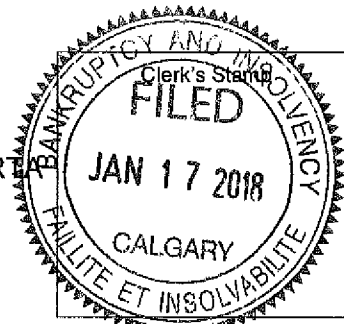


ESTATE NUMBER 25-2332583  
 25-2332610

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: **ORDER (Interim Financing)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:

Gowling WLG ( Canada) LLP  
 1600, 421 – 7th Avenue S.W.  
 Calgary, AB T2P 4K9

Telephone (403) 298-1938  
 Facsimile (403) 263-9193

File No. A151243

**Attention: Tom Cumming / Cliff Prophet**

I hereby certify this to be a true copy of the original order of which it purports to be a copy.

Dated this 17 day of January 2018  
 K. M. Horner  
 Registrar at Calgary  
 Bankruptcy Division of the  
 Court of Queen's Bench of Alberta

Date On Which Order Was Pronounced: January 12, 2018

Name Of Judge Who Made This Order: Madam Justice K.M. Horner

Location Of Hearing: Calgary, Alberta

**UPON** the application (the "**Application**") of Manitok Energy Inc. ("**Manitok**"); **AND UPON** having read the Affidavit of Audrey Ng, sworn on January 11, 2018 (the "**First Ng Affidavit**"), filed; **AND UPON** having read Confidential Exhibits "I", "J", "AA", "DD", "EE", and "FF" to the First Ng Affidavit (collectively, the "**Confidential Exhibits**"), unfiled; **AND UPON** having read the Notice of Intention to Make a Proposal filed by both Manitok and Raimount Energy Corp. ("**Raimount**", Raimount and Manitok are collectively referred to as, the "**Companies**") on January 10, 2017, pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, SC 1985, c B-3 (the "**BIA**"); **AND UPON** having read the Affidavit of Massimo Geremia, sworn on January 11, 2018, filed; **AND UPON** having read the First Report to Court of FTI Consulting Canada Inc. (the

**"Proposal Trustee"**), as proposal trustee of the Companies, dated January 12, 2018; **AND UPON** having read the Bench Brief of Manitok, filed; **AND UPON** having read the Bench Brief of National Bank of Canada ("**NBC**"), filed; **AND UPON** having read the Affidavit of Service of Katie Doran, sworn on January 11, 2018 (the "**Service Affidavit**"), filed; **AND UPON** hearing counsel for NBC, the Companies, the Proposal Trustee, and any other persons present;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the Notice of Application for this Order is hereby abridged and deemed good and sufficient and the Application is properly returnable today.

**ADJOURNMENT OF RECEIVERSHIP APPLICATION**

2. NBC's application, originally returnable on January 12, 2018 (the "**Receivership Application**"), seeking to appoint a receiver and manager over the Companies' property, assets, and undertakings, is hereby adjourned, *sine die*.

**PROPOSAL TRUSTEE'S POWERS**

3. The Proposal Trustee is hereby empowered and authorized to take all steps required to implement the Definitive Documents (as hereinafter defined) including, without limitation, to:
  - (a) assist the Companies, to the extent required, in their dissemination, to the DIP Lender (as hereinafter defined) of financial and other information as agreed to between the Companies and the DIP Lender;
  - (b) assist the Companies in the preparation of their rolling cash-flow forecasts (the "**Cash-Flow Statements**") contemplated by the Definitive Documentation (as hereinafter defined) and reporting required by the DIP Lender, which information shall be reviewed with the Proposal Trustee and delivered to the DIP Lender in accordance with the Definitive Documents or as otherwise agreed to by the DIP Lender;

- (c) report to this Court at such times and intervals as the Proposal Trustee may deem appropriate with respect to matters relating to the Charged Property (as hereinafter defined), and such other matters as may be relevant to the proceedings herein;
  - (d) have full and complete access to the Charged Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Companies, to the extent that is necessary to adequately assess the Companies' business and financial affairs or to perform its duties arising under this Order; and
  - (e) perform such other duties as are required by this Order or by this Court from time to time.
4. In addition to the rights and protections afforded the Proposal Trustee under the BIA or as an officer of this Court, the Proposal Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Proposal Trustee under the BIA or any other applicable legislation.

