

COURT FILE NUMBER

1501 - 09213

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY OF CANADA, IN ITS CAPACITY AS COLLATERAL AGENT FOR GUGGENHEIM CORPORATE FUNDING, LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

MATTER

IN THE MATTER OF THE RECEIVERSHIP OF SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Osler, Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450 - 1st Street S.W.
Calgary, Alberta T2P 5H1

Telephone: 403-260-7000
Facsimile: 403-260-7024

Attention: A. Robert Anderson, Q.C.

AFFIDAVIT OF:

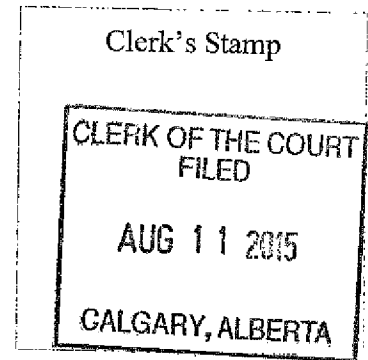
CHRISTOPHER GILLANDERS

SWORN ON:

AUGUST 7, 2015

I, CHRISTOPHER GILLANDERS, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

- I am the sole director of Sekur Energy Management Corp. ("Sekur") and as such I have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information and belief, in which case I believe the same to be true.




THIS IS EXHIBIT " G "
to the Affidavit of

Christopher Gillanders

Sworn before me this 7

Day of August, 20 15


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

DEMAND DEBENTURE

PRINCIPAL SUM: U.S. \$75,000,000

DATE: November 26, 2012

1. Promise to Pay

Sekur Energy Management Corp., a corporation formed pursuant to the laws of Canada (hereinafter referred to as the "**Borrower**"), for value received, hereby acknowledges itself indebted and covenants and promises to: (i) pay to Computershare Trust Company of Canada, for the benefit and on behalf of the Agent, the Lenders and the Swap Lender (hereinafter referred to as the "**Collateral Agent**"), at 600, 530 – 8th Avenue SW, Calgary, Alberta, T2P 3S8 or at such other place as the Collateral Agent may designate by notice in writing to the Borrower, **ON DEMAND** the principal amount of Seventy-Five Million Dollars (\$75,000,000) in lawful money of the United States of America and to pay interest thereon, from and including the date hereof (or from and including the last interest payment date to which interest shall have been paid) to and including the date of payment, at a rate of twenty-five per cent (25%) per annum (the "**Rate**"), calculated semi-annually, not in advance, as well after as before demand, default and judgement with interest on overdue interest at the same rate.

This Debenture secures the payment by the Borrower to the Collateral Agent of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower in any currency pursuant to the credit agreement dated as of November 26, 2012 between the Borrower, the Agent and the Lenders, as the same may be amended, supplemented, restated, extended, renewed, or superseded from time to time (the "**Credit Agreement**"), whenever incurred, and whether incurred by the Borrower alone or with another or others and whether as principal or surety, as well as all legal and other costs, charges and expenses payable by the Borrower pursuant to the Credit Agreement and the Loan Documents, and the performance of all obligations of the Borrower contained herein and in the Credit Agreement and the other Loan Documents (all of the foregoing being herein collectively referred to as the "**Obligations**"). All defined terms used but not otherwise defined herein shall have the meanings attributed to such terms in the Credit Agreement.

2. Security

As security for the due and punctual payment and performance of the Obligations, subject to Section 3 and Section 20 hereof, the Borrower hereby grants, conveys, transfers, mortgages, charges, pledges, assigns and creates a security interest, to and in favour of the Collateral Agent, its successors and assigns, all of the Borrower's right, title, estate and interest, present and future, now owned or hereafter acquired, in and to all of the Borrower's undertaking, property, assets, rights, benefits and privileges, both real and personal, moveable and immovable of whatsoever and kind, including without limitation, the following:

- (a) as and by way of a fixed and specific mortgage, charge, pledge, assignment of and security interest in:

- (i) all P&NG Rights, lands and premises in which the Borrower has any legal or beneficial interest, including without limitation, those lands and premises described in SCHEDULE "A" hereto, together with all rights-of-way, easements, licences and privileges appurtenant or appertaining thereto;
- (ii) all buildings, erections, structures and improvements now or hereafter constructed or placed in, under or on the said lands and premises, and all leasehold interests in such property; and
- (iii) all fixed machinery, plant, equipment, apparatus and fittings and other fixtures and all materials, supplies, machinery, equipment, chattels, furniture, tools, accessories, appliances, goods, vehicles, undertakings, documents of title, instruments, money, securities, inventory, proceeds and other items of personal property now or hereafter be situate upon, constructed or placed on the said lands and premises or used in connection therewith,

(collectively, the "**Lands**");

(b) as and by way of an unconditional and irrevocable general assignment of:

- (i) any and all existing or future leases, subleases, agreements to lease or sublease, other occupancy or tenancy agreements relating to the whole or any part or parts of the Lands, and all existing or future licenses or concessions whereby any person is given the right (other than an easement or a right in the nature of an easement) to use or occupy the whole or any part or parts of the Lands, and all extensions, amendments, restatements, renewals, supplements, replacements or substitutions thereof or therefor which may hereafter be effected or entered into (individually, a "**Lease**" and collectively, the "**Leases**"), and all covenants, obligations and agreements of other parties thereunder or in any agreement collateral thereto, including without limitation, the benefit of any right, option or obligation of any tenant or other person to acquire any of the Lands or an interest therein, to renew or extend any Lease, to lease other space, and any other collateral advantage or benefit to be derived from the Leases or any of them;
- (ii) all rents, revenues, income, proceeds, profits and other moneys derived from or pertaining to the Leases or any part thereof entitled by the Borrower from time to time, with full power to demand, sue, recover, receive and give receipts for all such moneys and otherwise to enforce the rights of the Borrower thereto in the name of the Borrower;
- (iii) the benefit of any guarantees or indemnities relating to all or part of the property referred to in Section 2(b)(i) and Section 2(b)(ii);
- (iv) any and all existing or future rights, agreements, contracts, licenses, permits, consents, plans and specifications, policies, approvals, bonds,

letters of credit, letters of guarantee, purchase orders, rights to carry on business presently owned and hereafter acquired by the Borrower or other documents or instruments affecting or relating to the Secured Property (as hereinafter defined) or any part or parts thereof or the Borrower's business, assets or undertakings on the Lands, and all extensions, amendments, restatements, renewals, supplements, replacements or substitutions thereof or therefor which may hereafter be effected or entered into;

