Debtor")

-- and --

Each of the beneficial holders identified on the signature pages hereto or that becomes a party to this Agreement by executing and delivering a Joinder (in such capacity, collectively, the "Consenting Noteholders") of outstanding notes (collectively, the "Notes") issued pursuant to that certain Debenture Indenture, dated as of October 27, 2016 (as may be amended, restated, modified or supplemented, the "Note Indenture"), for the issuance of 10.5% Notes due November 15, 2021 among Manitok, as issuer, and Computershare Trust Company of Canada (the "Note Trustee"), as indenture trustee

RECITALS

- A. Manitok and National Bank of Canada ("NBC") are parties to an offering letter dated October 27, 2016, as amended by a series of amending agreements dated December 21, 2016; May 29, 2017, May 31, 2017, July 20, 2017, August 31, 2017, September 30, 2017, November 1, 2017 and November 27, 2017 (as so amended, the "Offering Letter"), under which NBC provided certain demand credit facilities to Manitok (the "NBC Facilities"), the payment and performance of which were guaranteed by Raimount (the guarantee granted by Raimount being the "Raimount Guarantee") and secured by certain debentures and security agreements granted by Manitok and Raimount to NBC (the "NBC Security").
- B. On December 28, 2017 NBC demanded repayment of the indebtedness of Manitok under the NBC Facilities and the indebtedness of Raimount under the Raimount Guarantee and gave notice under section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") of its intention to enforce the NBC Security.
- C. The Debtors intend to commence proceedings for a Division 1 proposal under the *BIA* ("Proposal Proceedings") and for a corporate arrangement under the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended (the "BCA") in order to, among other things, compromise its indebtedness under the Notes (the "Note Indebtedness") by way of forgiveness of a portion of the Note Indebtedness, conversion of a portion of the Note Indebtedness into newly issued common shares of Manitok, and the amendment of the payment terms applicable to the remaining Note Indebtedness (the "Proposal").
- D. The Consenting Noteholders agreed to support a Proposal for the Debtors pursuant to the terms and conditions set forth in the term sheet summarizing the Proposal in the form attached as Schedule "A" (as it may be amended or modified in accordance with Section 22 hereof, the "Restructuring Term Sheet").

- E. The Restructuring Term Sheet, which is expressly incorporated herein by reference and made part of this Agreement as if fully set forth herein, is the product of arm's-length, good faith negotiations among the Debtors, the Consenting Noteholders and other stakeholders and their respective professionals. In the event of any inconsistency between the terms of this Agreement and the Restructuring Term Sheet, the Restructuring Term Sheet shall control and govern.

THEREFORE, the Debtors and the Consenting Noteholders hereby agree as follows:

AGREEMENT

1. Definitions. Unless otherwise defined herein, the following capitalized terms shall have the meanings set out below:
- (a) "Agreement" means this restructuring support agreement, together with its exhibits, as amended, modified, supplemented or restated from time to time.
 - (b) "Court" means the Court of Queen's Bench of Alberta.
 - (c) "Creditors Meeting" means a meeting of Noteholders held for the purposes of voting on the Proposal pursuant to the BIA and BCA.
 - (d) "Effective Date" means the date on which the Debtors and the Noteholders holding not less than 30% of the principal amount of the Notes execute and deliver this Agreement or a Joinder.
 - (e) "Joinder" means an agreement substantially in the form attached as Schedule "B" between the Debtors and one or more Noteholders pursuant to which such Noteholder(s) become party to and bound by this agreement as a Consenting Noteholder;
 - (f) "Majority Noteholders" means, as of the time of a decision, a majority in number of the Consenting Noteholders.
 - (g) "Parties" means, collectively, the Debtors and the Consenting Noteholders, and "Party" means any one of them.
 - (h) "Requisite Consenting Noteholders" means those Noteholders who constitute a majority in number holding two thirds majority in value of the amount outstanding under the Notes who vote in person or by proxy at the Creditors Meeting;
 - (i) "Restructuring Transaction" means the transactions contemplated by the Proposal.
 - (j) "Stay of Proceedings" means the stay of proceedings provided for in the BIA upon the commencement of the Proposal Proceedings.
2. Time of the Essence: Notwithstanding any proposed deadlines in relation to the Restructuring Transaction, the Parties (i) acknowledge and agree that time is of the essence and (ii) intend to complete the Restructuring Transaction as expeditiously as possible.
3. Definitive Documentation. The definitive documents and agreements (the "Definitive Documentation") governing or relating to the Restructuring Transaction shall include the Proposal and the agreements contemplated thereby. Any document that is included within the

definition of "Definitive Documentation," including any amendment, supplement, or modification thereof, shall be in form and substance acceptable to the Majority Noteholders (as defined below).

4. Requisite Consenting Noteholders. Unless expressly provided otherwise herein or in the Restructuring Term Sheet, the satisfaction of all conditions precedent in this Agreement (including, for greater certainty, in the Restructuring Term Sheet) shall be subject to the approval of the Majority Noteholders, and the Definitive Documentation, including any amendment, supplement, or modification of the Definitive Documentation, shall be in form and substance acceptable to the Majority Noteholders.
5. Agreements of the Parties.
 - (a) Support of Restructuring Transaction. Each Consenting Noteholder (severally and not jointly), as the legal owner, beneficial owner, and/or investment advisor or manager of or with power and/or authority to bind any claims held by it, from the Effective Date and for so long as this Agreement has not been terminated in accordance with the terms hereof by or as to a Party, unless otherwise consented to in writing by the Requisite Consenting Noteholders, shall:
 - (i) vote (and direct the Note Trustee under the Note Indenture, as applicable, to vote) all of its claims against Manitok now or hereafter owned by such Consenting Noteholder (or for which such Consenting Noteholder now or hereafter has voting control over) to accept the Proposal in a timely manner and in accordance with applicable procedures applicable to the Creditors' Meeting;
 - (ii) not withdraw, amend, or revoke (and direct the Note Trustee not to withdraw, amend, or revoke), its tender, consent, or vote with respect to the Proposal; provided, however, that such vote may be revoked (and, upon such revocation, deemed void ab initio) by such Consenting Noteholder at any time if this Agreement is terminated with respect to such consenting Noteholder (it being understood by the Consenting Noteholders that any modification of the Proposal that results in a termination of this Agreement pursuant to Section 6 hereof shall entitle such Consenting Noteholder an opportunity to change its vote);
 - (iii) not object to, delay, impede, or take any other action to interfere with the Restructuring Transaction, or propose, file, support, or vote for any restructuring, workout, or plan of arrangement for the Debtors other than the Restructuring Transaction and the Proposal;
 - (iv) direct the Note Trustee not to object to, delay, impede, or take any other action to interfere with the Restructuring Transaction, or propose, file, support, or vote for any restructuring, workout, or plan of arrangement for the Debtors other than the Restructuring Transaction and the Proposal;
 - (v) support, and direct the Note Trustee to support, an application in the Proposal Proceedings to approve first priority charge to secure the Interim Financing Debt;
 - (vi) support, and direct the Note Trustee to support, one or more applications in the Proposal Proceedings to extend the Stay of Proceedings prior to its expiry for a period sufficient to complete the Restructuring Transaction;

- (vii) support, and direct the Note Trustee to support, any other application in furtherance of the Restructuring Transaction and consistent with this Agreement; and
- (viii) not take any other action, and direct the Note Trustee not to take any other action, that is materially inconsistent with its obligations under this Agreement.

(b) It is acknowledged and understood that the Consenting Noteholder is beneficial owner of Notes and holds such Notes for and on behalf of multiple fully managed accounts (the "Managed Accounts"). Notwithstanding anything to the contrary, nothing herein shall restrict or limit the Consenting Noteholder from taking any action or inaction required to be taken or not taken, which in the sole opinion of the Consenting Noteholder is necessary or desirable in order to (a) discharge its fiduciary duty to the holders of Managed Accounts (the "Account Holders"); (b) discharge, satisfy or comply with a contractual obligation owing to any Account Holder; or (c) act upon any instructions given to the Consenting Noteholder by the Account Holder ((a)-(c) collectively, the "Consenting Noteholder's Obligations"). It is further acknowledged and understood that the Consenting Noteholder is bound to satisfy and comply with the Consenting Noteholder Obligations, which shall be paramount to its obligations under this Agreement. If complying with or satisfying any Consenting Noteholder Obligation would result in a breach of the Consenting Noteholder's obligations under this Agreement, then the Consenting Noteholder shall not be bound to this Agreement insofar as it relates to its compliance or satisfaction of such Consenting Noteholder Obligation. In the event of a conflict between this subsection 5(b) and any other provision in this Agreement, subsection 5(b) shall prevail. In connection with this subsection 5(b), the Consenting Noteholder represents and warrants to the Debtors that to the knowledge and belief of the Consenting Noteholder as of the date of execution of this Agreement, the execution of this Agreement will not result in the Consenting Noteholder breaching any of the Consenting Noteholders' Obligations.

(c) *Rights of Parties Unaffected.* Nothing contained herein shall limit (i) the rights of the Parties to take or not take, or direct the Note Trustee to take or not take, any action relating to the maintenance, protection or preservation of their security interests in and liens on collateral under the Note Indenture and related security documents, as applicable; (ii) the rights of a Consenting Noteholder under any applicable bankruptcy, insolvency, foreclosure or similar proceeding, including, without limitation, appearing as a party in interest in any matter to be adjudicated in order to be heard concerning any matter arising in the Proposal Proceedings, in each case, so long as the exercise of any such right is not inconsistent with such Consenting Noteholder's obligations hereunder; (iii) the ability of a Consenting Noteholder to purchase, sell or enter into any transactions in connection with the Notes, subject to the terms hereof; (iv) any right of any Consenting Noteholder under (x) the Note Indenture, or constitute a waiver or amendment of any provision of the Note Indenture, and (y) any other applicable agreement, instrument or document that gives rise to a Consenting Noteholder's claims or interests, or constitute a waiver or amendment of any provision of any such agreement, instrument or document; (v) the ability of a Consenting Noteholder to consult with other parties or the Debtors; or (vi) the ability of a Consenting Noteholder to enforce any right, remedy, condition, consent or approval requirement under this Agreement or any of the Definitive Documentation.

(d) Transfers of Notes. Each Consenting Noteholder shall not, from the Effective Date and for so long as this Agreement has not been terminated in accordance with the terms hereof, (i) sell, transfer, assign, pledge or otherwise dispose of, directly or indirectly, its right, title, or interest in respect of any Notes, in whole or in part, or (ii) deposit any Notes into a voting trust, or grant any proxies, or enter into a voting agreement with respect to any such claims or interests (the actions described in clauses (i) and (ii) are collectively referred to herein as a "Transfer" and the Consenting Noteholder making such Transfer is referred to herein as the "Transferor"), unless such Transfer is to another Consenting Noteholder or any other entity that first agrees in writing to be bound by the terms of this Agreement (the "Transferee"), by executing and delivering to the counsel for the Debtors a Joinder. Upon consummation of a Transfer and, if applicable, execution of a Joinder in accordance herewith, a transferee is deemed to make all of the representations, warranties, and covenants of a Consenting Noteholder, as applicable, set forth in this Agreement. Upon compliance with the foregoing, the Transferor shall be deemed to relinquish its rights (and be released from its obligations, except for any claim for breach of this Agreement that occurs prior to such Transfer) under this Agreement to the extent of such transferred rights and obligations. Any Transfer made in violation of this Section 5(d)(e) shall, as against the Parties, be deemed null and void *ab initio* and of no force or effect, regardless of any prior notice provided to any Party, and shall not create any obligation or liability of any Party to the purported transferee. Notwithstanding the foregoing, the restrictions on Transfer set forth in this Section 5(d)(e) shall not apply to the grant of any liens or encumbrances on any claims and interests in favor of a bank or broker-dealer holding custody of such claims and interests in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such claims and interests. Notwithstanding the foregoing, the Consenting Noteholder may Transfer one or more Notes to comply with or satisfy any Consenting Noteholder Obligation.