#### **ADMINISTRATION CHARGE**

5. The Proposal Trustee, legal counsel for the Proposal Trustee and the Companies' Counsel, shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements), in each case at their standard rates and charges, by the Companies, as part of the costs of these proceedings. The Companies are hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and the Companies' Counsel for work performed in connection with the Companies' NOI proceedings, on a periodic basis.
6. The Proposal Trustee, counsel for the Proposal Trustee and the Companies' Counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on all assets, rights, undertakings and properties of the Companies, of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the "**Charged Property**"), which Administration Charge shall not exceed an aggregate amount of \$300,000, as security for their professional fees and disbursements incurred at

their standard rates and charges, both before and after making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 16 and 18 hereof.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

7. The Companies shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Companies after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of such director's or officer's gross negligence or wilful misconduct.
8. The directors and officers of the Companies shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Charged Property, which charge shall not exceed an aggregate amount of \$500,000, as security for the indemnity provided in paragraph 7 of this Order. The Directors' Charge shall have the priority set out in paragraphs 16 and 18 herein.
9. Notwithstanding any language in any applicable insurance policy to the contrary,
  - (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
  - (b) the Companies' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 7 of this Order.

#### **DIP FINANCING**

10. That the execution by the Companies of the DIP Term Sheet (as hereinafter defined) is hereby approved and the Companies are hereby authorized and empowered to perform its obligations under the DIP Term Sheet and to obtain and borrow funds pursuant to the DIP Term Sheet between the Companies, as borrowers, and NBC (referred to as the "**DIP Lender**", when acting in such a capacity), as lender, in order to finance the Companies' working capital requirements (including payment of the fees and disbursements of the Proposal Trustee, counsel for the Proposal Trustee, and the Companies' Counsel, in

connection with these proceedings) and other general corporate purposes and capital expenditures, in accordance with the Definitive Documents (as hereinafter defined), provided that borrowing under such credit facility shall not exceed \$3,000,000, unless permitted by further Order of this Court.

11. Such credit facility shall be on substantially the terms and subject to the conditions set forth in the interim financing term sheet, dated effective as of January 12, 2018 and attached as Schedule "A" hereto (the "**DIP Term Sheet**"), together with any such modifications or amendments as may be agreed upon by the Companies and the DIP Lender and consented to by the Proposal Trustee.
12. The Companies and the DIP Lender are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, pledge agreements, security agreements, hypothecs and security documents, guarantees and other definitive documents (such documents, together with the DIP Term Sheet, collectively, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof together with such modifications as may be agreed upon by the Companies and the DIP Lender and consented to by the Proposal Trustee, and the Companies are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
13. The DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Court Charge**") on the Charged Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount of such obligations on or after the date of this Order under the Definitive Documents. The DIP Lender's Charge shall have the priority set out in paragraphs 16 and 18 hereof.
14. Notwithstanding any other provision of this Order:
  - (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon 10 days' notice to the Companies and the Proposal Trustee, may exercise any and all of its rights and remedies against the Companies or the Charged Property under or pursuant to the DIP Term Sheet, the Definitive Documents and the DIP Lender's Charge, including without limitation, ceasing to make advances to the Companies and setting off and/or consolidating any amounts owing by the DIP Lender to the Companies against the obligations of the Companies to the DIP Lender under or secured by the DIP Term Sheet, the Definitive Documents, the NBC Charge (as defined below), or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Companies and for the appointment of a trustee in bankruptcy of the Companies; and,
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Companies or the Charged Property.
15. All claims of the DIP Lender pursuant to the Definitive Documents are not claims that may be compromised pursuant to any Proposal filed by the Companies in these proceedings or any Plan filed by the Companies under the *Companies' Creditors Arrangement Act* (a "**CCAA Plan**") without the consent of the DIP Lender and, except as contemplated in the Definitive Documents, the DIP Lender shall be treated as unaffected in any Proposal or CCAA Plan or other restructuring with respect to any obligations outstanding to the DIP Lender under or in respect of the Definitive Documents.

**VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

16. The priorities of the Administration Charge, the Directors' Charge, the DIP Lender's Charge, and the security previously granted by the Companies in favour of NBC (the "**NBC Charge**"), as among them, shall be as follows:
- First – Administration Charge (to the maximum amount of \$300,000);
- Second – DIP Lender's Charge;
- Third – the NBC Charge (subject to the Proposal Trustee's review and report on the security of NBC); and

Fourth – Directors' Charge (to the maximum amount of \$500,000).