- (v) any and all existing or future agreements of purchase and sale, options to purchase and mortgage, loan or other financing commitments affecting the Lands or any part or parts thereof and all proceeds and other moneys now due and payable or hereafter to become due and payable thereunder;
- (vi) any and all existing or future insurance policies pertaining to the Secured Property (as hereinafter defined) and the proceeds therefrom and all proceeds of expropriation or similar taking of the Lands or any part or parts thereof;
- (vii) all present and future intangibles, including without limitation, all of the Borrower's right, title and interest in all present and future book debts, accounts and other accounts receivable (including, without limitation, proceeds of any financing or credit arrangements), claims, demands, chattel papers, contract rights, notes and choses in action, together with all security therefor, including without limitation, all of its present and future mortgages, debentures, bonds, promissory notes, bills of exchange, insurance claims, and judgments, and together with all securities, partnership interests, joint venture interests, documents, goodwill, patents, trademarks, copyright and other intellectual properties, computer hardware and software and all rights and licences relating thereto, or records now or hereafter owned by the Borrower and representing or evidencing such intangibles, and all other rights and benefits in respect thereof;

in each case, including all property in any form (including money) derived, directly or indirectly, from any dealing with the property described in this Section 2(b), or proceeds therefrom or which indemnifies or compensates for all or part of such property or proceeds therefrom that is destroyed or damaged, and all amendments, extensions, restatements, supplements, renewals, substitutions and replacements thereof and all benefit, power and advantage of the Borrower to be derived therefrom;

- (c) as and by way of a first floating charge on all of the Borrower's present and after-acquired real property;

and all rights, remedies, powers, privileges and claims of the Borrower thereunder (whether arising pursuant thereto or available to the Borrower at law or in equity) including without limitation, the right of the Borrower to enforce the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder; provided that the

said mortgages and charges shall not extend or apply to any personal property which is "consumer goods", as such term is defined in the *Personal Property Security Act* (Alberta) (the "PPSA").

All the undertaking, property and assets granted, assigned, transferred, mortgaged and charged pursuant to Section 2(a) hereof being hereinafter collectively referred to as the "**Mortgaged Property**"; all the undertaking, property and assets assigned, transferred and set over pursuant to Section 2(b) being hereinafter collectively referred to as the "**Assigned Property**"; and the Mortgaged Property and Assigned Property being hereinafter collectively referred to as the "**Secured Property**".

The terms "account", "chattel paper", "documents of title", "equipment", "goods", "instrument", "intangible", "inventory", "money", and "proceeds" shall have the meanings ascribed to such terms in the PPSA, and the term "securities" shall have the meaning ascribed to the term "security" in the PPSA.

TO HAVE AND TO HOLD the Secured Property and all rights hereby conferred unto the Collateral Agent, its successors and assigns, forever, for the uses and purposes and with the powers and authorities and subject to the terms and conditions herein set forth.

3. Exception as to Leasehold Interest

The last day of any term reserved by any lease or sublease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Borrower, as lessee, and forming part of the Secured Property is hereby excepted out of the mortgages and charges, assignments and security interests hereby created or granted or any instrument in implementations hereof. As further security for the payment of the Obligations, the Borrower agrees that it will stand possessed of the reversion of such last day of the term and shall hold it in trust for the Collateral Agent for the purpose of this Debenture and to assign and dispose thereof in such manner as the Collateral Agent shall by notice in writing, for such purpose, direct. Upon any sale of such leasehold interest or any part thereof, the Collateral Agent, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser thereof or any other person, firm or corporation, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other person, firm or corporation as a new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Borrower and to vest the same accordingly in the new trustee or trustees so appointed freed and discharged from any obligation respecting the same.

4. Registration

The Collateral Agent shall have the right at any time and without notice to the Borrower to cause this Debenture or notice thereof to be registered or filed in any place or office where the Collateral Agent or its counsel may deem advisable or necessary.

5. Enforceability

The interest of the Collateral Agent in the Secured Property shall become enforceable upon demand being made by the Collateral Agent upon the Borrower of all or any part of the Obligations.

6. Rights Until Demand

Subject to the terms of the Agreement, until demand has been made upon the Borrower by the Collateral Agent, the Borrower shall be entitled to deal with the Secured Property and enforce all of the benefits, advantages and powers thereunder as if this Debenture had not been made. Upon demand being made hereunder, the Collateral Agent may, but shall not be obliged to, exercise all rights, powers, authority and discretions of the Borrower in respect of the Secured Property in its place and stead.

7. Remedies

Upon and so long as the security constituted hereby is enforceable, the Collateral Agent may realize thereupon and enforce its right in the following manner:

- (a) commence legal action to enforce payment or performance of the Obligations by the Borrower to the Collateral Agent;
- (b) require the Borrower to disclose to the Collateral Agent the location or locations of the Secured Property and to assemble, at the Borrower's expense, tangible personal property which composes part of the Secured Property at a place or places designated by the Collateral Agent, and the Borrower agrees to cooperate, in each case, as required by the Collateral Agent;
- (c) immediately take possession of all of the Secured Property or any part or parts thereof by action, distress or otherwise, with power, among other things, to exclude the Borrower, to preserve and maintain the Secured Property and make additions and replacements thereto, to collect or receive rents, income and profits of all kinds (including taking proceedings in the name of the Borrower for that purpose) and pay therefrom all reasonable expenses and charges of maintaining, preserving, protecting and operating the Secured Property (payment of which may be necessary to preserve or protect the Secured Property), and to enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including without limitation, power to advance its own moneys and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof, and all sums advanced or expended shall be added to the Obligations and shall bear interest at the Rate;
- (d) carry on or concur in the carrying on of all or any part of the business of the Borrower and in connection therewith, to employ and discharge any person on the terms and at the remuneration the Collateral Agent considers proper;
- (e) to the exclusion of all others including the Borrower, enter upon, occupy and use all premises of or occupied or used by the Borrower and use any of the property

(which shall include fixtures) of the Borrower for such time and such purposes as the Collateral Agent sees fit. The Collateral Agent shall not be liable to the Borrower for any neglect in so doing or in respect of any rent, costs, charges, depreciation or damages in connection therewith;