6. Termination Events. This Agreement may be terminated upon five (5) business days advance written notice by the Majority Noteholders to the other Parties upon the occurrence and continuation of any of the following events, unless such event is waived, in writing, by the Majority Noteholders on a prospective or retroactive basis (each, a "Termination Event"):

- (a) the Debtors becoming or being deemed to be bankrupt;
- (b) the appointment of a trustee in bankruptcy of the Debtors or a receiver or receiver and manager of the property and assets of the Debtors;
- (c) the failure of any "Definitive Documentation" to comply with Section 3 hereof;
- (d) the issuance by any governmental authority, including either Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order that would, or would reasonably be expected to, frustrate the purpose of this Agreement; or
- (e) the Court grants relief terminating the Stay of Proceedings.

7. Mutual Termination; Automatic Termination. This Agreement and the obligations of all Parties hereunder may be terminated by written agreement (i) among the Debtors and the Majority Noteholders. Notwithstanding anything in this Agreement to the contrary, this Agreement (i) shall terminate automatically upon consummation of the Restructuring Transaction (which, for the avoidance of doubt, would be deemed to occur upon the implementation date of the Proposal

effectuating the Restructuring Transaction, and (ii) may be terminated by the Majority Noteholders on March 15, 2018 (the "Outside Date"); provided that the Outside Date may be extended up to 90 days with the approval of the Majority Noteholders and, for the avoidance of doubt, if the Outside Date is timely extended, the Majority Noteholders may not terminate this Agreement before the extended Outside Date.

8. Effect of Termination: Upon the termination of this Agreement in accordance with Sections 6 or 7 and except as provided in Section 10 herein, this Agreement shall forthwith become void and of no further force or effect and each Party shall, except as otherwise expressly provided in this Agreement, be immediately released from its liabilities, obligations, commitments, undertakings and agreements under or related to this Agreement and shall have all the rights and remedies that it would have had and shall be entitled to take all actions, whether with respect to the Restructuring Transaction or otherwise, that it would have been entitled to take had it not entered into this Agreement, including all rights and remedies available to it under applicable law or the Note Indenture and, in each case, any ancillary documents or agreements thereto; provided, however, that in no event shall any such termination relieve a Party hereto from (i) liability for any breach or non-performance of its obligations hereunder prior to the date of such termination and (ii) obligations under this Agreement or the Restructuring Term Sheet which by their terms expressly survive termination of this Agreement. Notwithstanding anything to the contrary herein, any of the Termination Events may be waived in accordance with the procedures established in this Agreement in which case the Termination Event so waived shall be deemed not to have occurred, this Agreement shall be deemed to continue in full force and effect, and the rights and obligations of the Parties hereto shall be restored, subject to any modification or condition set forth in such waiver.

9. Confidentiality; Public Disclosure.

- (a) In connection with the Restructuring Transaction, each Party may desire to disclose to the other certain information it considers to be non-public, confidential, personal or proprietary in nature and which is not available to the general public (the "Information"). The Information will be kept confidential and will not, without prior written consent of the Party disclosing the Information (the "Originator"), or as expressly provided in this Section 9, be disclosed by the Party receiving the Information (the "Recipient") in any manner whatsoever, in whole or in part.
- (b) The term "Information" includes (a) any information of whatever nature relating to the Originator and its affiliates and/or accounts and funds that it manages, the Debtors or any of their affiliates, or any customer of or supplier or lender to any of the foregoing parties, regardless of whether the Information was communicated orally, in writing or by electronic transmission; and (b) any summaries, notes, analyses, compilations, studies or other records that contain or otherwise reflect or have been generated, wholly or partly, or derived from such Information ("Derivative Information"). The term "Information" shall not include such portions of the Information which (i) is, was or becomes within the public domain other than as a result of a disclosure by the Recipient or its Representatives, or (ii) are received from an independent third party who had not to the knowledge of the Recipient obtained the Information unlawfully and was not to the knowledge of the Recipient under any obligation of secrecy or duty of confidentiality, or (iii) the Recipient can show were in its lawful possession before it received such Information from the Originator, or (iv) the Recipient can show were independently

developed by it or on its behalf by personnel having no access to the Information at the time of its independent development.

- (c) Each Recipient shall store the Information properly and securely and ensure that reasonable physical, technological and organizational measures are in place to protect the Information against unauthorized or unintended access, use or disclosure in accordance with its internal processes reasonably designed to protect the confidentiality of its internal proprietary and confidential information.
- (d) Each of the Parties may reveal or permit access to the Information only to those agents, representatives (including lawyers, consultants, experts, accountants, financing sources and financial and other advisors), directors, partners, officers and employees (each a "Representative") who need to know the Information for evaluating and completing the Restructuring Transaction, who are informed of the confidential nature of the Information, who are directed to hold the Information in confidence and who agree to act in accordance with the terms and conditions of the confidentiality provisions of this Agreement. Each of the Parties will take all necessary precautions or measures as may be reasonable in the circumstances to prevent improper access to the Information or use or disclosure of the Information by its Representatives and will be responsible for any breach of the obligations set forth in this Section 9 by any of its Representatives. In the event of a breach of the obligations set forth in this Section 9 or any disclosure of Information by the Recipient or any of its Representatives, other than as permitted by this Agreement, the Recipient will notify the Originator of the nature of the breach upon discovery of the breach or disclosure.
- (e) All copies of the Information will be returned to the Originator or destroyed, as the Originator's option, promptly upon the request of the Originator (and, in any event, within ten (10) business days after such request), except for that portion of the Information which consists of Derivative Information, which will be destroyed and, in the case of information stored in electronic form, will be permanently erased. Notwithstanding the foregoing: (i) the Recipient may retain copies of the Information in secure storage, subject to the terms of this Agreement, for use only in disputes relating to the confidentiality provisions of this Agreement; (ii) the Recipient may retain copies of the Information to the extent that such retention is required to comply with applicable law, regulation or professional standards or a pre-existing document retention policy, provided that it is kept strictly confidential; (iii) information that is electronically stored may be retained in back up servers if not intentionally made available to any person, and is deleted in accordance with the Recipient's normal policies with respect to the retention of electronic records; and (iv) the Recipient may retain that portion of the Information that is memorialized in notes, analyses, compilations, studies, interpretations or other documents prepared by the Recipient. Notwithstanding the return or destruction of the Information, each Party and their respective Representatives shall continue to be bound by the confidentiality and other obligations hereunder.
- (f) Each of the Parties acknowledges that neither the Originator nor any of its Representatives makes any express or implied representation or warranty as to the accuracy or completeness of the Information, and agrees that neither the Originator nor its Representatives shall have any liability, direct or indirect, to the Recipient or its Representatives relating to or resulting from the Information or the use thereof, errors therein or omissions therefrom, and except in accordance with any specific

representations and warranties made in any definitive agreement entered into regarding the Restructuring Transaction.

- (g) In the event that a Recipient or any of its Representatives becomes legally compelled or is required by regulatory authorities having appropriate jurisdiction to disclose any of the Information, the Recipient will promptly provide the Originator with written notice so that it may seek a protective order or other appropriate remedy and/or waive compliance with the confidentiality provisions of this Agreement. The Recipient will cooperate with the Originator on a reasonable basis to obtain a protective order or other remedy, *provided* that the Originator shall bear all reasonable costs and expenses of such cooperation. In the event that such protective order or other remedy is not obtained or the Originator waives compliance with the confidentiality provisions of this Agreement, the Recipient will furnish only that portion of the Information which it is advised, by written opinion of counsel, is legally required to be disclosed and will exercise all reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the Information so furnished, *provided* that the Originator shall bear all reasonable costs and expenses in connection therewith. No notification under Section 9 of this Agreement shall be required for disclosures to regulatory authorities having jurisdiction over the Recipient in connection with routine audits or examinations not targeting the Originator or the Information, nor will the Recipient be required to obtain a written opinion or assurance of confidential treatment of such disclosure.
- (h) In connection with the Proposal Proceedings, the Parties (i) shall disclose, on the Effective Date, the existence of, and the material terms of, this Agreement or any other material term of the transaction contemplated herein to NBC, the Note Trustee and the Noteholders who are not Consenting Noteholders and (ii) may disclose the existence of, and the material terms of, this Agreement or any other material term of the transaction contemplated herein in connection with seeking approval from the Court of the transaction contemplated herein; *provided, however*, that notwithstanding anything in this paragraph (h) to the contrary, the Parties may not disclose, and shall redact, the names and holdings information of every Party to this Agreement as of the date hereof and at any time hereafter.
10. Survival of Agreement. Notwithstanding the termination of this Agreement pursuant to Sections 6 or 7 hereof, the agreements and obligations of the Parties in this Section 10 and Sections 8, 9, 11 through 23 hereof (and any defined terms used in any such Sections), and strictly subject to the terms of the Restructuring Term Sheet, shall survive such termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof; *provided, however*, that any liability of a Party for failure to comply with the terms of this Agreement shall survive such termination.
11. Relationship Among Parties. Notwithstanding anything herein to the contrary, the duties and obligations of the Parties under this Agreement shall be several, not joint. No Party shall have any responsibility by virtue of this Agreement for any trading by any other entity. No prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this Agreement.
12. Requisite Majority; Exculpation. Each Party hereby acknowledges and agrees that certain terms of this Agreement provide that it may be bound by the consent, waiver or other action of the Majority Noteholders. No Consenting Noteholder nor any of its affiliates or representatives

(collectively, the "Exculpated Parties") shall be liable to any other Consenting Noteholder or any of its respective affiliates or representatives for, and each Party (on behalf of themselves and their respective affiliates and representatives) hereby waives and releases, all claims, demands, liabilities and causes of action of any nature whatsoever, whether in law or equity, whether known or unknown, whether existing now or anytime hereafter, against any Exculpated Party, arising out of or in connection with any conduct, communication, statement, omission, action or inaction by the Majority Noteholders pursuant to and in accordance with this Agreement.

13. Specific Performance. It is understood and agreed by the Parties that money damages may be an insufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy of any such breach of this Agreement, including, without limitation, an order of either Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.
14. Further Assurances. Each of the Parties shall do all such things in their respective control, take all such actions as are reasonable, deliver to other Parties such further information and documents and execute and deliver to the other Parties such further instruments and agreements as another party shall reasonably request to consummate or confirm the Restructuring Transaction, to accomplish the purpose of this Agreement or to assure to such other Parties the respective benefits of this Agreement.
15. Governing Law and Jurisdiction. This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the transactions contemplated by this Agreement, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the jurisdiction and venue of the courts of Alberta and, while the Proposal Proceedings are ongoing, specifically to the jurisdiction and venue of the Court for the resolution of any such disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 20 of this Agreement shall be deemed effective service of process on such Party.
16. Representation by Counsel. Each Party acknowledges that it has been represented by, or provided a reasonable period of time to obtain access to and advice by, counsel with this Agreement and the Restructuring Transaction contemplated herein. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this Agreement against such Party based upon lack of legal counsel shall have no application and is expressly waived.
17. Waiver of Right to Trial by Jury. Each of the Parties waive any right to have a jury participate in resolving any dispute, whether sounding in contract, tort or otherwise, between any of the Parties arising out of, connected with, relating to, or incidental to the relationship established between any of them in connection with this Agreement. Instead, any disputes resolved in court shall be resolved in a bench trial without a jury.
18. Successors and Assigns. Except as otherwise provided in this Agreement, this Agreement is intended to bind and inure to the benefit of each of the Parties and each of their respective permitted successors, assigns, heirs, executors, administrators, and representatives.