17. The filing, registration or perfection of the Administration Charge, the DIP Lender's Charge or the Directors' Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
18. Each of the Administration Charge and the DIP Lender's Charge shall constitute a charge on the Charged Property and shall rank in priority to all other security interests, trusts, liens, levies, charges, encumbrances, and claims of any and all other creditors, statutory or otherwise.
19. The Directors' Charge shall constitute a charge on the Charged Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person but subordinate to the NBC Charge (subject to the Proposal's Trustee review and report on the security of NBC).
20. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Companies shall not grant any Encumbrances over any Charged Property that rank in priority to, or *pari passu* with, any of the Administration Charge, the DIP Lender's Charge, the NBC Charge, or the Directors' Charge, unless the Companies also obtain the prior written consent of the Proposal Trustee, the DIP Lender and the beneficiaries of the Administration Charge, the NBC Charge, and the Directors' Charge, or upon further Order of this Court.
21. The Administration Charge, the Directors' Charge, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings and the declarations of insolvency made herein;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications;

- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) any deemed bankruptcy pursuant to the BIA;
  - (e) the provisions of any federal or provincial statutes; or
  - (f) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Companies or the DIP Lender, and notwithstanding any provision to the contrary in any Agreement:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof including the Definitive Documents shall create or be deemed to constitute a breach by the Companies or the DIP Lender of any Agreement to which any one of them is a party;
    - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Companies entering into the Definitive Documents, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
    - (iii) the payments made by the Companies pursuant to this Order, the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at under value, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
22. Any of the Charges created by this Order over leases of real property in Canada shall only be a charge in the Companies' interest in such real property leases.



## **SERVICE AND NOTICE**

23. The Companies, the DIP Lender, NBC, and the Proposal Trustee shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the Companies' creditors or other interested Persons at their respective addresses and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on such business day as forwarded, or if sent by ordinary mail, on the third business day after mailing.
24. The Proposal Trustee shall establish and maintain a website in respect of these proceedings 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 or other materials filed in these proceedings by or behalf of the Proposal Trustee, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

## **GENERAL**

25. The Companies, the DIP Lender, or the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.
26. Nothing in this Order shall prevent the Proposal Trustee from acting as an interim receiver, a receiver, a receiver and manager, monitor or a trustee in bankruptcy of the Companies or the Charged Property.
27. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Companies, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status

to the Proposal Trustee in any foreign proceeding, or to assist the Companies and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

28. Each of the Companies, the DIP Lender, and the Proposal Trustee are at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and for assistance in carrying out the terms of this Order and any other Order issued in these proceedings.
29. Any interested party (including the Companies, NBC, the DIP Lender, or the Proposal Trustee) may apply to this Court to vary or amend this Order or to reschedule the Receivership Application, on not less than five (5) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided however that the DIP Lender shall be entitled to rely on this Order as issued for all advances made under the Definitive Documents up to and including the date this Order may be varied or amended.
30. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.
31. The requirement that counsel attending this application, other than Counsel to the Companies and the DIP Lender, approve the form of this Order, is dispensed with.

"Justice K.M. Horner"  
J.C.Q.B.A.

**SCHEDULE "A"**  
**THE DIP TERM SHEET**

**INTERIM FACILITY LOAN AGREEMENT  
DATED AS OF JANUARY 15, 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 (the proceedings initiated thereby being the "**BIA Proceedings**") on January 10, 2018;

**AND WHEREAS** the Borrower requested that the Interim Lender (as defined below) provide interim financing to fund the Borrower's cash requirements during the pendency of the Borrower's BIA 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:** Manitok Energy Inc. and Raimount Energy Corp. (collectively, the "**Borrower**")

**Interim Lender:** National Bank of Canada ("**Interim Lender**").

**Interim Facility:** The Interim Lender agrees to advance to the Borrower as a super-priority (debtor-in-possession) non-revolving credit facility (the "**Interim Facility**") up to CDN\$3 million.

The Interim Facility may be drawn in tranches of not less than CDN\$500,000 each (except for the final Advance which may be in any amount or as otherwise agreed upon by the Interim Lender) by the Borrower providing, in respect of the initial draw hereunder immediately, and in respect of subsequent advances not less than three (3) business days' written notice of each drawdown to the Interim Lender. All advances hereunder (each a "**Advance**") are subject to the conditions of drawdown

set out below.

Each Advance under the Interim Facility shall be deposited into the Borrower's account at National Bank (the "**Borrower's Account**"). So long as any National Indebtedness remains outstanding National Bank agrees to not exercise any right of set-off or consolidation in respect of such Advance unless an Event of Default has occurred and is continuing and the Court (as defined herein) has authorized National Bank to exercise such right.

**Use of Proceeds:** The proceeds of the Interim 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 BIA Proceedings (the "**Cash-Flow Projections**"), including the payment of interest, fees and expenses payable under the Interim Facility.

No proceeds may be used for any other purpose except with the prior written approval of the Interim Lender. In particular, the Interim 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 Interim Lender or its affiliates.

**Closing Date:** For the purpose of this Interim Facility Loan Agreement, the closing date shall be the date on which all of the conditions precedent to the first Advance hereunder have been satisfied (the "**Closing Date**").