- (f) pay or discharge any mortgage, encumbrance, lien, adverse claim or charge that may exist or be threatened against the Secured Property; in any such case, the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations and shall bear interest at the Rate;
- (g) take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Secured Property;
- (h) file proofs of claim and other documents to establish its claim in any proceedings relative to the Borrower;
- (i) operate, manage, repair, alter and extend the Secured Property and continue with the construction and development of any or all projects being undertaken by the Borrower on the Secured Property with such variations, additions or deletions thereto as the Collateral Agent may approve and repair, process, complete, modify or otherwise deal with the Secured Property and prepare for the disposition of the Secured Property, whether on the premises of the Borrower or otherwise;
- (j) with or without taking possession of all or any part of the Secured Property and at the Borrower's expense, take any action or proceedings to observe or perform or cause to be observed or performed any covenant, agreement, proviso or stipulation relating to any of the Secured Property, when and to the extent the Collateral Agent deems advisable;
- (k) with or without taking possession of all or any part of the Secured Property, sell, lease or otherwise dispose of the whole or any part of the Secured Property, as agent for the Borrower and not the Collateral Agent, and in exercising the foregoing power, the Collateral Agent may, in its absolute discretion:
 - (i) sell, lease or otherwise dispose of the whole or any part of the Secured Property by public auction, public tender with notice, or by private contract (in the name of or on behalf of the Borrower) or otherwise, with such notice, advertisement or other formality as is required by law;
 - (ii) make and deliver to the purchaser good and sufficient deeds, assurances and conveyances of the Secured Property and give receipts for the purchase money, and any such sale once effected shall be a perpetual bar, both at law and in equity, to the Borrower and all those claiming an interest in the Secured Property by, from, through or under the Borrower making any claim against the purchaser of the Secured Property;
 - (iii) grant, rescind, vary or complete any contract for sale, lease or options to purchase or lease, or rights of first refusal to purchase or lease the whole or any part of the Secured Property, for cash or for credit, with or without

security being given therefor, and on terms as shall appear to be most advantageous to the Collateral Agent (including a term that a commission be payable to the Collateral Agent or a related corporation in respect thereof) and if a sale is on credit, the Collateral Agent shall not be accountable for any moneys until actually received; and

- (iv) make any stipulation as to title or conveyance or commencement of title;
- (v) re-sell or re-lease without being answerable for any loss occasioned thereby;
- (vi) make any arrangements or compromises which the Collateral Agent shall think expedient in the interest of the Collateral Agent and to assent to any modification of this Debenture, and to exchange any part or parts of the Secured Property for any other property suitable for the purposes of the Collateral Agent on such terms as the Collateral Agent considers expedient, either with or without payment of money for equality or exchange or otherwise;
- (l) to borrow or raise money on the security of the Secured Property or any part thereof in priority to this Debenture or otherwise, for the purpose of the maintenance, preservation or protection of the Secured Property or any part thereof or for carrying on all or any part of the business of the Borrower relating to the Secured Property;
- (m) where the Secured Property has been disposed of by the Collateral Agent as provided in Section 7(k), commence legal action against the Borrower for the deficiency between the aggregate of the principal and interest owing on this Debenture and all other monies and liabilities secured hereby (including costs and expenses incurred in connection with such disposition) and the proceeds of any such disposition;
- (n) take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term as used in this Debenture includes a manager and a receiver and manager, and hereafter, the "Receiver") of all or any part of the Secured Property;
- (o) by instrument in writing appoint, with or without taking possession, any person to be a Receiver of the Secured Property or of any part thereof and may remove any Receiver so appointed and appoint another in his stead; and the following shall apply in respect of any such Receiver so appointed:
 - (i) the Collateral Agent may from time to time fix the remuneration of the Receiver who shall be entitled to deduct that same out of the revenue from the Secured Property or the proceeds thereof;
 - (ii) the Receiver shall, to the fullest extent permitted by law, be deemed the agent or attorney of the Borrower for all purposes and the Collateral Agent shall not be in any way responsible for any actions other than as caused by

gross negligence, wilful misconduct or fraud, of any Receiver, and the Borrower hereby agrees to indemnify and save harmless the Collateral Agent from and against any and all claims, demands, actions, costs, damages, expenses or payments which the Collateral Agent may hereafter suffer, incur or be required to pay as a result, in whole or in part, of any action taken by the Receiver or any failure of the Receiver to do any act or thing other than as are caused by gross negligence, wilful misconduct or fraud;

- (iii) the appointment of the Receiver by the Collateral Agent shall not incur or create any liability on the part of the Collateral Agent to the Receiver in any respect and such appointment or anything which may be done by the Receiver or the removal of the Receiver or the termination of any such Receivership shall not have the effect of constituting the Collateral Agent a mortgagee in possession in respect of the Lands or any part thereof;
- (iv) and for the purposes above, the Borrower hereby irrevocably empowers the Receiver so appointed as its attorney to execute deeds, transfers, leases, contracts, agreements or other documents on its behalf and in its place (and the same shall bind the Borrower and have the same effect as if such deeds were executed by the Borrower) and to affix the Borrower's seal, if necessary, or a duplicate thereof to any of the same;
- (p) on its own account or through a Receiver and whether alone or in conjunction with the exercise of all or any other remedies contemplated hereby, shall have the right, at any time, to notify and direct any account debtor to make all payments whatsoever to the Collateral Agent and the Collateral Agent shall have the right, at any time, to hold all amounts received from any account debtor and any proceeds as part of the Secured Property; any payments received by the Borrower from and after the security hereby constituted becomes enforceable, shall be held by the Borrower in trust for the Collateral Agent in the same medium in which received, shall not be commingled with any assets of the Borrower and shall, at the request of the Collateral Agent, be turned over to the Collateral Agent not later than the next business day following the day of their receipt; and
- (q) exercise or pursue any other remedy or proceeding which the Collateral Agent is entitled as the holder of the Debenture authorized or permitted hereby or by law or in equity in order to enforce the security constituted by this Debenture.

Such remedies may be exercised from time to time separately or in combination. Nothing in this Debenture shall curtail or limit the remedies of the Collateral Agent as permitted by any law or statute to a mortgagee or creditor, all such remedies being in addition to and not in substitution for any other rights or remedies of the Collateral Agent howsoever created.

8. Powers of Receiver and Application of Proceeds

- (a) A Receiver appointed in accordance with Section 7(o) shall have the power to exercise and be vested with, in each case at the discretion of the Collateral Agent

made in writing, all the powers and discretions of the Collateral Agent under this Debenture;

- (b) The net revenues of the business of the Borrower and the net proceeds of any sale, lease or other disposition of the Secured Property shall be applied by the Receiver, subject to the claims of all creditors ranking in priority to this Debenture, in payment of:
 - (i) all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by it of all or any of the powers granted herein including the remuneration of the Receiver and all amounts properly payable by it;
 - (ii) the principal amount of this Debenture;
 - (iii) all other moneys owing hereunder, except interest;
 - (iv) all interest accrued and payable hereunder; and
 - (v) any other payments required by law;

in such order as the Collateral Agent may determine, in its discretion, and in accordance with Section 12.5 of the Credit Agreement.