19. No Third-Party Beneficiaries. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties and no other person or entity shall be a third-party beneficiary of this Agreement.
20. Notices. All notices (including, without limitation, any notice of termination or breach) and other communications from any Party hereunder shall be in writing and shall be deemed to have been duly given if personally delivered by courier service, messenger, email, or facsimile to the other Parties at the applicable addresses in each other's records, or such other addresses as may be furnished hereafter by notice in writing. Any notice of termination or breach shall be delivered to all other Parties.
21. Entire Agreement. This Agreement (including the Restructuring Term Sheet) constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements, and understandings, whether written or oral, among the Parties with respect to the subject matter of this Agreement.
22. Amendments. The Definitive Documents may not be modified, amended, or supplemented without the prior written consent of the Majority Noteholders and the Debtors.
23. Reservation of Rights.
 - (a) Except as expressly provided in this Agreement or the Restructuring Term Sheet, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict the ability of any Consenting Noteholder to protect and preserve its rights, remedies and interests, including without limitation, its claims against any of the other Parties.
 - (b) If this Agreement is terminated for any reason, nothing shall be construed herein as a waiver by any Party of any or all of such Party's rights, remedies, claims, and defenses and the Parties expressly reserve any and all of their respective rights, remedies, claims and defenses. This Agreement, the Restructuring Term Sheet, and any related document shall in no event be construed as or be deemed to be evidence of an admission or concession on the part of any Party of any claim or fault or liability or damages whatsoever. Each of the Parties denies any and all wrongdoing or liability of any kind and does not concede any infirmity in the claims or defenses which it has asserted or could assert.
 - (c) Subject to Section 9, the Parties acknowledge that this Agreement, the Restructuring Term Sheet and all negotiations relating hereto are part of a proposed settlement of matters that could otherwise be the subject of litigation. Pursuant to any applicable provincial rules of evidence and any other applicable, this Agreement, the Restructuring Term Sheet, any related documents, and all negotiations relating thereto shall not be admissible into evidence in any proceeding, or used by any party for any reason whatsoever, including in any proceeding, other than a proceeding to enforce its terms.
24. Enforceability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties

as closely as possible in a mutually acceptable manner in order that the terms of this Agreement remain as originally contemplated to the fullest extent possible.

25. Headings. The section headings of this Agreement are for convenience of reference only and shall not, for any purpose, be deemed a part of this Agreement.
26. Interpretation. This Agreement is the product of negotiations among the Parties, and the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement or any portion hereof, shall not be effective in regard to the interpretation hereof.
27. Counterparts. This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute the same instrument, and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf).

[Signatures and exhibits follow.]

MANITOK ENERGY INC.

By:

Name:

Title:

RAIMOUNT ENERGY CORP.

By:

Name:

Title:

CORINTHIAN OIL CORP.

By:

Name:

Title:

[Name of Noteholder]

<u>Trapeze Asset Management Inc.</u>	<u>Trapeze Capital Corp.</u>	<u>Tamara Inc.</u>
Per: <u>on behalf of managed accounts</u>	<u>on behalf of managed accounts</u>	
<u>Randall Abrams</u>	<u>Randall Abrams</u>	<u>Randall Abrams</u>
Name: <u>Randall Abrams</u>	Name: <u>Randall Abrams</u>	Name: <u>Randall Abrams</u>
Title: <u>CEO</u>	Title: <u>CEO</u>	Title: <u>President</u>
Holdings: \$ <u>194,300</u> of Notes	<u>528,600</u>	<u>1,150,000</u>

SCHEDULE "A"

RESTRUCTURING TERM SHEET

Process:	The Restructuring is proposed to be completed by way of a plan of arrangement under <i>Business Corporations Act</i> (Alberta). The Creditor's Meeting will be called by way of an arrangement proxy circular that contain full, true and plain disclosure regarding the Restructuring for the Noteholders to make an informed decision on the Restructuring will be mailed out to each of the Noteholders as of the record date to be set by Manitok.
Terms of the Restructuring:	Provided that the Proposal is approved by the Court of Queens' Bench of Alberta and by the Noteholders at the duly called Creditor's Meeting by not less than 66 $\frac{2}{3}$ % of all Noteholders voting in person or by proxy at the Creditor's Meeting, each of the Noteholders will be required to exchange each Note in the principal amount of \$100, bearing interest rate of 10.5% per annum with a Note in the principal amount of \$37.50, bearing interest rate of 8.0% per annum and 1,071 common shares in the capital of Manitok.

SCHEDULE "B"

FORM OF TRANSFEREE JOINDER

This Joinder (this "Joinder") to the Restructuring Support Agreement, dated as of _____, 2016 (the "Agreement"), among (i) Manitok Energy Inc. ("Manitok"), Raimount Energy Corp. ("Raimount") and Corinthian Oil Corp. ("Corinthian", which together with Manitok and Raimount are collectively, the "Debtors" and each individually, a "Debtor"); and (ii) the Consenting Noteholders, is executed and delivered by [_____] (the "Joining Party") as of [_____].

1. Capitalized Terms. Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.
2. Agreement to be Bound. The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Parties.
3. Representations and Warranties. The Joining Party hereby represents and warrants to each other Consenting Noteholder in the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, or has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Notes identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section Error! Reference source not found. of the Agreement to each other Party.
4. Governing Law. This Joinder, the rights and obligations of the Parties under this Joinder, and any claim or controversy directly or indirectly based upon or arising out of this Joinder or the transactions contemplated by this Joinder (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof.
5. Notice. All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

Joining Party

Attn:

Address:

Fax:

Email:

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

JOINING PARTY

[Name of Noteholder]

Per: _____

Name: _____

Title: _____

Holdings: \$ _____ of Notes

Fatima Latif

From: Paul Klemke
Sent: Friday, January 05, 2018, 10:04 AM
To: Fatima Latif
Subject: FW: Restructuring support

From: Keith MacLeod [mailto:k.macleod@shaw.ca]
Sent: January 5, 2018 8:54 AM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Subject: Re: Restructuring support

Paul,

I am supportive of the proposed Notes restructuring! I will consider whether to take additional equity shortly. Is there a deadline on the equity decision?

Thanks,
Keith

Sent from my iPhone

On Jan 5, 2018, at 9:37 AM, Paul Klemke <pk@integralcapitalmarkets.com> wrote:

Keith,

Can you please send asap

Thanks,

Paul

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Fatima Latif

From: Paul Klemke
Sent: Friday, January 05, 2018 11:04 AM
To: Fatima Latif
Subject: FW: MEI Restructuring

From: David Denoon [mailto:DDenoon@petersco.com]
Sent: January 5, 2018 10:03 AM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Subject: Re: MEI Restructuring

Keith Allan, 200m
Wolf Gobert, 100m
David

Sent from my iPhone

On Jan 5, 2018, at 8:47 AM, Paul Klemke <pk@integralcapitalmarkets.com> wrote:

David,

I need their names in your email.

Thanks,

From: David Denoon [mailto:DDenoon@petersco.com]
Sent: January 5, 2018 8:46 AM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Subject: MEI Restructuring

Paul

I have two clients that own the Manitok deb's..both have agree to go along with the restructuring

...Total number of deb's is 300m

Thanks David

Peters & Co. Limited | 2300 Jameson Place, 308 Fourth Avenue SW | Calgary, Alberta (Canada) T2P 0H7 | (403) 261-4850

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SCHEDULE "B"

FORM OF TRANSFEREE JOINDER

This Joinder (this "Joinder") to the Restructuring Support Agreement, dated as of 2016 (the "Agreement"), among (i) Manitok Energy Inc. ("Manitok"), Raimount Energy Corp. ("Raimount") and Corinthian Oil Corp. ("Corinthian", which together with Manitok and Raimount are collectively, the "Debtors" and each individually, a "Debtor"); and (ii) the Consenting Noteholders, is executed and delivered by GEOFFREY SCOTT (the "Joining Party") as of [JAN. 04, 2018].

1. **Capitalized Terms.** Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.
2. **Agreement to be Bound.** The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Parties.
3. **Representations and Warranties.** The Joining Party hereby represents and warrants to each other Consenting Noteholder in the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, or has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Notes identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section Error! Reference source not found. of the Agreement to each other Party.
4. **Governing Law.** This Joinder, the rights and obligations of the Parties under this Joinder, and any claim or controversy directly or indirectly based upon or arising out of this Joinder or the transactions contemplated by this Joinder (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof.
5. **Notice.** All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

Joining Party
Attn: GEOFFREY SCOTT
Address: 1337 THE CRESCENT
Fax: VANCOUVER BC V6H 1T5
Email: gscott@haywood.com.

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

SCHEDULE "A"

RESTRUCTURING TERM SHEET

<p>Process:</p>	<p>The Restructuring is proposed to be completed by way of a plan of arrangement under <i>Business Corporations Act</i> (Alberta). The Creditor's Meeting will be called by way of an arrangement proxy circular that contain full, true and plain disclosure regarding the Restructuring for the Noteholders to make an informed decision on the Restructuring will be mailed out to each of the Noteholders as of the record date to be set by Manitok.</p>
<p>Terms of the Restructuring:</p>	<p>Provided that the Proposal is approved by the Court of Queens' Bench of Alberta and by the Noteholders at the duly called Creditor's Meeting by not less than 66⅔% of all Noteholders voting in person or by proxy at the Creditor's Meeting, each of the Noteholders will be required to exchange each Note in the principal amount of \$100, bearing interest rate of 10.5% per annum with a Note in the principal amount of \$37.50, bearing interest rate of 8.0% per annum and 1,071 common shares in the capital of Manitok.</p>

[Name of Noteholder]

[Handwritten Signature]

Per:

GEOFFREY SCOTT

Name:

Title:

Holdings: \$ 500,000 of Notes:

MANITOK ENERGY INC.
By:

Name:
Title:

RAIMOUNT ENERGY CORP.
By:

Name:
Title:

CORINTHIAN OIL CORP.
By:

Name:
Title:

JOINING PARTY

[Name of Noteholder]

Per:

GEOFFREY SCOTT

Name:

Title:

Holdings: \$ 500,000 of Notes

SUMMARY OF THE RESTRUCTURING SUPPORT AGREEMENT
(THE "AGREEMENT")

Readers are cautioned that below is a summary of some of the material terms of the Agreement only and that the reader should read the full Agreement to fully understand the terms of the Agreement.

Debtor: Manitok Energy Inc. ("Manitok"), Raimont Energy Corp. ("Raimont") and Corinthian Oil Corp. ("Corinthian").

Background: The Debtors intend to commence proceedings (the "Proposal Proceedings") under the *Bankruptcy and Insolvency Act*, for a corporate arrangement under the *Business Corporations Act (Alberta)*, in order to compromise its indebtedness to the note holders of the outstanding Collateralized Exchange Listed Notes™ (the "Notes") issued pursuant to a debenture indenture, dated October 27, 2016 (the "Noteholders") whereby the Noteholders agree to the forgiveness of a portion of the Noteholder's indebtedness, conversion of a portion of the Note indebtedness into newly issued common shares of Manitok, and the amendment of the payment terms applicable to the remaining Note indebtedness (the "Proposal" or "Restructured Transaction").

Noteholder's Agreement: All the Noteholders who execute the Agreement (the "Consenting Noteholders") agree to support the Debtor in the Proposal Proceedings for the Proposal or Restructured Transaction.

Restructured Terms Under the Proposal: Each \$100 principal amount of the Note bearing interest at 10.5% per annum will be exchanged for a \$37.50 principal amount of the Note bearing interest at 8.0% per annum and 1,071 Common Shares of Manitok.

Definitive Documentation: Definitive documents and agreements shall be executed to govern the Restructured Transaction.

Joinder: Each Noteholders agrees to execute a Joinder agreement attached as a schedule to the Agreement, deeming each Noteholder to be a Party for all purposes under the Agreement.

Requisite Consenting Noteholders: The Restructured Transaction shall be subject to the approval of the majority of the number of the Consenting Noteholders.