**Evidence of Indebtedness:** The Interim Lender shall open and maintain accounts and records evidencing advances and repayments under the Interim Facility and all other amounts owing from time to time hereunder. The Interim Lender's accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the Interim Lender pursuant to the Interim 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 interest equal to the Interim Lender's designated prime rate of interest for commercial borrowers plus 3.0% per annum payable in cash monthly in arrears on the last day of each calendar month.

**Other Fees:**

- a) On the Closing Date, the Borrower shall pay to the Interim Lender a non-refundable commitment fee of CDN\$50,000 from the first Advance under the Interim Facility.
- b) On the Maturity Date, the Borrower shall pay to the Interim Lender a

non-refundable commitment fee of CDN\$50,000.

**Other Costs and Expenses:**

The Borrower shall pay, on or before the Closing Date and monthly thereafter, all costs and expenses of the Interim 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 Interim Facility after the Closing Date, including any costs and expenses incurred by the Interim Lender in connection with the enforcement of any of the rights and remedies available hereunder or any related security. The Interim 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 Interim Lender under the Interim 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 proposal within the BIA Proceedings and, if applicable, a plan of arrangement under the *Business Corporations Act* (Alberta) (a "**Proposal**") which has been approved by the requisite majorities of the Borrower's creditors, by an order of the Court of Queen's Bench of Alberta (the "**Court**", and such order, the "**Approval Order**") and approved by the Interim Lender;
- c) the bankruptcy of the Borrower;
- d) the completion of the sale of more than 50% of the aggregate assets of the Borrower (unless the Interim Lender consents to such sale and agrees that the Interim Facility shall remain outstanding); and
- e) an Event of Default in respect of which the Interim Lender has elected in its sole discretion to accelerate all amounts owing and demand repayment;

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

The Interim Lender's commitment to make further advances under the Interim Facility shall expire on the Maturity Date and all amounts outstanding under the Interim Facility shall be permanently and indefeasibly repaid by the Borrower no later than the Maturity Date without the Interim Lender being required to make demand upon the Borrower or other parties or to give notice that the Interim Facility has expired and that the obligations thereunder are due and payable. The Interim Lender shall be treated as unaffected in any Proposal, and such Proposal or the Approval Order shall not discharge or otherwise affect in any way any of the obligations of the Borrower towards the Interim Lender

under the Interim Facility other than after the permanent and indefeasible payment in cash to the Interim Lender of all obligations under the Interim Facility on or before the date that the Proposal is implemented, including without limitation, the exit fee.

**Mandatory  
Prepayments:**

Other than proceeds in respect of the sale of non-core assets of the Borrower in an amount not to exceed CDN\$5,500,000 which shall be applied towards the National Indebtedness, the Borrower shall promptly on the receipt thereof prepay Obligations under the Interim Facility:

- a) from the 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) from any extraordinary payments such as tax refunds by the Borrower; or
- c) from the 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 Interim Facility, as applicable, and may not be reborrowed without the written consent of the Interim Lender in its sole discretion.

**Optional  
Prepayment:**

The Interim 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 Interim Lender provided that any such payment shall be subject to the satisfaction of all accrued interest thereon.

**Interim Lender  
Account:**

All payments to the Interim 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 Interim Lender. The Interim 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 Interim 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 BIA Proceedings and for a rolling cumulative four week period once the BIA 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 Executive Officer or 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 Interim 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 Proposal Trustee (as defined below). The Interim 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.

**Interim Lender's Charge and Priority Ranking of Restructuring Charges**

All indebtedness and obligations of the Borrower under or in connection with the Interim Facility, this Agreement and any other documentation in respect of the Interim Facility, including without limitation, all principal, interest, fees and amounts owing in respect of expenses (collectively, the "Obligations") that is requested by the Interim Lender (which shall be in form and substance satisfactory to the Interim Lender in its sole discretion, acting reasonably) (collectively, the "Interim Facility Documents") shall be secured by the Interim Lender's Charge (as defined below), which shall rank in priority as against the Collateral (as defined below) as follows:

- a) the Administration Charge (as defined below), to the extent of CDN\$300,000, shall rank first in priority;
- b) the Interim Lender's Charge shall rank second in priority;
- c) the National Security, to the extent that it secures the National Indebtedness, shall rank third in priority;
- d) the D&O Charge (as defined below), to the extent of CDN\$500,000, shall rank fourth in priority,

all in priority to any and all liens, charges, mortgages, encumbrances, security interests of every kind and nature (collectively, the "Liens") granted by the Borrower against any of its undertaking, property or assets (the "Collateral").

**Conditions Precedent to Advances:**

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

- a) The Borrower's application materials in connection with the BIA Proceedings shall be satisfactory to the Interim Lender and any such application shall be brought before the Court on notice to such parties



as are acceptable to the Interim Lender, acting reasonably.