9. Limitation of Liability

The Collateral Agent shall not be liable by reason of any entry into or taking possession of any of the Secured Property hereby charged or intended so to be or any part thereof, to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or any act or omission for which a secured party in possession might be liable. The Collateral Agent shall not, by virtue of these presents, be deemed to be a mortgagee in possession of the Secured Property. The Collateral Agent shall not be liable or accountable for any failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property and shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Collateral Agent, the Borrower or any other person in respect of same. The Borrower hereby releases and discharges the Collateral Agent and the Receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Borrower or any person claiming through or under the Borrower by reason or as a result of anything done or omitted to be done, as the case may be, by the Collateral Agent or any successor or assign claiming through or under the Collateral Agent or the Receiver under the provisions of this Debenture, unless such claim be the result of gross negligence, wilful misconduct or fraud.

10. Extension of Time/Forbearance

The Collateral Agent may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured

Property to third parties and otherwise deal with the Borrower's guarantors or sureties and others and with the Secured Property as the Collateral Agent may see fit without prejudice to the liability of the Borrower to the Collateral Agent or the Collateral Agent's rights, remedies and powers under this Debenture. No extension of time, forbearance, indulgence or other accommodation now, previously or hereafter given by the Collateral Agent to the Borrower shall operate as a waiver, alteration or amendment of the rights of the Collateral Agent or to otherwise preclude the Collateral Agent from enforcing such rights.

11. Securities

- (a) Until the security hereby constituted becomes enforceable, the Borrower shall be entitled to receive dividends or other distributions, vote the securities and give consents, waivers and ratifications in respect thereof, provided however, that no such action shall be taken which would impair the effectiveness of security interests created hereby or the value of the securities or which would be inconsistent with or violate the provisions of this Debenture or the Credit Agreement.
- (b) The Collateral Agent may, in its sole and unfettered discretion, require the Borrower to transfer registered ownership of the securities to the Collateral Agent, the Collateral Agent's agent or a nominee of the Collateral Agent. Notwithstanding such transfer, prior to the security hereby constituted becoming enforceable, subsection (a) above shall continue to apply and upon such transfer the Collateral Agent shall provide the Borrower with such proxies and other written authorizations as may reasonably be requested by the Borrower to enable the Borrower to exercise the rights and take the actions described in subsection (a) above.
- (c) Upon the security hereby constituted becoming enforceable, the Collateral Agent may elect by written notice to the Borrower and to an officer of the issuer(s) of the securities, that all rights of the Borrower in the securities, including without limitation, the right to vote, give consents, waivers or ratifications and to take other actions and receive dividends or other distributions, shall cease, and upon such election all such rights shall become vested in the Collateral Agent.

12. Power of Attorney

The Borrower hereby irrevocably constitutes and appoints each officer or director of the Collateral Agent from time to time, or of any Receiver appointed (as agent of the Borrower) as provided for in this Debenture, as the true and lawful attorney of the Borrower with full power of substitution in the name of the Borrower to do all such acts and things and to execute and deliver all such deeds, transfers, leases, contracts, agreements and other documents or instruments on its behalf and in its place (and the same shall bind the Borrower and have the same effect as if such documents were executed by the Borrower) and with the right to use the name of the Borrower, whenever and wherever it may be deemed necessary or expedient in the sole discretion of the Collateral Agent, in connection with carrying out the provisions of this Debenture or the exercise of the rights and remedies set forth in this Debenture. Without limiting the

generality of the foregoing, the Collateral Agent is authorized to sign any financing statements on behalf of the Borrower, and to endorse, negotiate or redeem any and all securities or negotiable instruments. The Borrower hereby ratifies and agrees to ratify all acts of any such attorney taken or done in accordance with the terms hereof. The Borrower hereby declares that the irrevocable power of attorney granted hereby, being coupled with an interest in favour of the Collateral Agent, is given for valuable consideration and shall remain in full force and effect until this Debenture is discharged in accordance with the terms of this Debenture.

13. Default under Other Encumbrances

Any amount paid by the Collateral Agent after the occurrence of a default on account of monies payable under any encumbrance upon the Secured Property or any part thereof shall:

- (a) be added to the Obligations and constitute a charge upon the Secured Property;
- (b) bear interest at the Rate; and
- (c) be repaid by the Borrower to the Collateral Agent on demand.

14. Judgment

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liability of the Borrower to perform the Obligations nor shall such operate as a merger of any covenant or affect the right of the Collateral Agent to receive interest at the Rate, and any judgment shall bear interest at such rate.

15. Expenses

The Borrower shall pay to the Collateral Agent forthwith upon demand all costs, charges and expenses (including, without limitation, legal fees on a solicitor-client basis) incurred by the Collateral Agent or its agents (including, without limitation, a Receiver), in connection with the recovery or enforcement of payment of any amounts owing by the Borrower to the Collateral Agent, including but not limited to, all such costs, charges and expenses in connection with taking possession, protecting, preserving, collecting or realizing upon all or any part of the Secured Property, together with interest thereon, at the Rate, from the date of incurring such costs, charges and expenses. The total amounts described above (including interest as set out) shall be added to the Obligations and shall be secured by this Debenture.

16. After Acquired Property

The Borrower covenants and agrees that if and to the extent that any of its right, title, estate and interest in any of the Secured Property is not acquired until after delivery of this Debenture, this Debenture shall nonetheless apply thereto and the security interests of the Collateral Agent hereby created shall attach to such Secured Property at the same time as the Borrower acquires rights therein, without the necessity of any further

mortgage, charge, pledge, assignment or assurance, and thereafter the security interests created hereby in respect of such Secured Property shall be absolute, fixed and specific.

17. Attachment

The Borrower hereby acknowledges and agrees that there is no agreement between the parties hereto, express or implied, to postpone the attachment of the security interests created hereby in the Secured Property.

18. Severability

If any term, covenant, obligation or agreement contained in this Debenture, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Debenture or the application of such term, covenant, obligation or agreement to persons or circumstances other than those held to be invalid or unenforceable, shall not be affected thereby and each term, covenant, obligation or agreement herein contained shall be separately valid and enforceable to the fullest extent permitted by law.