Support of Restructuring Transaction: By executing the Agreement, each Consenting Noteholder agrees to, among other things indicated in the Agreement, 1) vote to accept the Proposal at an upcoming creditors' meeting to be called, 2) not withdraw, amend, or revoke its tender, consent or vote, 3) not object to, delay, impede, or take any other action to interfere with the Restructuring Transaction, and 4) support an application in the Proposal Proceedings to approve first priority charge to secure any interim financing debt required.

Transfers of Notes: Each Consenting Noteholder shall not, among other things indicated in the Agreement, sell, transfer, assign, pledge or otherwise dispose of, its right, title, or interest in respect of any Notes.

Termination Events: The Agreement may be terminated upon five (5) business days advance written notice by a majority of Noteholders.

Standard Clauses: The Agreement contains standard provisions regarding confidentiality, public disclosure, survival, relationship among parties, specific performance, further assurances, governing law and jurisdiction, and successors and assigns.

Fatima Latif

From: Paul Klemke
Sent: Thursday, January 04, 2018 3:15 PM
To: Fatima Latif
Subject: FW: Manito Energy - Restructuring agreement

From: McNeill, Wayne [mailto:wayne.mcneill@cibc.ca]
Sent: January 4, 2018 12:19 PM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Subject: RE: Manito Energy - Restructuring agreement

My clients and I have \$1,050,000 of the 10.5% 15Nov21 Notes and will vote in favour of the restructuring


Wayne McNeill *B. Comm.*
First Vice President
Investment Advisor



The Bow
27th Floor, 500 Centre Street SE
Calgary, Alberta T2G 1A6
Phone: 403-266-0124 or 1-800-290-6643

Email: wayne.mcneill@cibc.ca

We are committed to our clients. If you have any suggestions to improve our business or if you know some one who could benefit from our services, we would love to hear from you. Referrals are our biggest compliment

 Please consider the environment before printing this e-mail

From: Paul Klemke [mailto:pk@integralcapitalmarkets.com]
Sent: Thursday, January 04, 2018 11:47 AM
To: McNeill, Wayne
Subject: Manito Energy - Restructuring agreement

Hi Wayne,

Please see attached the note restructuring agreement. At present we need turned around by tomorrow morning. The bank has given us a deadline of tomorrow and if we do not have enough support they will ignore our proposal.

Where we are today:

We are finalizing a new Term Loan with Stream for \$25MM that will be done tomorrow. We have \$9.1MM of committed Sub receipts for tomorrow and are gathering 50% support for the CELL notes required again for tomorrow.

If delivered, the bank will decide to accept or not.

Your support is very much appreciated.

Paul Klemke
403-471-5088

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Fatima Latif

From: Paul Klemke
Sent: Thursday, January 04, 2018 6:19 PM
To: Fatima Latif
Subject: FW: Manitok Restructuring

From: Charles Locke [mailto:charlesblocke@aol.com]
Sent: January 4, 2018 4:57 PM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Cc: Jodi Foote <Jodi.Foote@skilouise.com>
Subject: Re: Manitok Restructuring

Paul;

I am the President of The Locke Stock & Barrel Company Ltd. (LSB) which owns \$500,000 of the "notes".

With respect to the proposed restructuring, LSB will support same on the terms and conditions outlined in or attached to your e-mail below subject, of course, to our final review of the documents necessary to effect this restructuring.

We also will consider investing substantial further funds if the restructuring goes "sideways".

Yours truly,

The Locke Stock & Barrel Company Ltd.
per: Charles Locke, President
403 922 9556.

Sent from my iPhone

On Jan 4, 2018, at 3:12 PM, Paul Klemke <pk@integralcapitalmarkets.com> wrote:

Charlie,

Manitok is required to restructure in order to keep the bank from putting the company into receivership. Below is what we have put together and are asking for your support on the restructuring of the Cell notes in the lock up agreement attached. We need for the bank asap. We have to supply the bank with all the documents below n by tomorrow or we run out of time.

The restructuring below will bring in the capital to complete a proposal to avoid receivership so all the stake holders can survive and grow as opposed to taking zero's after the bank liquidates the assets.

- 1: We restructure the debt and raise \$10MM today.
\$9 MM is confirmed now and will enter into sub receipt agreements for tomorrow.
- 2: Stream Financial takes over ownership of the current processing assets they have security on and enter into a standard processing agreement with Manitok. This would eliminate \$35MM of current and long term debt from the company and decrease the overall cost to the company by approx. half (interest cost would move to operating expense).
- 3: Restructure the CELL notes as follows: 25% reduction off the top of the original amount then convert the remaining balance: 50% equity and 50% debt paying a coupon of 8%. The growth in

the equity better than makes up the difference. The remaining CELL notes would then maintain the original CELL note characteristics.

We were have approx. 50% of the CELL note holders to agree to this restructuring for delivery to the bank tomorrow.

- 4: Finally we will have a new operating revolver put in place to replace the NBF. Stream has agreed to write a \$25MM first lien loan that will bridge the transaction until one of the major banks put a new revolver in place. We expect this to happen imminently.

Please see attached model that illustrates the pro forma company post restructuring. Below is a quick snap shot of the pro forma. You can see funds flow jumps significantly which is attributed to 1 major factor... Liquidity. MEI has had zero funds to operate (grow) so you can see what a real capex budget does to the funds flow and more important return to the shareholders. In 2017 the company spent approx \$6MM to tread water. In 2018 the capex under the new plan will be approx. \$28MM and grows from there as does the cash flow. You will also notice the debt disappears. This is because the cash generated is greater than the capex which will require the company to make some decisions with its excess cash in 2019 and moving forward

For Pricing we are using AECO\$2.25 in 2018 and then escalating at 5% until it gets to \$2.75 where it is capped. Today it is \$2.30. For oil, we are using WTI US\$58 and escalate at 5% per year as well. We have run multiple cases with various prices and can make those available as well. We use a .79 cent CAD\$

<image001.png>

<image002.png>

Finally, Unit analysis:

The analysis shows funds flow jumps for three reasons:

- 1) Increased daily volumes due to increased investment;
- 2) Lower unit operating costs due to increased volumes;
- 3) Lower interest expense due to restructuring.

The attached table details the results on each unit.

Thanks,

Paul
Integral Capital Markets
403-471-5088

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SCHEDULE "B"

FORM OF TRANSFEREE JOINDER

This Joinder (this "Joinder") to the Restructuring Support Agreement, dated as of January 4, 2008 (the "Agreement"), among (i) Manitok Energy Inc. ("Manitok"), Raimont Energy Corp. ("Raimont") and Corinthian Oil Corp. ("Corinthian", which together with Manitok and Raimont are collectively, the "Debtors" and each individually, a "Debtor"); and (ii) the Consenting Notcholders, is executed and delivered by [] (the "Joining Party") as of []

1. Capitalized Terms. Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.
2. Agreement to be Bound. The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Parties.
3. Representations and Warranties. The Joining Party hereby represents and warrants to each other Consenting Notcholder in the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, or has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Notes identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section Error! Reference source not found. of the Agreement to each other Party.
4. Governing Law. This Joinder, the rights and obligations of the Parties under this Joinder, and any claim or controversy directly or indirectly based upon or arising out of this Joinder or the transactions contemplated by this Joinder (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof.
5. Notice. All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

Joining Party Thomas W Buchanan
Attn:
Address: 67 Lynx Meadows DR NW, Calgary AB T3L 2L9
Fax: 403 239 5671
Email: twbuchanan@shaw.ca

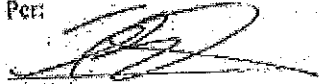
IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

JOINING PARTY

[Name of Notchholder]

THOMAS W. Buchanan

Per:



Name:

Title:

Holdings: \$ 100,000 of Notes

Held in RSP Account #1143KRS at:

National Bank Financial

96 King Egan

2800, 450 - 1st Street SW, Calgary Alberta T2P 5H1

phone (403) 531-8414

SCHEDULE "B"

FORM OF TRANSFEREE JOINDER

This Joinder (this "Joinder") to the Restructuring Support Agreement, dated as of January 4, 2018, ~~2013~~ (the "Agreement"), among (i) Manito Energy Inc. ("Manito"), Raimont Energy Corp. ("Raimont") and Corinthian Oil Corp. ("Corinthian", which together with Manito and Raimont are collectively, the "Debtors" and each individually, a "Debtor"); and (ii) the Consenting Noteholders, is executed and delivered by [] (the "Joining Party") as of []

1. Capitalized Terms. Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.
2. Agreement to be Bound. The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Parties.
3. Representations and Warranties. The Joining Party hereby represents and warrants to each other Consenting Noteholder in the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, or has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Notes identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section Error! Reference source not found. of the Agreement to each other Party.
4. Governing Law. This Joinder, the rights and obligations of the Parties under this Joinder, and any claim or controversy directly or indirectly based upon or arising out of this Joinder or the transactions contemplated by this Joinder (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof.
5. Notice. All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

Joining Party Thomas W. Buchanan

Attn:

Address:

Fax:

Email:

67 Lynx Meadows DR NW Calgary AB T3L 2L9
(403) 239 5671
twbuchanan@shaw.ca

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

JOINING PARTY

[Name of Noteholder]

THOMAS W. Buchanan

Per:



Name:

Title:

Holdings: \$ 100,000 of Notes

Held in Margin Account # 700-80176 at:

Scotia Wealth Management

40 Michael Lecky

300, 119 - 6th Ave SW

Calgary Alberta T2P 0P8

Phone (403) 298-4034

Fatima Latif

From: Paul Klemke
Sent: Thursday, January 04, 2018 2:13 PM
To: Fatima Latif
Subject: FW: ManitoK Energy Restructuring Support Agreement

Save the email in the file please.

From: Christian Roy [mailto:CRoy@investpsp.ca]
Sent: January 4, 2018 11:17 AM
To: Paul Klemke <pk@integralcapitalmarkets.com>; Geir Rune Johnskareng <RJohnskareng@investpsp.ca>
Subject: RE: ManitoK Energy Restructuring Support Agreement

Hi Paul,

Following our discussion, we agree to support this restructuring agreement on ManitoK.

I confirm that we are holder of 3,000,000\$ CAD notional worth of the 2021 notes

Regards
Christian

From: Paul Klemke [mailto:pk@integralcapitalmarkets.com]
Sent: Thursday, January 04, 2018 1:30 PM
To: Christian Roy; Geir Rune Johnskareng
Subject: ManitoK Energy Restructuring Support Agreement

Christian/ Rune,

I am attaching the Restructuring support agreements. I am not certain if you are getting the info being sent to you. This is very serious. The bank views themselves as the only stake holder that matters and if we don't get enough support their actions tomorrow will result in a zero on your investment.

Please call me or respond.

Paul Klemke
Integral Capital Markets

403-471-5088

DISCLAIMER:

Due to the security risks involved in sending information over the Internet, Integral Wealth Securities Limited cannot be held responsible for ensuring the confidentiality and integrity of this e-mail message. This message is only intended for the use of the addressee and any other use is strictly unauthorized. If you are not the intended recipient please immediately advise the sender and delete the message.

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NOTICE REGARDING PRIVACY AND CONFIDENTIALITY

Integral Wealth Securities Limited may, at its discretion, monitor and review the content of all email communications.

-- DISCLAIMER --

This message is intended only for the use of the individual or entity to which it is addressed. If you have received this communication in error, please notify MBC Computer Solutions Ltd. immediately by email at support@mbscs.com. Thank you.

DISCLAIMER:

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Fatima Latif

From: Paul Klemke
Sent: Friday, January 05, 2018 10:35 AM
To: Fatima Latif
Subject: FW: Manitok Restructuring

From: wilf

From: Wilf Gobert [mailto:wgobert@shaw.ca]
Sent: January 5, 2018 9:30 AM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Subject: Re: Manitok Restructuring

Yes, \$100,000

Wilf
403-617-5384
wgobert@shaw.ca

On Jan 5, 2018, at 9:07 AM, Paul Klemke <pk@integralcapitalmarkets.com> wrote:

Wilf,

Did you confirm the number?