- b) The Court shall have issued and entered an order (the "**Charges Order**"), in form and substance satisfactory to the Interim Lender in its sole discretion, which, *inter alia*, (i) approves this Interim Facility Agreement, (ii) creates a charge in favour of the Interim Lender (the "**Interim Lender's Charge**") securing all Obligations, (iii) creates an administration charge in favour of the Proposal Trustee, the Proposal Trustee's counsel, the Borrower's counsel and the Interim Lender's counsel, securing their reasonable fees, disbursements and costs, in an aggregate amount not to exceed CDN\$300,000 (the "**Administration Charge**"), and (iv) a charge in favour of the directors and officers of the Borrower, securing the Borrower's obligation to indemnify such directors and officers for any obligations arising during the BIA Proceedings properly subject to such charge (the "**D&O Charge**", and the Interim Lender's Charge, the Administration Charge and the D&O Charge being collectively referred to as the "**Restructuring Charges**" and individually as a "**Charge**"), which Restructuring Charges shall have the priority contemplated by this Agreement against the Collateral and shall at all times rank with respect to the Collateral in priority to all other the Liens.
- c) The Charges Order shall not have been rescinded, amended or revised without at least five business days' notice to the Interim Lender and its counsel and shall provide that the rights of the Interim Lender hereunder or under the Interim Facility Documents (as defined below) shall not be stayed thereby.
- d) All fees and expenses payable to the Interim Lender in its capacity as Interim Lender have been paid or will be paid from the proceeds of the requested Advance within such time as is acceptable to the Interim Lender, in its sole discretion;
- e) There shall be no Liens ranking in priority to the Interim Lender's Charge other than as contemplated hereby, and any other charges or Liens created by the Court in the BIA Proceedings shall be acceptable to the Interim Lender;
- f) The Interim Facility Documents (as defined below) shall be satisfactory to the Interim Lender in its discretion, acting reasonably, and shall have been executed by the parties thereto and the Interim Lender;
- g) The Interim 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

Court (each a "Court Order") which is satisfactory to the Interim Lender in its discretion, acting reasonably;

- h) The Interim Lender shall have received from the Borrower a written request, in the case of the initial advance, immediately, and thereafter for each subsequent Advance not less than three business days prior to the date of the 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 Interim Facility Documents and the Court Orders;
- i) All amounts due and owing to the Interim Lender at such time shall have been paid or shall be paid from the requested Advance;
- j) No Event of Default shall have occurred or will occur as a result of the requested Advance;
- k) The Interim Lender shall have received satisfactory opinions of counsel to the Borrower relating to such matters as the Interim Lender may reasonably require;
- l) The Interim Lender shall have been satisfied that all motions, orders and other pleadings and related documents filed or submitted to the Court by the Borrower shall be consistent with the terms hereof and all orders entered by the Court shall not be inconsistent with or have an adverse impact on the terms of the Interim Facility;
- m) There are no Liens ranking in priority to the Interim Lender's Charge other than as permitted hereunder;
- n) No material portion of the Collateral shall have been lost or stolen; and
- o) The Borrower shall be in compliance with all covenants and obligations contained in this Agreement.

As soon as practical, if the Interim Lender shall so elect, the Interim Lender's Charge shall be registered against title to all of the assets of the Borrower provided always that it is expressly understood and agreed any election or failure by the Interim Lender to register any such interest shall not affect the priority of the Interim Lender's Charge.

**Deposit  
Accounts:**

The Borrower shall maintain all cash in accounts maintained with National Bank while any National Indebtedness remains outstanding. National Bank agrees to not exercise any right of set-off or consolidation in respect of amounts deposited in such accounts after January 8, 2018 unless an Event of Default has occurred and is continuing and the Court (as defined

herein) has authorized National Bank to exercise such right.

**Proposal Trustee:** FTL Consulting Canada Inc. ("FTI") shall be proposal trustee in the Proposal Proceedings (FTI, in such capacity, the "**Proposal Trustee**"). The Interim Lender shall be authorized by the Charges Order to have direct discussions with the Proposal Trustee and to receive information from the Proposal Trustee as requested by the Interim 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 Interim 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 Interim 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 Interim 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 Interim Facility, the proposed or actual use of the proceeds of the Interim Facility, this Agreement, the BIA Proceedings or the Interim 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 Interim 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 Advance is made hereunder, the Borrower represents and warrants to the Interim Lender, upon which the Interim Lender relies in entering into this Agreement and the other Interim Facility Documents, that:

- a) The transactions contemplated by this Agreement and the other Interim Facility Documents:
  - i) upon the granting of the Charges 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 Charges Order constitute legal, valid and binding obligations of the Borrower;
  - iv) upon the granting of the Charges 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 Interim 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 Closing Date, 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 Interim 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 Interim Facility is permanently and indefeasibly repaid and cancelled:

- a) Comply with the provisions of the Court Orders made in the BIA Proceedings including, without limitation, the Charges Order;
- b) Use all Advances made under the Interim Facility and other cash on hand only for the purposes provided for herein, including 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 Interim 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 Interim Lender;
- d) Provide the Interim Lender with draft copies of all motions, applications, proposed orders or other material or documents that any of them intend to file within the BIA 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) Only submit the Charges Order, and any other Court Orders which are being sought by the Borrower in a form confirmed in advance to be satisfactory to the Interim Lender, acting reasonably, subject to any amendments that are required by the Court or the Borrower that are acceptable to the Interim Lender;
- f) Only submit to the Court any and all materials of the Borrower in respect of a proposed Proposal 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") in a form confirmed in advance to be satisfactory to the Interim Lender, acting reasonably, unless such Restructuring Option provides for the indefeasible payment in full in cash of all amounts owing to the Interim Lender under the Interim Facility at or prior to the implementation date of such Restructuring

Option;

- g) Promptly advise the Interim 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 Proposal and, thereafter, shall advise the Interim Lender of the status of any such proposal as well as any material amendments to the terms thereof;
- h) Provide to the Interim Lender a weekly status update regarding the status of the BIA Proceedings and the restructuring process including, without limitation, reports on the progress of any Proposal or Restructuring Option, and any information which may otherwise be confidential subject to same being maintained as confidential by the Interim Lender. Notwithstanding the foregoing disclosure obligation or any other term of this Agreement, the Borrower shall not be obligated to disclose to the Interim Lender any information regarding the details of bids received by the Borrower or the Proposal Trustee unless such information is otherwise disclosed to other stakeholders in the BIA Proceedings or unless the Interim Lender waives its right to credit bid;
- i) Use all reasonable efforts to keep the Interim Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower, the development of a Proposal and/or a Restructuring Option;
- j) Deliver to Interim Lender any updated Weekly Budget Variance Reports and such other reporting and other information from time to time as is reasonably requested by the Interim Lender in form and substance satisfactory to the Interim Lender;
- k) Deliver to the Interim Lender: (i) within one (1) business day of delivery thereof to the Proposal Trustee, copies of all financial reporting provided to the Proposal Trustee; and (ii) within one (1) business day of receipt from the Proposal Trustee any reports or other commentary or analysis received by the Borrower from the Proposal Trustee regarding the financial position of the Borrower or otherwise;
- l) Provide to the Interim 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;
- m) Provide the Interim Lender, upon request, all title information and opinions and environmental reports affecting or relating to the property of the Borrower;

- n) 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;
- o) Maintain all insurance with respect to the Collateral in existence as of the date hereof;
- p) Forthwith notify the Interim 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;
- q) Execute and deliver the Interim Facility Documents, including such financing statements, opinions or other documents and information, as may be reasonably requested by the Interim Lender in connection with the Interim Facility, which documentation shall be in form and substance satisfactory to the Interim Lender;
- r) Subject to the "Other Costs and Expenses" provisions of this Agreement, pay upon request by the Interim Lender all of its documented fees and expenses in its capacity as interim lender, provided, however, that if any such fees and expenses incurred after the date of this Agreement are not paid by the Borrower, the Interim Lender may in its discretion pay all such fees and expenses whereupon such amounts shall be added to and form part of the Obligations and shall reduce the availability under the Interim Facility; and
- s) Pay when due all principal, interest, fees and other amounts payable by the Borrower under this Agreement and under any other Interim 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 Interim 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 Interim Lender, of any debt or obligation existing as at the date of initiation of the BIA Proceedings (the "Pre-Filing Debts");
- b) 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 Interim Lender;