19. Further Assurances

The Borrower hereby covenants and agrees that it will at all times, at its own cost and expense, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, mortgages, charges, assignments or assurances in law, in each case consistent with the terms of this Debenture, as the Collateral Agent may require for the better mortgaging, charging, pledging, securing and assigning unto the Collateral Agent the property and assets hereby mortgaged, charged, pledged, secured or assigned or intended so to be or which the Borrower may hereafter become bound to mortgage, charge, pledge, grant a security interest in or assign in favour of the Collateral Agent and for the better accomplishing, effectuating and perfecting of this Debenture, including, without limitation, such as may be required in order to register or file this Debenture or perfect the registration of this Debenture wherever the Collateral Agent in its discretion considers that the same or notice of the same ought to be registered or filed, or in the event of any sale of the whole or any part of the Secured Property by the Collateral Agent or the Receiver or under judicial proceedings, such deeds, assurances, conveyances and receipts as may be necessary to transfer good title to the Secured Property to the purchaser thereof.

20. Consents

Nothing herein shall constitute an assignment or attempted assignment of any contract or agreement which by the provisions thereof or by law is not assignable or which requires the consent of a third party to its assignment unless such consent has been obtained. In each such case, the Borrower shall, unless the Collateral Agent otherwise agrees in writing, forthwith attempt to obtain the consent of any necessary third party to its assignment hereby and to its further assignment by the Collateral Agent to any third party who may acquire same as a result of the exercise by the Collateral Agent of remedies after demand. Upon such consent being obtained or waived, this Debenture shall apply to the applicable contract or agreement without regard to this section and without the

necessity of any further assurance to effect the assignment thereof. Unless and until the consent to assignment is obtained as provided above, the Borrower shall, to the extent it may do so by law or pursuant to the provisions of the document or interest referred to therein, hold all benefit to be derived from the applicable contracts or agreements in trust for the Collateral Agent, (including, without limitation, the Borrower's beneficial interest in any contract or agreement which may be held in trust for the Borrower by a third party) as additional security for payment of Obligations and shall deliver up all such benefit to the Collateral Agent, forthwith upon demand by the Collateral Agent.

21. Statutory Waivers

To the fullest extent permitted by law, the Borrower waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of a Collateral Agent or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

22. Provisions Reasonable

The Borrower acknowledges that the provisions of this Debenture and, in particular, those respecting rights, remedies and powers of the Collateral Agent and any Receiver which may be exercised against the Borrower, its business and any Secured Property upon the security hereby constituted becoming enforceable, are commercially reasonable and not manifestly unreasonable.

23. Notices

Unless otherwise provided herein, any demand, notice or communication given or required to be given to a party hereunder shall be in writing and shall be personally delivered or given by transmittal by telecopy, email or facsimile transmission addressed to the respective parties at its address, email or telecopy or facsimile number set forth below or to such other address or telecopy or facsimile number as such party may designate by notice in writing to the other party hereto (and if notice is given by email, such notice must be given concurrently by email and facsimile or other method of delivery):

(a) if to the Borrower, at:

2408 Broadview Road NW
Calgary, Alberta T2N 3J5

Attention: Christopher Gillanders
Email: cgillanders@sekureenergy.com
Facsimile: 403.770.8939

(b) if to the Collateral Agent, at:

600, 530 – 8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Manager, Corporate Trust
Email: Karen.Biscope@computershare.com
Facsimile: 403.267.6598

Any demand, notice or communication made by or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, and, if made or given by telecopy or by facsimile, on the first day other than a Saturday, Sunday or a statutory holiday in Alberta, on which Schedule I banks are open for commercial business in Calgary, Alberta, following the transmittal thereof.

24. Valid and Continuing Security

The security interest hereby created shall be and be deemed to be effective and shall have effect whether or not the moneys hereby secured or any part thereof shall have been advanced before or after or at the same time as the issue of this Debenture or before or after or upon the date of the execution by the Borrower of this Debenture. This Debenture shall not be considered as satisfied or discharged by an intermediate payment of part of the Obligations but shall constitute and be a continuing security to the Collateral Agent for a current or running account and shall be in addition to and not in substitution for any other security now or hereafter held by the Collateral Agent.

25. Receipt and Discharge

The Collateral Agent is the person entitled to receive the money payable hereunder and to give a discharge hereof. If the Borrower pays to the Collateral Agent the moneys secured by this Debenture and otherwise observes and performs the terms and conditions hereof and of the Credit Agreement, then the Collateral Agent shall, at the request and expense of the Borrower, cancel and discharge the mortgages, charges, assignments and security interests of or created by this Debenture and execute and deliver to the Borrower such deeds and other instruments as shall be requisite therefor.

26. No Set-Off

The Obligations secured by this Debenture shall be paid by the Borrower without regard to any set-off, counterclaim or equities between the Borrower and the Collateral Agent.

27. Trust Monies

All monies collected or received by or on behalf of the Borrower after the security constituted by this Debenture becomes enforceable which are proceeds from the disposition of the whole or any part of the Secured Property shall be received in trust for the Collateral Agent and shall be forthwith paid to the Collateral Agent.

28. Deemed Satisfaction

Payment in full to the Collateral of all Obligations will be deemed to be payment in satisfaction of the principal sum under this Debenture. Notwithstanding the stated Rate in this Debenture, payment by the Debtor of the relevant fees and interest for any period in respect of the Obligations at the rate at which the Obligations bear interest for such

period in accordance with the Credit Agreement and other Loan Documents, as applicable, will be deemed to be payment in satisfaction of the interest payment for the same period under this Debenture. Notwithstanding the principal sum, interest and other monies expressed to be payable or secured hereunder, the obligations payable or secured hereunder shall not exceed the Obligations.

29. Agreement Paramount

In the event of any conflict, inconsistency, ambiguity or difference between the provisions of this Debenture and of the Credit Agreement, then the provisions of the Credit Agreement shall govern and be paramount, and any such provision in this Debenture shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference. Notwithstanding the foregoing, if there is any right or remedy of the Collateral Agent set out in this Debenture or any part thereof which is not set out or provided for in the Credit Agreement, such additional right or remedy shall not constitute a conflict or inconsistency.

30. Governing Law

This Debenture shall be governed in all respects by the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated in all respects as a Alberta contract. Each of the parties hereby irrevocably submits to the non-exclusive jurisdiction of any court of the Province of Alberta for the purpose of any legal or equitable suit, action or proceeding in connection with this Debenture.