Thanks,

Paul

From: Wilf Gobert [mailto:wgobert@shaw.ca]
Sent: January 4, 2018 4:55 PM
To: Paul Klemke <pk@integralcapitalmarkets.com>
Subject: Re: Manitok Restructuring

I will need my broker to confirm how much I own.
One thing mgmt can do is generate spreadsheets. What they can't do is execute.
You should have Dr. Keith Allan on your list. His broker is David Denoon.
I'll send the signed page later today or early tomorrow.

Wilf
403-617-5384
wgobert@shaw.ca

On Jan 4, 2018, at 4:51 PM, Paul Klemke <pk@integralcapitalmarkets.com> wrote:

For the purpose of the bank tomorrow I need you to forward me an email stating you support the restructuring and the amount of notes you hold (assuming you do). I will then need the lock up agreement completed for Monday or Tuesday next week. If you simply prefer to sign the lock up and not worry about next week, that is fine as well.

Thanks,

Paul Klemke

On Jan 4, 2018, at 4:47 PM, Wilf Gobert <wgobert@shaw.ca> wrote:

So you want page 12 signed and returned?

Wilf
403-617-5384
wgobert@shaw.ca

On Jan 4, 2018, at 2:11 PM, Paul Klemke
<pk@integralcapitalmarkets.com> wrote:

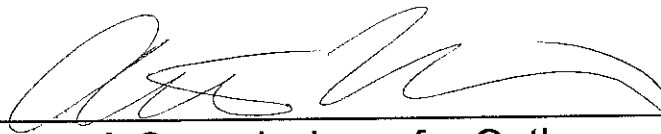
Wilf,

Manitok is required to restructure in order to keep the bank from putting the company into receivership. Below is what we have put together and are asking for your support on the restructuring of the Cell notes in the lock up agreement attached. We need for the bank asap. We have to supply the bank with all the documents below n by tomorrow or we run out of time.

The restructuring below will bring in the capital to complete a proposal to avoid receivership so all the stake holders can survive and grow as opposed to taking zero's after the bank liquidates the assets.

- 1: We restructure the debt and raise \$10MM today.
\$9 MM is confirmed now and will enter into sub receipt agreements for tomorrow.
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- 3: Restructure the CELL notes as follows: 25% reduction off the top of the original amount then convert the remaining balance: 50% equity and 50% debt paying a coupon of 8%. The growth in the equity better than makes up the difference. The remaining CELL notes would

THIS IS EXHIBIT "O" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018

A handwritten signature in black ink, appearing to read 'Anthony Mersich', is written over a horizontal line.

A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Please find attached all of the subscription agreements we have received to date. Some of these we were only provided with the signed first page only (as indicated below) due to the size of the documents but we were promised that the exemption pages would follow:

- Jackson Valley Fund LP via Doug DeMuth - \$1,000,000
- Doug Demuth (through his family trust) - \$500,000
- JM Scott Investments Inc. - \$999,999.98
- The Whist and the Baker Ltd. - \$750,000.02
- Toprun Investments Incorporated (first page only) - \$49,999
- Dusan Miflas (first page only) - \$99,995
- David Mosovitz (first page only) - \$52,500
- Gregory Wayne Miklas (first page only) - \$49,999
- Freda Spain (first page only) - \$7,000
- Francis Leo Spain (first page only) - \$99,995
- Melia Corp (first page only) - \$49,999
- Saul Shulman (first page only) - \$149,999
- Herb Abramson (first page only) - \$600,000
- Trapeze Capital Corp. (first page only) - \$950,000
- Tamasa Inc. (first page only) - \$1,450,000
- Cameron Vouri (Director) - \$20,000
- Bruno Geremia (Director) - \$70,000
- Massimo Geremia (Director and Officer) (first page only) - \$25,375
- Greg Vavra (Officer) (first page only) - \$30,100
- Greg Peterson (Director and Officer - committed in writing, waiting on signed subscription agreement) - \$25,375
- Don Martin (Officer - committed in writing, waiting on signed subscription agreement) - \$10,500
- Davos Partners LP - \$766,500
- Bruce Mitchell - \$1,000,000
- Randall Abramson - \$350,000

Total so far that we have received subscription agreements for: \$9,071,465.01

Total so far that we have received subscription agreements for and a firm written commitment for:
\$9,107,340.01

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: **Mahitok Energy Inc. (the "Corporation")**

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of C\$0.015 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JANUARY 4, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Donlas F. DeMatz

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): DF DeMatz

Name and official capacity or title of authorized signatory/agent, if applicable: _____

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 175 Beechwood Road, Summit, NJ 07901

Telephone number of Subscriber: 917-545-1703 Email address of Subscriber: donlas@jacksonvalleylp.com

The Subscriber is or is not a Portfolio Manager (please check one box).

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 28,571,428

Aggregate subscription price (Number of Subscription Receipts x C\$0.015):
\$ 1,000,000

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 20,793,700 common shares in the capital of the Corporation, and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "Insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder) (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: Jackson Valley Fund LP

Residential or head office address of Beneficial Purchaser: 175 Beechwood Road, Summit, NJ 07901

Telephone number of Beneficial Purchaser: 917-545-1703

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual):

will hold less than 1% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "Insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Matters Registration Form (Form 4C) or equivalent electronic information, on file with the TSXV; or

is remaining with this Agreement a completed and signed Corporate Matters Registration Form (attached as Schedule D to this Agreement).

Registration Instructions

Name and address: _____

Account referenced, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: _____

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule E).

VL DEMUTH, DE DEMUTHE 23 DEMUTH LO-TTE
 DEMUTH FAMILY IRR TRUST V/A DTD 12/26/2012

UNITED STATES

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Maritak Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of CDN\$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of _____, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: DE Demuth

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber):
Douglas F. Demuth, Trustee

Name and official capacity or title of authorized signatory/agent, if applicable:
78 Essex Road, Summit, NJ 07901

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager):
917-545-1703 douglas@demuth.com

Telephone number of Subscriber: _____ Email address of Subscriber: _____

The Subscriber is or is not a Portfolio Manager. (Please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1 of this Agreement).

Number of Subscription Receipts: 14,225,714

Aggregate subscription price (Number of Subscription Receipts x CDN\$0.035):
\$ 500,000

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 0 common shares in the capital of the Corporation,
 and
 (b) securities convertible into an additional 0 common shares in the capital of the Corporation

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

(If the Subscriber is a Portfolio Manager, please complete the following):

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable) is an individual; (please check one box below, if not an individual)

will hold less than 3% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "Insider" and is not a member of the "Aggregate Pro Group", or

has a current Corporate Placee Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV, or

is retaining with this Agreement a completed and signed Corporate Placee Registration Form (attached as Schedule D to this Agreement).

Registration Instructions

Name and address: _____

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (or corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: _____

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, or directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule E).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Maitrea Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JAN. 04, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: JM SCOTT INVESTMENTS INC.

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber):
GEOFFREY SCOTT - DIRECTOR

Name and official capacity or title of authorized signatory/agent, if applicable:
201-9 JACKES AVE
TORONTO ON M4T 1E2

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager):
416 482-2042

Telephone number of Subscriber: _____ Email address of Subscriber: _____

The Subscriber is or is not a Portfolio Manager. (please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

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Number of Subscription Receipts: 28,571,428

Aggregate subscription price (Number of Subscription Receipts x \$0.035):
999,999.98

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) common shares in the capital of the Corporation; and

(b) securities convertible into an additional common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no) NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no) NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no) NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual (please check one box below, if not an individual)

will hold less than 3% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Placee Registration Form (Form 4C) or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Placee Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: HAYWOOD SECURITIES INC.
ITF JM SCOTT INVESTMENTS INC.
700 - 200 Burrard St.
Vancouver, B.C.

Account reference, if applicable: V6C 316

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: HAYWOOD SECURITIES INC.
700 - 200 Burrard St.
Vancouver, B.C.

Account reference, if applicable: V6C 316

Certificates for the securities issue (or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement).

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

HC2-7419-C (0099)
CANADA

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: **Mankok Energy Inc. (the "Corporation")**

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JAN 03, 2018.

21,428,572

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: THE WHISK AND THE BAKER LTD.

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber):
LESLEY STONE SCOTT / PRESIDENT

Name and official capacity or title of authorized signatory/agent, if applicable

1337 THE CRESCENT, VANCOUVER BC V6H 1T7
Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager)

(604) 551-5961 lesleystowe@qmxil.com
Telephone number of Subscriber Email address of Subscriber

The Subscriber is or is not a Portfolio Manager. (Please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 43-105), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 21,428,572

Aggregate subscription price (Number of Subscription Receipts x \$0.035):
\$ 750,000.02

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 10,000,000 common shares in the capital of the Corporation; and

(b) securities convertible into an additional 829,000 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): YES

Beneficial Purchaser Information

(If the Subscriber is a Portfolio Manager, please complete the following):

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, please check one box below, if not an individual:

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Placee Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Placee Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

HAYWOOD SECURITIES INC
1TF THE WHISK AND THE BAKER LTD
Name and address

HC2-7419-C
Account reference, if applicable

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

HAYWOOD SECURITIES INC
Name and address 700 - 200 Burrard St.

HC2-7419-C Vancouver, B.C.
Account reference, if applicable

V6C 3L6

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mantak Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JANUARY 4TH 2018

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

TOPGUN INVESTMENTS INCORPORATED
Name of Subscriber

MARIELLA PRESIDENT
Signature of Subscriber (or authorized signatory agent on behalf of Subscriber)
Name and official capacity or title of authorized signatory agent, if applicable

192 DAVERPORT RD. SUITE 300
Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager)

416-626-3971
Telephone number of Subscriber

MSR152
Email address of Subscriber

The Subscriber is/is not a Portfolio Manager. (please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully-managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (the "status of being an officer, a trust company, or a trust corporation affecting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 1,428,571

Aggregate subscription price (Number of Subscription Receipts x \$0.035):
\$ 50,000.00

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 40,115 common shares in the capital of the Corporation, and

(b) securities convertible into 50 additional _____ common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): _____

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser

Residential or head office address of Beneficial Purchaser

Telephone number of Beneficial Purchaser

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual (please check one box below, if not an individual):

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Placee Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Placee Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address

Account reference, if applicable

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Integral
Name and address

Account reference, if applicable

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mantak Energy Inc (the "Corporation")

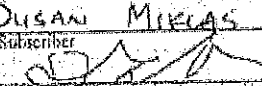
The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.835 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JANUARY 4th, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: DUSAN MIKLAS

Signature of Subscriber (or authorized signatory/agent or behalf of Subscriber): 

Name and official capacity or title of authorized signatory/agent, if applicable: 25 BAYVIEW RIDGE CRESTFALL TORONTO, ONTARIO, CANADA M2L 1E8

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 416-449-8515 dusmi.klikas@gmail.com

Telephone number of Subscriber: _____ Email address of Subscriber: _____

The Subscriber is (a) or (b) is not a Portfolio Manager (please check one box)

(a) (b)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a fund manager or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 4.1 of this Agreement).

Number of Subscription Receipts: 2,837,000

Aggregate subscription price (Number of Subscription Receipts x \$0.835): \$499,995

Excluding securities subscribed for to this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 1,351,427 common shares in the capital of the Corporation, and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual)

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Placee Registration Form (Form AC), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Placee Registration Form (attached as Schedule G to this Agreement)

Registration Instructions

Name and address: DUSAN MIKLAS (same as above)

Account reference, if applicable: TRAPEZE CAPITAL

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.1 of this Agreement.

Delivery Instructions

Name and address: _____

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

161 Kinetik Energy Inc. (the "Corporation")
 The Corporation has, if the Subscriber is a beneficial purchaser, the Purchaser Manager as agent for the Beneficial Purchaser named below, authorized for and agrees to authorize for the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.025 per Subscription Receipt, and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's significant page and the attached Schedules, the "Agreement").