- c) 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 Interim Lender with the exception of the Chief Financial Officer and the director who has indicated an intention to resign;
- d) Unless such payments are first approved by the Interim Lender, increase any termination or severance entitlements or pay any termination or severance payments or modify any compensation or benefit plans whatsoever;
- e) 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;
- f) Sell, assign, lease, convey or otherwise dispose of any of the Collateral except for (i) sales to Yangarra and Baserock in accordance with the financial terms disclosed in the Affidavit of Massimo Geremia and as approved by the Court; and (ii) sales of oil, gas and other petroleum products in ordinary course of business consistent with past practices;
- g) Sell any securities of the Borrower;
- h) Except for as contemplated herein or as otherwise consented to by the Interim 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 Interim Lender as contemplated by this Agreement;
- i) Create or permit to exist any other Lien which is senior to or *pari passu* with the Interim Lender's Charge except as contemplated herein;
- j) Make any investments in or loans to or guarantee the debts or obligations of any other person or entity;
- k) Enter any restrictive covenants or agreements which might affect the value or liquidity of any Collateral;
- l) 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 Interim Lender; or
- m) Terminate any key employees of the Borrower, including those involved in maintaining the Collateral, without the consent of the Interim 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 Interim Lender in a material manner, unless the Interim 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 Interim Lender in a material manner, unless the Interim Lender has consented thereto including, without limitation:
  - i) the issuance of an order dismissing the BIA Proceedings or lifting the stay imposed within the BIA 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 Interim Lender's Charge except as permitted hereunder;
  - iii) the issuance of an order staying, reversing, vacating or otherwise modifying the Interim Facility Documents or the provisions of the Court Order affecting the Interim Lender or the Collateral, or the issuance of an order adversely impacting the rights and interests of the Interim Lender, in each case without the consent of the Interim 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 Court by the Borrower is not acceptable to the Interim 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 Interim Lender;
- f) Any representation or warranty by the Borrower herein or in any Interim 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 Interim 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 Interim Facility Documents or any Court Order or carry out a Proposal or a Restructuring Option reasonably acceptable to the Interim 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 Interim 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, based on the net cash flow before financing, and failure to provide a projected weekly budget approved by the Interim Lender, acting reasonably, which shows sufficient liquidity, including availability under the Interim 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 Interim Facility, the Interim Lender's Charge, this Agreement, or any of the other Interim Facility Documents or approval of any Proposal or Restructuring Option which does not have the prior consent of the Interim Lender;
- l) The Borrower becomes subject to a material environmental liability arising after the commencement of the BIA Proceedings; or
- m) Any Proposal is approved by the Court or any Restructuring Option

is consummated by the Borrower that is not consistent with or contravenes any provision of this Agreement or the other Interim Facility Documents in a manner that is adverse to the interests of the Interim Lender or would reasonably be expected to adversely affect the interests of the Interim Lender unless the Interim Lender has consented thereto or unless it provides for repayment in full of all Obligations to the Interim Lenders under this Agreement.

**Remedies:**

Upon the occurrence of an Event of Default, the Interim Lender may, in its sole discretion, elect to terminate the Interim Lender's commitment to make further Advances to the Borrower and accelerate all amounts outstanding under the Interim 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 Interim Lender may apply to the 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 Proposal Trustee and the Interim Lender, providing the Proposal Trustee with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the BIA 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 Interim Lender under the Interim Facility Documents, the Court Orders and applicable law.

**Interim Lender Approvals:**

All consents of the Interim Lender hereunder shall be in writing. Any consent, approval, instruction or other expression of the Interim 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 Interim Facility Documents, including any payments required to be made from and after the exercise of any remedies available to the Interim 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 Interim Lender

under this Agreement or under any Interim Facility Documents, the amounts so payable to the Interim Lender shall be increased to the extent necessary to yield to the Interim Lender on a net basis after payment of all Withholding Taxes, the amount payable under such Interim Facility Documents at the rate or in the amount specified in such Interim Facility Documents and the Borrower shall provide evidence satisfactory to the Interim 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 Interim Lender may reasonably request for the purpose of giving effect to this Agreement.
- Entire Agreement:** This Agreement and the Interim 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 Interim Facility Documents, this Agreement shall prevail.
- Credit Bidding:** Nothing herein shall preclude the Interim 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 Interim Lender in exercising any right or privilege hereunder or under any other Interim 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 Interim 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 Interim Lender in its sole and absolute discretion (subject to providing the Borrower and the Proposal Trustee with reasonable evidence that such assignee has the financial capacity to fulfill the obligations of the Interim 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 Interim 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 Interim 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 Interim 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 Interim Lender:**

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

Attention: Karen Koury / Audrey Ng

Email: [karen.koury@nbc.ca](mailto:karen.koury@nbc.ca) / [audrey.ng@nbc.ca](mailto:audrey.ng@nbc.ca)

**With a copy to:**

McCarthy Tetrault LLP  
4000, 421-7<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 4K9

Attention: Sean Collins / Walker MacLeod

Email: [scollins@mccarthy.ca](mailto:scollins@mccarthy.ca) / [wmacleod@mccarthy.ca](mailto:wmacleod@mccarthy.ca)

**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](mailto:mass@manitok.com)

**With a copy to:**

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

Attention: Frank Sur / Tom Cumming / Clifton Prophet  
Email: [Frank.Sur@gowlingwlg.com](mailto:Frank.Sur@gowlingwlg.com) / [Tom.Cumming@gowlingwlg.com](mailto:Tom.Cumming@gowlingwlg.com) /  
[Clifton.Prophet@gowlingwlg.com](mailto:Clifton.Prophet@gowlingwlg.com)

**In either case, with a copy to the Proposal Trustee and its counsel:**

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

Attention: Deryck Helkaa / Dustin Oliver  
E-mail: [Deryck.Helkaa@fticonsulting.com](mailto:Deryck.Helkaa@fticonsulting.com) /  
[Dustin.Olver@fticonsulting.com](mailto:Dustin.Olver@fticonsulting.com)

Cassels Brock & Blackwell LLP  
Suite 1250, Millennium Tower  
440 - 2nd Avenue SW  
Calgary, AB T2P 5E9

Attention: Jeffrey Oliver  
E-mail: [joliver@casselsbrock.com](mailto:joliver@casselsbrock.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.