31. Modifications

No amendment, modification, consent or waiver by the Collateral Agent shall be effective unless made in writing and signed by an authorized officer of the Collateral Agent.

32. Currency of Payment

The principal, interest and other moneys payable hereunder shall be paid in lawful money of Canada.

33. Successors

This Debenture and all its provisions shall enure to the benefit of the Collateral Agent and its successors and assigns, and shall be binding upon the Borrower and its successors and permitted assigns.

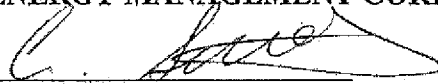
34. Acknowledgement

The Borrower acknowledges having received a true copy of this Debenture.

[Remainder of this page intentionally left blank.]

IN WITNESS OF WHICH the Borrower has duly executed this Debenture as of the date first written above.

SEKUR ENERGY MANAGEMENT CORP.

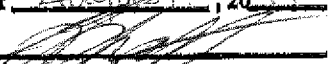
By: 

Name: Christopher Gillanders
Title: Chief Executive Officer and
Secretary

SCHEDULE "A"
Legal Description

See attached.

See Tab 18

THIS IS EXHIBIT " H "
to the Affidavit of
Christopher G. Landers
Sworn before me this 7
Day of August, 2015

A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

FORBEARANCE AGREEMENT

GUGGENHEIM CORPORATE FUNDING, LLC, as agent (in such capacity, "**Agent**") for each person which is now or which hereafter becomes a lender under the Loan Agreement (as defined below) (collectively, the "**Lenders**"), the Lenders, and Sekur Energy Management Corp. (the "**Borrower**"), enter into this Forbearance Agreement (this "**Agreement**") on June 15, 2015.

RECITALS

A. The Agent, the Lenders and the Borrower are party to a secured credit agreement dated as of November 26, 2012 (as amended, supplemented or otherwise modified to the date hereof, the "**Loan Agreement**") pursuant to which the Lenders have extended to the Borrower certain loans in an aggregate principal amount of U.S. \$36,101,667.41 (the "**Loans**").

B. In order to secure the Obligations (as defined in the Loan Agreement), the Borrower granted to Computershare Trust Company of Canada (in its capacity as Canadian collateral agent for the Agent and the Lenders, the "**Collateral Agent**"), certain security interests pursuant to the Security (as defined in the Loan Agreement), including a general security agreement and a demand debenture in the principal amount of U.S. \$75,000,000. The real and personal property of the Borrower charged by the Security is referred to as the "**Collateral**".

C. Capitalized terms used but not defined in this Agreement have the same meanings as in the Loan Agreement unless otherwise specified. This Agreement is a Loan Document.

D. The Borrower wishes to attempt to sell its business or its assets pursuant to a sale process (the "**Sale Process**") managed by NRG Divestitures Inc., as a sale agent (the "**Sale Agent**") and monitored and supervised by a restructuring professional acceptable to the Agent, acting reasonably, (the "**Financial Advisor**") and, upon completion of the Sale Process, the Lenders and/or the Collateral Agent wish to apply for an order of a court appointing the Financial Advisor or other receiver as a receiver and for the approval of the sale(s) resulting from the Sale Process (the "**Receivership Proceeding**").

E. The Borrower is or will be in default under the Loan Documents because, *inter alia*:

(a) The Borrower has failed to make payment(s) in regard to Indebtedness to trade creditors in excess of \$250,000, in contravention of Section 12.1(h) of the Loan Agreement.

(b) The Borrower has defaulted or will default in the due and punctual payment of interest or fees owing under the Loan Documents, pursuant to section 12.1(a)(ii) of the Loan Agreement; and

(c) The Loan matures and becomes due on June 15, 2015, and the Borrower has failed to or will not be able to repay the Loan.

These defaults, together with any other default by the Borrower under any Loan Document that has occurred on or prior to the date hereof, are collectively called the “**Specified Defaults**”.

F. The Agent and the Lenders have or intend to demand repayment of the Obligations owed to them under the Loan Documents and the Agent has or intends to direct the Collateral Agent to issue a notice of its intention to enforce the Security.

G. To allow the Borrower a period of time within which to conduct the Sale Process and, the Borrower has requested that the Agent, the Lenders and the Collateral Agent forbear during the Forbearance Period from exercising those remedies under the Loan Documents that they are entitled to exercise with respect to the Specified Defaults. “**Forbearance Period**” means the period from the date that the Conditions Precedent (as defined below) are satisfied until the earlier of July 30, 2015 or (y) the date on which an Event of Default other than a Specified Default occurs.

H. The Agent and the Lenders have agreed to forbear and to direct the Collateral Agent to forbear during the Forbearance Period from exercising those remedies under the Loan Documents against the Borrower that they are entitled to exercise with respect to the Specified Defaults on the terms in this Agreement.

NOW THEREFORE, in consideration of the covenants and agreements between the parties contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties hereto), the Agent, the Lenders and the Borrower agree as follows:

1. Acknowledgements.

- (a) The Recitals are accurate and are incorporated into this Agreement.
- (b) Each of the Loan Documents to which the Borrower is a party has been duly executed and delivered to the Agent and Lenders by the Borrower, and each is in full force and effect on the date of this Agreement.
- (c) The Borrower’s agreements and obligations in the Loan Documents to which it is a party and in this Agreement constitute legal, valid and binding Obligations of the Borrower, enforceable against it in accordance with its terms.
- (d) The Obligations are unconditionally owing without setoff, recoupment, defense, or counterclaim, in law or in equity, of any kind or character.
- (e) The Obligations are and will continue to be secured by valid, perfected, security in favour of the Collateral Agent against, among other things, the Collateral. The Collateral is held by the Collateral Agent in favour of the Agent, the Lenders and the Swap Lender.
- (f) The Agent, the Lenders and the Collateral Agent have fully performed all of their obligations under the Loan Documents and applicable law and the Agent and the

Lenders have no obligation to make loans or other financial accommodations available to the Borrower.

(g) The Specified Defaults are material, existing defaults under the Loan Documents that absolutely and but for this Agreement, unconditionally entitle Agent and Lenders at any time to, among other things, (i) accelerate the maturity of the Obligations; (ii) demand immediate payment of the Obligations; and (iii) exercise their rights and remedies under the Loan Documents and applicable law, including against the Borrower and the Collateral.