Signed by the Subscriber on this 14th day of July, 2018.
 Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name: DAVID MOSOVITZ
 Signature: [Signature]
 Address: 100 Yorkville Ave 703 Toronto
 City: NY 10023
 State: NY
 Country: USA
 Telephone: 212 811 1781
 Email: dm@kinetikenergy.com

Beneficial Purchaser Information

Name: [Blank]
 Address: [Blank]
 City: [Blank]
 State: [Blank]
 Country: [Blank]
 Telephone: [Blank]
 Email: [Blank]

Number of Subscription Receipts: 15,000,000

Aggregate subscription price (Number of Subscription Receipts x \$0.025): \$375,000,000

Excluding securities subscribed for in this Agreement, the Subscriber for the Beneficial Purchaser, if applicable, owns, directly or indirectly, or exercises control or direction over 0% common shares in the capital of the Corporation.

Are securities convertible into an additional 0% common shares in the capital of the Corporation?

Is the Subscriber for the Beneficial Purchaser an "insider" (as defined in applicable securities laws) and the purchaser of the TSXV, and which generally includes a director, an officer or a 10% shareholder? (yes/no): No

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): No

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Price Group" (as defined in the policies of the TSXV)? (yes/no): No

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, please check one box below, if not an individual:

- will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Price Group"; or
- has a current Corporate Phrase Registration Form (Form 60K) or equivalent electronic instrument on file with the TSXV; or
- is complying with this Agreement as completed and signed Corporate Phrase Registration Form (attached as Schedule C to this Agreement).

Registration Information

Registration Agent: Fidelity Clearing Corporation LLC
 Address: 1155 F Street NW
 City: Washington, DC
 State: DC
 Country: USA
 Telephone: 202 462 2000
 Email: fidclear@fidelity.com

Delivery Instructions

Name and address: Treasury Fidelity Clearing
 Signature: [Signature]
 Address: [Blank]
 City: [Blank]
 State: [Blank]
 Country: [Blank]
 Telephone: [Blank]
 Email: [Blank]

This is the first page of an agreement consisting of 19 pages (not including Schedules A to Schedule D).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mosaic Energy Inc (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of January 4th, 2015

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Gregory Wayne Miklas

Signature of Subscriber or authorized signatory/agent on behalf of Subscriber: *[Signature]*

Name and official capacity or title of authorized signatory/agent, if applicable: 43 Thornbank Road, Thornhill, Ontario, Canada
L4J 2A1

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager):
416-441-9855 x232 greg@invar.ca
Telephone number of Subscriber Email address of Subscriber

The Subscriber is or (has) been a Portfolio Manager. *(please check one box)*

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 1,120,571

Aggregate subscription price (Number of Subscription Receipts x \$0.035):
\$ 39,069.985

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 3,000,000 common shares in the capital of the Corporation;
and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): No

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): No

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): No

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, *(please check one box below, if not an individual)*

- will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or
- has a current Corporate Place Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or
- is complying with this Agreement, a completed and signed Corporate Place Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: Greg Wayne Miklas (address same as above)
Trapeze Capital

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: Greg Miklas (address same as above)
Trapeze Capital

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TC

Muhimbi Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JANUARY 3RD, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: FRONT SPAIN

Signature of Subscriber (or, if the Subscriber is a Portfolio Manager, the signature of the Beneficial Purchaser): [Signature]

Name and official capacity or title of authorized signatory (agent, if applicable): 22 ALLEN ROAD

Residential or legal office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): HAMILTON, ONTARIO, CANADA L6C 1S2

Telephone number of Subscriber: 416-441-9855 x236

Facsimile number of Subscriber: 416-441-9855 x236

The Subscriber is or is not a Portfolio Manager (please check one box): NO

If you (or the Portfolio Manager) are subscribing for securities for a fully charged account for behalf of the Beneficial Purchaser (and are deemed to be purchasing as "principal" under securities laws) the virtue of being an advisor of a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106, then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign in behalf of the Subscriber (see Section 2.1.1 of this Agreement).

Number of Subscription Receipts: 200,000

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$ 7,000

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 200,000 common shares in the capital of the Corporation;

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser:

Residential or legal office address of Beneficial Purchaser:

Telephone number of Beneficial Purchaser:

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual):

a) will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" (as defined in the "Aggregate Pro Group"); or

b) has a current Corporate Finance Registration Form (Form 40), or equivalent electronic information, on file with the TSXV; or

c) is returning with this Agreement, a completed and signed Corporate Finance Registration Form (attached as Schedule C) to this Agreement.

Registration Instructions

Name and address: FRONT SPAIN

Account reference, if applicable: T.D. WILKINSON 0975XGA

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address:

Account reference, if applicable:

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

(C) Manitok Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of FRANCIS LEO SPAIN, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: FRANCIS LEO SPAIN

Capacity or position of Subscriber: authorized signatory agent on behalf of Subscriber

Home and office e-mail or title of authorized signatory agent, if applicable: 22 ALLEN HAVEL

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): MARICAMP, GUSTARLO, CANADA L6C 1B2

Telephone number of Subscriber: 416 441 9858 x336 Email address of Subscriber: FRANK.SPAIN@ROCKS.COM

The Subscriber is a Portfolio Manager (please check one box)

If not the "Portfolio Manager", are you subscribing for securities for a fully managed account on behalf of the "Beneficial Purchaser" and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106, then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 2,857,000

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$99,995

Including securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 3,460,257 common shares in the capital of the Corporation, and

(b) securities convertible into an additional common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, also complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual):

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Place Registration Form (Form 403) or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Place Registration Form (attached as Schedule C to this Agreement).

Registration Instructions

Name and address: FRANCIS LEO SPAIN

Account reference, if applicable: TRAPEZE CAPITAL

If a bank-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: FRANCIS LEO SPAIN

Account reference, if applicable: TRAPEZE CAPITAL

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement comprised of 16 pages (not including Schedule A to Schedule D).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

111: Marlink Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JANUARY 4TH 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

MELIA CORP
Name of Subscriber

MARIO ELIA, TREASURER (SECRETARY)
Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber)
Name and official capacity or title of authorized signatory/agent, if applicable

182 DAVENPORT RD SUITE 300
Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager)

416-624-3977
Telephone number of Subscriber

MSR152
Email address of Subscriber

The Subscriber is or is not a Portfolio Manager. (Please check the box)

is **is not**

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a prior company or a trust corporation meeting the relevant criteria set out in National Instrument 43-101), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory (or agent). You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 1,428,571

Aggregate subscription price (Number of Subscription Receipts x \$0.035):
\$ 50,000.00

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) _____ common shares in the capital of the Corporation;
and

(b) securities convertible into an additional _____ common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): _____

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual)

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in the Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Place Registration Form (Form 40), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Place Registration Form (attached as Schedule O in this Agreement).

Registration Instructions

Name and address: _____

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.3 of this Agreement.

Delivery Instructions

Name and address: Intercept

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mastek Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of July 4, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: SAUL SHULMAN

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: _____

Residence or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 138 STRATHGREN RD. TORONTO, ONTARIO M6C 1R9

Telephone number of Subscriber: 416.789.2514 Email address of Subscriber: SSHULMAN@BTRICAPITAL.COM

The Subscriber is (a) is not a Portfolio Manager. (please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account on behalf of the "Beneficial Purchaser" and are deemed to be purchasing on "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 4 285 714

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$ 150 000 -

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 2961091 common shares in the capital of the Corporation; NEE

(b) securities convertible into an additional 25 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): _____

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residence or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual (please check one box below, if not an individual):

will hold less than 5% of the common shares in the capital of the Corporation as completion of this Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Pledge Registration Form (Form 6C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Pledge Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: SAUL SHULMAN 138 STRATHGREN RD. TORONTO-ONTARIO M6C 1R9

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: Fidelity Clearing Canada ULC

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

→ Fidelity Clearing Canada ULC
 CAL_LAW 29074974
 ITF TEL-0514-4 E
 402 R.R. #1 St. 2nd South Tower, T.O. M5G 2N7

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO Mentech Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, as and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of Jan 4, 2013

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: HERB ABRAMSON

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: 9 JACKES AVE, STE 301 TOR ONT, M4T 1E9

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): [Address]

Telephone number of Subscriber: [Number] Branch address of Subscriber: [Address]

The Subscriber is or is not a Portfolio Manager. *(please check one box)*

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 5-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete our agreement for each beneficial purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 17,142,857

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$609,000

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 10,069,051 common shares in the capital of the Corporation; and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, *(please check one box below, if not an individual)*

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Place Registration Form (Form ACI), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Place Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Fidelity Clearing Canada LLC
483 Bloor St. W. Toronto
Name and address: Scotiabank Toronto M&A

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Fidelity Clearing Canada LLC
Name and address: [Address]

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

a/c TCA 801-E This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Manulife Energy Inc (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement")

Signed by the Subscriber as of 2018

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Truize Capital Corp on behalf of

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: Richard MacIntyre, President

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 221st Ave, Suite 100, Mississauga, ON L4W 2S3

Telephone number of Subscriber: 905-276-1193 Email address of Subscriber: _____

The Subscriber is or is not a Portfolio Manager (please check one box): is is not

If you (the "Portfolio Manager") are subscribing for securities for a fully disclosed account for behalf of the "Beneficial Purchaser" and are deemed to be participating as "principal" under securities laws (by virtue of being an adviser, a broker, a dealer or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete our agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 4.1 of this Agreement).

Number of Subscription Receipts: 27,142,857

Aggregate subscription price (Number of Subscription Receipts x \$0.035): 952,000

Excluded securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 2,222,222 common shares in the capital of the Corporation;

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Firm Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual (please check one box below, if not an individual):

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Firm Group", or

was a recent Corporate Pledge Registration Form (Form 42), or equivalent electronic information, on file with the TSXV, or

is complying with this Agreement completed and signed Corporate Pledge Registration Form (attached as Schedule 7 to this Agreement).

Registration Instructions

Name and address: Fidelity Clearing Canada LLC, 483 Bay St, Suite 200, South Tower, Toronto, ON M5X 2N7

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this agreement.

Delivery Instructions

Name and address: Fidelity Clearing Canada

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this agreement.

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This is the first page of an agreement composed of 13 pages (not including Schedule A to Schedule D).

Truize Capital Corp

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mantak Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JAN 4, 2018

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: TAMASA INC.

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: 22 ST CLAIR AVE E. TORONTO, ONT. M4T 2S3

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 116 St. Clair

Telephone number of Subscriber: _____ Fax number of Subscriber: _____

The Subscriber (or, if it is not a Portfolio Manager, please check one box):

If you are the "Portfolio Manager" for subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an affiliate, a trust company or a trust corporation among the relevant criteria set out in National Instrument 43-101), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities as a representative (agency), for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney, then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1 of this Agreement).

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

Number of Subscription Receipts: 41, 428, 571

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$14,820.00

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 11,800,000 common shares in the capital of the Corporation;

(b) securities convertible into an additional 50 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual (please check one box below, if not an individual):

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Place Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is complying with this Agreement as completed and signed Corporate Place Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: Fidelity Investments Canada ULC, P.O. Box 8144-1E

Account reference, if applicable: 483 Bay St. Toronto, ON M5G 2N7

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: Fidelity Investments Canada ULC

Account reference, if applicable: 483 Bay St.

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

Toronto, Ont. M5G 2N7. This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

10. **Manjeet Energy Inc. (the "Corporation")**

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement")

Signed by the Subscriber as of January 11, 2018

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information	
Name of Subscriber <u>Cam Vain</u>	
Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber) <u>Cam Vain</u>	
Name and official capacity or title of authorized signatory/agent, if applicable <u>74 MONTREAL ST CALGARY AB</u>	
Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager) <u>403 651-1132</u>	
Telephone number of Subscriber <u>403 651-1132</u>	Email address of Subscriber <u>cam.vain@manjeetenergy.com</u>

The Subscriber is or is not a Portfolio Manager. *Please check one box*

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account on behalf of the "Beneficial Purchaser" and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.3 of this Agreement).