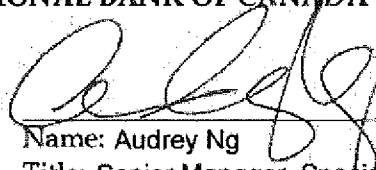
*[Signature pages follow]*

IN WITNESS WHEREOF the parties hereto have caused the Interim Facility Loan Agreement to be duly executed on the date and year first written above.

**AS INTERIM LENDER:**

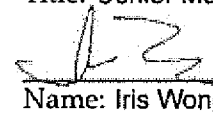
**NATIONAL BANK OF CANADA**

Per:

  
Name: Audrey Ng

Title: Senior Manager, Special Loans

Per:

  
Name: Iris Wong

Title: Account Manager, Special Loans

**AS BORROWER:**

**MANITOK ENERGY INC.**

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

**RAIMOUNT ENERGY CORP.**

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

IN WITNESS WHEREOF the parties hereto have caused the Interim Facility Loan Agreement to be duly executed on the date and year first written above.

**AS INTERIM LENDER:**

**NATIONAL BANK OF CANADA**

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

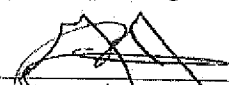
**AS BORROWER:**

**MANITOK ENERGY INC.**

Per:  \_\_\_\_\_

Name: Massimo Geremia

Title: President & CEO

Per:  \_\_\_\_\_

Name: Greg Vavra

Title: VP Business Development

**RAIMOUNT ENERGY CORP.**

Per:  \_\_\_\_\_

Name: Massimo Geremia

Title: President

Per:  \_\_\_\_\_

Name: Greg Vavra

Title: VP Business Development



Manitok Energy Inc. and Raimount Energy Corp.  
Consolidated 13 Week Cash Flow Statement

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	13 Week Total	Notes
	12-Jan-18	19-Jan-18	26-Jan-18	2-Feb-18	9-Feb-18	16-Feb-18	23-Feb-18	2-Mar-18	9-Mar-18	16-Mar-18	23-Mar-18	31-Mar-18	8-Apr-18		
Cash Receipts															
Oil and Gas Revenue	-	-	4,370	-	-	-	-	4,257	-	-	-	3,731	-	12,358	2
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total - Operating Receipts</b>	-	-	<b>4,370</b>	-	-	-	-	<b>4,257</b>	-	-	-	<b>3,731</b>	-	<b>12,358</b>	
Cash Disbursements															
Operating Expenses	-	(1,482)	(663)	(449)	(69)	(415)	(415)	(795)	(415)	(432)	(432)	(812)	(432)	(6,811)	3
Royalties	-	-	(819)	(273)	-	-	-	(1,064)	-	-	-	(935)	-	(3,090)	4
G&A	-	(70)	-	(651)	-	-	-	(651)	-	-	-	(651)	-	(2,024)	5
Secured debt interest payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6
Interim Loan Interest/Fees	-	(150)	-	(12)	-	-	-	(24)	-	-	-	(24)	-	(210)	7
Professional Fees	-	-	-	(475)	-	-	-	(300)	-	-	-	(300)	-	(1,075)	8
<b>Total - Disbursements</b>	-	<b>(1,702)</b>	<b>(1,482)</b>	<b>(1,861)</b>	<b>(69)</b>	<b>(415)</b>	<b>(415)</b>	<b>(2,834)</b>	<b>(415)</b>	<b>(432)</b>	<b>(432)</b>	<b>(2,720)</b>	<b>(432)</b>	<b>(13,209)</b>	
<b>Net Cash flow before financing</b>	-	<b>(1,702)</b>	<b>2,888</b>	<b>(1,861)</b>	<b>(69)</b>	<b>(415)</b>	<b>(415)</b>	<b>1,423</b>	<b>(415)</b>	<b>(432)</b>	<b>(432)</b>	<b>1,011</b>	<b>(432)</b>	<b>(851)</b>	
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 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	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

FJI CONSULTING CANADA INC. TRUSTEE UNDER  
THE NOTICE OF INTENTION TO MAKE A PROPOSAL  
Per: Deryck Helkaa CA, CPA, CIRP, LIT