(h) This Agreement and the other Loan Documents were entered into in exchange for good and valuable consideration.

2. **Reaffirmations.** The Borrower:

(a) Reaffirms its obligations and duties under the Loan Documents.

(b) Reaffirms the Liens in the Collateral that it granted to the Collateral Agent for its benefit and for the benefit of the Agent, the Lenders and the Swap Lender.

(c) Agrees that it has received direct economic benefit from all Obligations and all other loans or financial accommodations that Agent or any Lender has made to Borrower.

3. **Forbearance.** If the Borrower complies with all of the terms and conditions of this Agreement, the Agent and the Lenders will forbear during the Forbearance Period from exercising those remedies under the Loan Documents that they are entitled to exercise with respect to the Specified Defaults. The Agent and the Lenders have no obligation to extend the Forbearance Period or to forbear from enforcing their rights and remedies after the Forbearance Period ends.

4. **Events of Default.** Each of the following is an "Event of Default" and a default under this Agreement and the other Loan Documents:

(a) If the Borrower does not comply with any term in this Agreement, the other Loan Documents (other than the Specified Defaults), or any other present or future agreement between the Borrower and the Agent and the Lenders.

(b) If any representation or warranty of the Borrower made in this Agreement or any related agreement was false, misleading, or incorrect in any material respect when made.

(c) If a default or an Event of Default, other than the Specified Defaults, occurs under the Loan Documents.

(d) If the Borrower takes an action, or any event or condition occurs or exists, that the Agent or any Lender believes in good faith is inconsistent in any material respect with any provision of this Agreement, or impairs, or is likely to impair, the prospect of

payment or performance by the Borrower of any of its obligations under this Agreement or any of the Loan Documents.

(e) If the Borrower fails to keep current remittances required to be made for taxes owed to federal, provincial or municipal governments which rank in priority to the Collateral Agent's or the Lenders' Liens in the Collateral.

(f) If the Receivership Proceeding is terminated or a receiver, trustee, manager, liquidator or similar party is appointed in respect of the Borrower outside of the Receivership Proceeding.

(g) If the Borrower fails to communicate to and consult with the Agent as to the Sale Process on a timely and ongoing basis.

5. **Collateral Proceeds.** All proceeds of Collateral must be immediately delivered to Agent in the form received.

6. **Payments.** The Borrowers must timely make all interest payments due to the Agent and/or the Lenders pursuant to the Loan Agreement, during the Forbearance Period. If the Agent accepts a partial payment on any Obligation (i) that does not waive the default for not making full payment and (ii) that does not waive of any of the Agent's rights or remedies with respect to the Obligations, the Collateral, or otherwise.

7. **Rights on Default.**

(a) If an Event of Default occurs, the Agent shall immediately notify the Borrower and if such Event of Default is not remedied within 2 Banking Days thereafter, the Forbearance Period ends automatically without further notice or action. When the Forbearance Period ends (whether through an Event of Default occurring or passage of time): (1) all Obligations are immediately due and payable, and (2) the Agent and the Lenders may immediately and without condition or further notice exercise their rights and remedies under this Agreement, the other Loan Documents, and applicable law including: (i) collecting the Obligations, (ii) notifying account debtors to make all payments directly to the Agent, (iii) foreclosing on the Collateral, and (iv) seeking the appointment of a receiver. All of the Agent's and each of the Lenders' and the Collateral Agent's rights and remedies are cumulative. All of the Borrower's Obligations, including those arising under the Loan Documents and this Agreement, continue after the Forbearance Period ends.

(b) If an Event of Default occurs and, after the 2 Banking Day cure period expires the Forbearance Period terminates, each of the Credit Parties hereby agrees that the Agent may, at its option, take any steps it considers necessary or desirable to collect payment of the Obligations, including the appointment of a receiver or manager of the Borrower, and the Borrower hereby consents to the immediate enforcement by the Agent, the Lenders or the Collateral Agent of its security, including, without limitation, the appointment of a receiver, pursuant to the Consent Order (defined below) or otherwise. Alternatively, at the option of the Agent, the Agent may elect to support the Borrower continuing the Insolvency Proceeding, with a view to completing a sale of the Collateral.

8. **Cooperation.** The Borrower agrees to use all commercially reasonable efforts to obtain acceptable bids and conduct a successful Sale Process and to consult and cooperate with the Agent in its efforts to sell or otherwise dispose of all or a portion of the Collateral, whether through the Receivership Proceeding or otherwise. The Borrower, at the request of the Agent, acting reasonably, must make all of its records available to the Agent and any attorneys or financial consultants retained by the Agent or its agents. Furthermore, the Borrower agrees to cooperate in good faith with the Agent and/or the Collateral Agent in its efforts to collect on any of the Collateral (including, without limitation, accounts, general intangibles, and causes of action), or otherwise including, without limitation, at the Agent's request, the Borrower becoming a party to litigation against any third party.

9. **Written Documents Control.** Certain terms of the Loan Documents may not have been strictly enforced or may have been temporarily waived or modified by oral agreements. All oral agreements and waivers are terminated. The Loan Documents and Borrower, Agent's, and Lenders' duties, obligations, relationship, rights, and responsibilities are governed solely by this Agreement and the other Loan Documents. The Borrower must strictly comply with the Loan Documents.

10. **Expenses; Fees; Costs.** In addition to its obligations under the Loan Documents, the Borrower must pay all reasonable expenses, fees, attorney's legal fees, and costs that the Agent or its agents reasonably incur in connection with this Agreement, the other Loan Documents, the Collateral, the Obligations, and the relationship between the Agent, the Lenders, and the Borrower whether or not Agent prevails in whole or in part in the action, proceeding, or litigation, and regardless of the nature of the action or litigation, or the theories or bases of recovery or defense, unless otherwise ordered by a court notwithstanding the terms of the Loan Documents. This includes all reasonable fees, attorney's legal fees, costs, and expenses, that the Agent, its counsel, or its agents incur:

(a) To prepare, draft, negotiate, and close the transactions described in this Agreement and the other Loan Documents.

(b) To monitor, advise, administer, or enforce the Loan Documents, or to collect Obligations. This includes lifting the automatic stay, prosecuting a claim and delivery action or other action for possession of, or foreclosure on, Collateral, and participating in a Borrower's bankruptcy, reorganization, or insolvency proceeding.

(c) To prosecute and defend litigation involving the Borrower, the Agent, a Lender, a third party, the Obligations, the Collateral, the Loan Documents, or the relationship between the Agent, or any Lender and the Borrower. Litigation includes mediation, "lender liability" actions, enforcing prejudgment and postjudgment rights and remedies, enforcing judgments, and prosecuting appeals.