Number of Subscription Receipts: <u>274,430</u>
Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$ <u>9,580,055</u>
Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over: (a) <u>150,000</u> common shares in the capital of the Corporation, and (b) securities convertible into an additional <u>82,000</u> common shares in the capital of the Corporation

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no) no

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no) no

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no) no

Beneficial Purchaser Information	
If the Subscriber is a Portfolio Manager, please complete the following:	
Name of Beneficial Purchaser	
Residential or head office address of Beneficial Purchaser	
Telephone number of Beneficial Purchaser	

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, *please check one box below, if not an individual*

(1) will hold less than 1% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "Insider" and is not a member of the "Aggregate Pro Group"; or

(2) has a current Corporate Public Registration Form (Form A1), or equivalent electronic information, on file with the TSXV; or

(3) is returning with this Agreement a completed and signed Corporate Public Registration Form (attached as Schedule C to this Agreement)

Registration Instructions	
Name and address <u>74 MONTREAL ST CALGARY AB</u>	
Account reference, if applicable	
If a bank proxy system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.	

Delivery Instructions	
Name and address <u>RBC Dominion Securities, Suite 1400 333-7th Ave SW Calgary, T2P 2Z1</u>	
Account reference, if applicable	
Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.	

This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule F).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Manitok Energy Inc. (the "Corporation")

This Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of _____, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Bruno Geremia

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: cto 1000, 600-3rd Ave SW

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): Calgary AB T2P 0G5

Telephone number of Subscriber: 403-968-0585 Email address of Subscriber: bgeremia@birchcliffeenergy.com

The Subscriber is or is not a Portfolio Manager. *Please check one box!*

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 2,000,000

Aggregate subscription price (Number of Subscription Receipts x \$0.035):
\$ 70,000.00

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 14,76,900 common shares in the capital of the Corporation; and

(b) securities convertible into an additional 44,025 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): Yes

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): No

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, *please check one box below, if not an individual:*

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Place Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Place Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: CIBC Investors Edge ITF

Account reference, if applicable: Acct 57122784

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: CIBC Investors Edge

Account reference, if applicable: Account # 57122784

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.3 of this Agreement.

This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

To: **Manitok Energy Inc. (the "Corporation")**

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager on agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of _____, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Massimo Geronzi

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: 735-2nd Ave SW, Suite 1102, Calgary, AB T2P 0E4

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 403 968 3664, massp@manitok.com

Telephone number of Subscriber: _____ Email address of Subscriber: _____

The Subscriber is or is not a Portfolio Manager. (Please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.1 of this Agreement).

Number of Subscription Receipts: 725,000

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$ 25,375.00

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 1,078,519 common shares in the capital of the Corporation, and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual):

will hold less than 5% of the common shares in the capital of the Corporation in connection of the Offering (as defined in the Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group", or

has a current Corporate Pledge Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV, or

is returning with this Agreement a completed and signed Corporate Pledge Registration Form (attached as Schedule 1 to this Agreement).

Registration Instructions

Name and address: _____

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities for corporate law purposes will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: Massimo Geronzi
735-2nd Ave SW Calgary AB T2P 0E4

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule 11).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TC: Mantek Energy Inc. (the "Corporation")

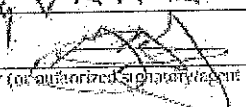
The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of _____, 2014.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Greg VAVRA

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): 

Name and official capacity or title of authorized signatory/agent, if applicable: 137 Signature Pt SW
Calgary AB T3H3B9

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 403 554 5444 gvavra@mantek.com

Telephone number of Subscriber: _____ Email address of Subscriber: _____

The Subscriber is is not a Portfolio Manager. *Please check one box*

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an advisor, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 850,000

Aggregate subscription price (Number of Subscription Receipts x \$0.035): 30,100

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) _____ common shares in the capital of the Corporation; and

(b) securities convertible into an additional _____ common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pru. Group" (as defined in the policies of the TSXV)? (yes/no): _____

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual: *(please check one box below, if not an individual)*

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pru Group"; or

has a current Corporate Placee Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Placee Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: _____

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: Greg VAVRA - Same as Above

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Manitex Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$9.935 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of _____, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Manitex Robert Martin

Signature of Subscriber (or authorized signatory/agent, on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: _____

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 623 Tuscomby Springs Blvd NW Calgary

Telephone number of Subscriber: (403) 241-2636 Email address of Subscriber: christina.khristian@manitex.com

The Subscriber is/is not a Portfolio Manager. (Please check one box.)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 43-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 300,000

Aggregate subscription price (Number of Subscription Receipts x \$9.935):
\$ 10,500

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) _____ common shares in the capital of the Corporation, and

(b) securities convertible into an additional _____ common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): _____

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual: (please check one box below, if not an individual)

will hold less than 5% of the common shares in the capital of the Corporation on completion of the offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Finance Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Finance Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: _____

Account reference, if applicable: _____

If a book entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: _____

Account reference, if applicable: _____

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule H).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mantok Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of CDN\$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of January 4, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Davos Partners, LP

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: General Partner

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 666 5th Ave 8th Floor N.Y. NY 10105 USA

Telephone number of Subscriber: 212-841-4209 Email address of Subscriber: dnolan@mp.com

The Subscriber is or is not a Portfolio Manager. (Please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account on behalf of the "Beneficial Purchaser" and are deemed to be purchasing as "principal" under securities laws (by virtue of being an advisor, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified on the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

Number of Subscription Receipts: 21,900,000

Aggregate subscription price (Number of Subscription Receipts x CDN\$0.035): \$ _____

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) common shares in the capital of the Corporation;

(b) securities convertible into an additional common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): NO

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): NO

The Subscriber (or the Beneficial Purchaser, if applicable), if not an individual, (please check one box below, if not an individual)

will hold less than 5% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Place, Registration Form (Form 40), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Place Registration Form (attached as Schedule D to this Agreement).

Registration Instructions

Name and address: Davos Partners LP 666 5th Ave 8th Floor N.Y. NY 10105

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: Davos Partners c/o Trust Securities 111 Broadway Suite 1125 NY NY 10006

Account reference, if applicable: PT 4000 77

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule B).

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: **Manitok Energy Inc. (the "Corporation")**

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of January 4th, 2018.

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures.

Subscriber Information

Name of Subscriber: Bruce Mitchell

Signature of Subscriber (or authorized signatory/agent on behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory/agent, if applicable: 348 River Road, Ottawa, Ontario K1V 1H8

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 655-525 1114

Telephone number of Subscriber: [blank] Fax number of Subscriber: [blank]

The Subscriber is an agent of a Portfolio Manager. (please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing or "disposing" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instruments 4.3-100), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal, or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation to establish your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.4 of this Agreement).

Number of Subscription Receipts: 8,857,198,800

Aggregate subscription price (Number of Subscription Receipts x \$0.035): 309,951,954.80

Excluding securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 11,387,750 common shares in the capital of the Corporation; and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation.

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV), and which generally includes a director, an officer or a 10% shareholder? (yes/no): no

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no): no

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no): no

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: [blank]

Residential or head office address of Beneficial Purchaser: [blank]

Telephone number of Beneficial Purchaser: [blank]

The Subscriber (or the Beneficial Purchaser, if applicable) is not an individual. (please check one box below, if not an individual)

will hold less than 3% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group"; or

has a current Corporate Placeo Registration Form (Form 4C), or equivalent electronic information, on file with the TSXV; or

is returning with this Agreement a completed and signed Corporate Placeo Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: GMP Securities LP 177 Bruce Mitchell

Account reference, if applicable: 9/c 600-7FA0-E

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation and may be different than set out above. See Section 4.2 of this Agreement.

Delivery Instructions

Name and address: GMP Securities LP 177 Bruce Mitchell

Account reference, if applicable: 9/c 600-7FA0-E

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.2 of this Agreement.

145 King St. West, Suite 300 Toronto Ontario M5H 1S8

This is the first page of an agreement composed of 16 pages (not including Schedule A to Schedule H).

CAL_LAWA.25074874

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS

TO: Mutual Energy Inc. (the "Corporation")

The Subscriber (or, if the Subscriber is a Portfolio Manager, the Portfolio Manager as agent for the Beneficial Purchaser) named below, subscribes for and agrees to purchase from the Corporation the number of subscription receipts ("Subscription Receipts") set out below for the aggregate subscription price set out below, representing a subscription price of \$0.035 per Subscription Receipt, on and subject to the terms and conditions set out in the attached "Terms and Conditions of the Offering" (together with this page, the Corporation's signature page and the attached Schedules, the "Agreement").

Signed by the Subscriber as of JAN 4, 2018

Please complete this entire Agreement, including all applicable Schedules. Please print, except in the case of signatures:

Subscriber Information

Name of Subscriber: Randall Abramson

Signature of Subscriber (or authorized signatory agent or behalf of Subscriber): [Signature]

Name and official capacity or title of authorized signatory agent, if applicable: 22 St. Clair Ave E, 18th floor Toronto Ont M4T 2S3

Residential or head office address of Subscriber (or business address, if the Subscriber is a Portfolio Manager): 416-361-1498

Telephone number of Subscriber: _____ Email address of Subscriber: _____

The Subscriber is or is not a Portfolio Manager: (please check one box)

If you (the "Portfolio Manager") are subscribing for securities for a fully managed account (on behalf of the "Beneficial Purchaser") and are deemed to be purchasing as "principal" under securities laws (by virtue of being an adviser, a trust company or a trust corporation meeting the relevant criteria set out in National Instrument 45-106), then you should complete this page as the "Subscriber" and check the box indicating that you are a Portfolio Manager. Please complete one agreement for each Beneficial Purchaser.

If you are not a Portfolio Manager but are otherwise subscribing for securities in a representative capacity (for example, if you are an agent subscribing for securities on behalf of a principal or if you are acting under a power of attorney), then the person on whose behalf you are acting should be identified as the "Subscriber", and you should identify yourself on this page as the authorized signatory or agent. You may be required to provide documentation in evidence of your authority and capacity to sign on behalf of the Subscriber (see Section 2.1.3 of this Agreement).

Number of Subscription Receipts: 10,000,000

Aggregate subscription price (Number of Subscription Receipts x \$0.035): \$350,000

Including securities subscribed for in this Agreement, the Subscriber (or the Beneficial Purchaser, if applicable) owns, directly or indirectly, or exercises control or direction over:

(a) 1,120,481 + 1,120,481 = held off common shares in the capital of the Corporation, and

(b) securities convertible into an additional 0 common shares in the capital of the Corporation

Is the Subscriber (or the Beneficial Purchaser) an "insider" (as defined in applicable securities laws and the policies of the TSXV, and which generally includes a director, an officer or a 10% shareholder)? (yes/no) _____

Is the Subscriber (or the Beneficial Purchaser) a "registrant" (as defined in applicable securities laws)? (yes/no) _____

Is the Subscriber (or the Beneficial Purchaser) a member of the "Aggregate Pro Group" (as defined in the policies of the TSXV)? (yes/no) _____

Beneficial Purchaser Information

If the Subscriber is a Portfolio Manager, please complete the following:

Name of Beneficial Purchaser: _____

Residential or head office address of Beneficial Purchaser: _____

Telephone number of Beneficial Purchaser: _____

The Subscriber (or the Beneficial Purchaser, if applicable) is not an individual: (please check one box below, if not an individual)

will hold less than 10% of the common shares in the capital of the Corporation on completion of the Offering (as defined in this Agreement) and is not an "insider" and is not a member of the "Aggregate Pro Group", or

has a current Corporate Filings Registration Form (Form 4C) or equivalent electronic information on file with the TSXV, or

is complying with this Agreement a completed and signed Corporate Filings Registration Form (attached as Schedule G to this Agreement).

Registration Instructions

Name and address: Fidelity Clearing Canada LLC 483 Bay St, Ste 200, South Tower Toronto, ON M5G 2N7

Account reference, if applicable: _____

If a book-entry system is used, the registered holder of the securities (for corporate law purposes) will be as directed by the Corporation, and may be different than set out above. See Section 4.3 of this Agreement.

Delivery Instructions

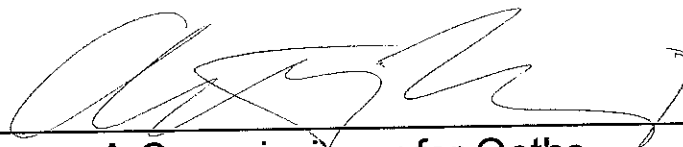
Name and address: Fidelity Clearing Canada LLC

Account reference, if applicable: same as

Certificates for the securities may or may not be issued, as directed by the Corporation. See Section 4.3 of this Agreement.

ITF # TCA-8003-E
This is the first page of an agreement composed of 19 pages (not including Schedule A to Schedule H).

THIS IS EXHIBIT "P" REFERRED TO IN
THE AFFIDAVIT OF **MASSIMO GEREMIA**
SWORN BEFORE ME
THIS 11TH DAY OF JANUARY, 2018



A Commissioner for Oaths
in and for the Province of Alberta

Anthony Mersich
Barrister and Solicitor

Manitok Energy Inc. and Rainmount Energy Corp.
Consolidated 13 Week Cash Flow Statement

\$CAD 000's

Week Ending	Week 1 12-Jan-18	Week 2 19-Jan-18	Week 3 26-Jan-18	Week 4 2-Feb-18	Week 5 9-Feb-18	Week 6 16-Feb-18	Week 7 23-Feb-18	Week 8 2-Mar-18	Week 9 9-Mar-18	Week 10 16-Mar-18	Week 11 23-Mar-18	Week 12 31-Mar-18	Week 13 8-Apr-18	Notes
	1													
Cash Receipts														
Oil and Gas Revenue	-	-	4,370	-	-	-	-	4,257	-	-	-	3,731	-	12,358
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Operating Receipts	-	-	4,370	-	-	-	-	4,257	-	-	-	3,731	-	12,358
Cash Disbursements														
Operating Expenses	-	(1,482)	(663)	(449)	(69)	(415)	(415)	(795)	(415)	(432)	(432)	(812)	(432)	(6,811)
Royalties	-	-	(819)	(273)	-	-	-	(1,064)	-	-	-	(933)	-	(3,090)
G&A	-	(70)	-	(651)	-	-	-	(651)	-	-	-	(651)	-	(2,024)
Secured debt interest payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim Loan Interest/Fees	-	(150)	-	(12)	-	-	-	(24)	-	-	-	(24)	-	(210)
Professional Fees	-	-	-	(475)	-	-	-	(300)	-	-	-	(300)	-	(1,075)
Total - Disbursements	-	(1,702)	(1,482)	(1,861)	(69)	(415)	(415)	(2,834)	(415)	(432)	(432)	(2,720)	(432)	(13,209)
Net Cash flow before financing	-	(1,702)	2,888	(1,861)	(69)	(415)	(415)	1,423	(415)	(432)	(432)	1,011	(432)	(851)
Opening Cash before Interim Loan	-	-	(1,702)	1,186	(674)	(744)	(1,158)	(1,573)	(150)	(565)	(997)	(1,430)	(419)	-
Ending Cash before Interim Loan	-	(1,702)	1,186	(674)	(744)	(1,158)	(1,573)	(150)	(565)	(997)	(1,430)	(419)	(851)	(851)
Interim Loan Advances	-	2,000	-	-	-	-	-	-	-	-	-	-	-	2,000
Cumulative Interim Loan Advance	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-
Ending Cash after Interim Loan	-	298	3,186	1,326	1,256	842	427	1,850	1,435	1,003	570	1,581	1,149	1,149

MANITOK ENERGY INC. AND
RAIMOUNT ENERGY CORP.
Per: Massimo M. Geremia, President & CEO


FIT CONSULTING CANADA INC. TRUSTEE UNDER
THE NOTICE OF INTENTION TO MAKE A PROPOSAL
Per: Deryck Helkaa CA, CPA, CIRP, LIT

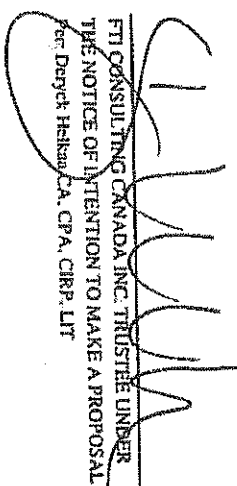
Manitok Energy Inc. and Raimount Energy Corp.
Consolidated 13 Week Cash Flow Statement

SCAD 0000
Week Ending

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Year to Date
12-18-18	1-15-19	2-12-19	3-11-19	4-8-19	5-6-19	6-3-19	7-1-19	7-29-19	8-26-19	9-23-19	10-20-19	11-17-19	11-17-19

Cash Receipts													
Oil and Gas Revenue	4,370												4,370
Other Receipts													
Total - Operating Receipts	4,370												4,370
Cash Disbursements													
Operating Expenses	(1,482)	(663)	(449)	(69)	(415)	(415)	(795)	(415)	(432)	(432)	(412)	(812)	(432)
Royalties		(819)	(273)				(1,064)					(933)	
G&A	(70)		(651)				(651)					(651)	
Secured debt interest payments	(150)		(12)				(24)				(24)		
Interim Loan Interest/Fees			(475)				(300)				(300)		
Professional Fees													
Total - Disbursements	(1,702)	(1,482)	(1,861)	(69)	(415)	(415)	(2,834)	(415)	(432)	(432)	(432)	(2,728)	(432)
Net Cash flow before financing	(1,702)	2,888	(1,861)	(69)	(415)	(415)	1,423	(415)	(432)	(432)	1,011	(432)	(851)
Operating Cash before Interim Loan		(1,702)	1,186	(674)	(744)	(1,158)	(1,573)	(150)	(565)	(977)	(1,430)	(419)	
Ending Cash before Interim Loan		(1,702)	1,186	(674)	(744)	(1,158)	(1,573)	(150)	(565)	(977)	(1,430)	(419)	(851)
Interim Loan Advances		2,000											2,000
Quantitative Interim Loan Advances		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Ending Cash after Interim Loan		298	3,166	1,326	1,256	842	427	1,450	1,435	1,003	570	1,581	1,149


 MANITOK ENERGY INC. AND
 RAIMOUNT ENERGY CORP.
 Per Massimo M. Geronzi, President & CEO


 FTI CONSULTING CANADA INC. TRUSTEE UNDER
 THE NOTICE OF INTENTION TO MAKE A PROPOSAL
 Per Deryck Heikman, CA, CPA, CIRP, LIT

In the Matter of the Notice of Intention
to make a Proposal of Manitok Energy Inc. and Raimount Energy Corp.

**Notes to the Consolidated Statement of Cash Flow or the 13-week
period ending April 8, 2018**

Purpose and General Assumptions of the Cash Flow Statement

- 1) Manitok Energy Inc. and Raimount Energy Corp (collectively referred to as the “**Company**”) has prepared this Cash Flow Statement and the accompanying Notes to the Cash Flow Statement (collectively the “**Cash Flow Statement**”) in support of the proposal proceedings that has been filed under the Bankruptcy and Insolvency Act (“**BIA**”) on January 10, 2018.

FTI Consulting Canada Inc. is the Proposal Trustee in this matter (the “Proposal Trustee”). The Cash Flow Statement should be read in conjunction with the Report on Cash Flow Statement by the Company (Form 30 under the BIA) and also with the Proposal Trustee’s Report on Cash Flow Statement (Form 29 under the BIA).

The Company has prepared the Cash Flow Statement based on probable and hypothetical assumptions that reflect the Company’s planned course of action for the period from January 8, 2018 to April 8, 2017 (the “Cash Flow Period”). Management is of the opinion that, as at the date of filing the Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Company and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Cash Flow Statement.

The Cash Flow Statement has been developed pursuant to subsection 50 (6) of the BIA and is in support of these BIA proceedings. The information contained in the Cash Flow Statement is subject to changing assumptions and/or receipt of new or additional information; actual results may vary. This Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Cash Flow Statement could vary based on changing future circumstances.

The projected cash flow statement is prepared in Canadian dollars.

Hypothetical and Probable Assumptions

- 2) Oil and Gas revenue relates to proceeds from the sale of the Debtors oil & gas production. Production forecast based on current production adjusted for natural production decline. The forecast sales price is based on strip pricing factoring in the companies' typical quality discount to benchmark prices.
- 3) Operating costs are based on the Company's annual operating cost budget and relate to the costs to operate the Company's wells and facilities.
- 4) Royalties relate to royalties paid to freehold land owners and the Government. Rates are based on historical averages.
- 5) G&A includes employee costs, rent, insurance, software required to run the business and other miscellaneous general and administrative expenses.
- 6) The Debtors have various secured loans and debt instruments as outlined in the Affidavit of Massimo Geremia sworn January 11, 2018. The cash flow forecast assumes interest payments in respect of all secured debts are stayed.
- 7) Interim Loan interest/fees relates to fees and interest on the Debtors' proposed Interim Loan. The proposed Interim Loan is authorized for up to \$3.0 million.
- 8) Professional fees include fee estimated for the proposal trustee and the proposal trustees counsel and the Debtors counsel and counsel to the Interim Loan lender.

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Manitok Energy Inc.
of the city of Calgary
in the Province of Alberta

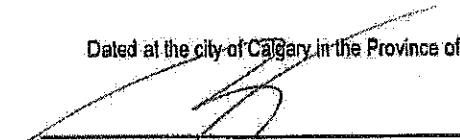
The Management of Manitok Energy Inc., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 11th day of January 2018, consisting of consisting of probable and hypothetical assumptions.

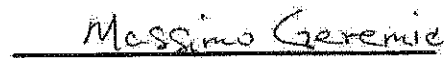
The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

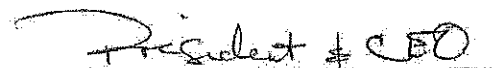
Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 11th day of January 2018:


Manitok Energy Inc.
Debtor


Name and title of signing officer


Name and title of signing officer

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Raimount Energy Corp.
of the city of Calgary
in the Province of Alberta

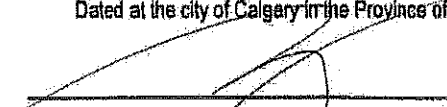
The Management of Raimount Energy Corp., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 11th day of January 2018, consisting of probable and hypothetical assumptions.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.


Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.


Dated at the city of Calgary in the Province of Alberta, this 11th day of January 2018.



Raimount Energy Corp.
Debtor



Name and title of signing officer



Name and title of signing officer

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Manitok Energy Inc.
of the city of Calgary
in the Province of Alberta

The attached statement of projected cash flow of Manitok Energy Inc., as of the 11th day of January 2018, consisting of , has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 11th day of January 2018.

FTI Consulting Canada Inc. - Licensed Insolvency Trustee

Per:



Deryck Helkaa - Licensed Insolvency Trustee

720 Millennium Tower

440 Second Avenue S.W.

Calgary AB T2P 5E9

Phone: (403) 454-6038 Fax: (403) 232-6116

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

— FORM 29 —
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Raimount Energy Corp.
of the city of Calgary
in the Province of Alberta

The attached statement of projected cash flow of Raimount Energy Corp., as of the 11th day of January 2018, consisting of , has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 11th day of January 2018.

FTI Consulting Canada Inc. - Licensed Insolvency Trustee

Per:



Deryck Halka - Licensed Insolvency Trustee

720 Millennium Tower

440 Second Avenue S.W.

Calgary AB T2P 5E9

Phone: (403) 454-6038 Fax: (403) 232-6116