(d) To appraise Collateral. The Borrower must cooperate fully with appraisers and make its property available for appraisal.

(e) To employ consultants, expert witnesses, or other professionals to reasonably assist, advise, or testify about matters related to the Collateral, the

Obligations, the Loan Documents, or the relationship between the Agent, the Lenders, and the Borrower. The Borrowers must cooperate fully with all consultants, expert witnesses, and other professionals, including by making its premises, books and records, accounting systems, computer systems, and other media available to these persons.

11. Cross Collateralization; Cross Default; Remedies.

(a) All Collateral granted to the Collateral Agent and/or the Agent and any Lender, secures the Obligations.

(b) Other than with respect to a Specified Default, any other Event of Default under this Agreement is an event of default under each other Loan Document. An Event of Default or a default under a Loan Document is an Event of Default under this Agreement and a default and an Event of Default under all other Loan Documents.

(c) No termination of the Forbearance Period or acceleration of any Obligation relieves or discharges the Borrower of its duties, covenants, and obligations under the Loan Documents (including this Agreement).

12. Loan Documents Continue; Reservation of Rights.

(a) Except as expressly and specifically amended, supplemented or modified by this Agreement, all other terms of the Loan Documents remain in full force and effect and are ratified and confirmed.

(b) This Agreement grants forbearance during the Forbearance Period. Except as otherwise provided for in this Agreement, and unless otherwise ordered by the court, the Agent's and each Lender's rights and remedies are unaffected by this Agreement and the other Loan Documents. Notwithstanding the Agent's and the Lenders' forbearance, and without limiting the Agent's and each Lender's other rights, the Agent and Lenders are not required to perform any of their duties or obligations under this Agreement unless Borrower has first performed all of its duties and obligations under this Agreement.

(c) Nothing in this Agreement (1) waives any Specified Default; (2) consents to a Specified Default worsening; (3) consents to a new Event of Default occurring; or (4) prejudices the Agent or Lenders' rights and remedies under the Loan Documents or applicable law.

13. Credit Inquiries. If customers, buyers, investors, lenders, or other parties ask the Agent or any Lender about the relationship between the Agent, the Lenders and the Borrower, the Agent and Lenders may refer these inquiries to the Borrower. If the Agent or any Lender, in its sole discretion, communicates with any third party about the relationship between the Agent, the Lenders, and the Borrower, the Agent or such Lender has no liability or obligation to the Borrower for doing so.

14. **Conditions Precedent.** The Agent's and the Lenders' obligations under this Agreement are not effective or enforceable until each of the following conditions precedent (the "**Conditions Precedent**") have been satisfied to the Agent's satisfaction:

- (a) By June 17, 2015 (or such later date as the parties may agree), Agent receives a fully executed original of the following documents from the Borrower:
 - (i) this Agreement;
 - (ii) the consent order attached hereto as Schedule "A" (the "**Consent Order**");
 - (iii) the agreement between the Sale Agent and the Borrower, in such form and on such terms as are reasonably acceptable to the Agent; and
 - (iv) the engagement or retainer agreement between the Financial Advisor and the Borrower, in such form and on such terms as are reasonably acceptable to the Agent.
- (b) On or before June 8, 2015, the Sale Process has commenced.

The Borrowers' obligations under this Agreement are effective and enforceable when the Borrower, the Agent, and the Lenders sign this Agreement, even if the Conditions Precedent are never satisfied.

15. **Additional Representations.** In addition to the continuing representations and warranties made by the Borrower to the Agent, the Collateral Agent and each Lender in the Loan Agreement and the other Loan Documents, each Credit Party jointly and severally represents and warrants to the Agent and each Lender that:

- (a) The Borrower's execution, delivery, and performance of this Agreement and the other Loan Documents: (1) is duly authorized by all necessary corporate or limited liability company action; (2) does not and will not require consent or approval of its stockholders or members; (3) does not violate any law, rule, regulation, or order; (4) does not violate its articles of incorporation or organization, by-laws, or operating agreement; and (5) is not a default under any indenture, loan agreement, lease, or other agreement.
- (b) After giving effect to the amendments, supplements and modifications in this Agreement, all representations and warranties in the Loan Documents are true as of the date of this Agreement. Except for the Specified Defaults, the Borrower has complied with its obligations under the Loan Documents.
- (c) Each audited or reviewed financial statement delivered to the Agent or any Lender by the Borrower was complete and correct, and fairly presented its financial condition and the results of its operations for the periods indicated in accordance with GAAP applied on a consistent basis. Subsequent to the date of the most recent financial

statements delivered to the Agent or any Lender by the Borrower there has been no material adverse change in the business, operations, assets or financial or other condition of the Borrower other than the Receivership Proceeding, material adverse changes disclosed to the Agent and the material adverse changes directly resulting from adverse changes to the oil markets.

(d) All information provided by the Borrower, or any of its respective agents, was true, correct, and complete in all material respects, as of the date provided and does not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading.

(e) The Borrower has not assigned or granted a security interest in a claim, set off, or defense with respect to the Obligations, the Agent, the Collateral Agent any Lender, or the Loan Documents.

(f) This Agreement and the other written material delivered by the Borrower to the Agent and the Lenders in connection with this Agreement do not contain a statement that is false or misleading. The Borrower disclosed to the Agent in writing all material facts regarding its financial condition, prospects, and the Collateral.

(g) All persons executing this Agreement in a representative capacity have authority to execute this Agreement and bind the entity they represent.

(h) All of the disclosures made in the Loan Agreement, including the schedules and exhibits attached thereto or any updates subsequently provided by the Borrower to the Agent, are true, accurate, and complete as of the date of this Agreement.

(i) The Borrower's corporate name is exactly as set forth on the signature page of this Agreement. The Borrower has not changed its name since the date of its incorporation or organization or used any trade names.

(j) Except for Liens in the Collateral Agent's or the Agent's or Lenders' favor and Liens which are permitted pursuant to the Loan Agreement, no Collateral is subject to any Lien.

16. **Survival; Reliance.** All of the Borrower's agreements, representations, and warranties in this Agreement and the other Loan Documents survive the execution of this Agreement and the other Loan Documents. No investigation or inquiry by the Agent, any Lender, or their agents about facts bearing on a representation, warranty, or agreement limits, diminishes, or otherwise affects the full scope and effect of the Borrower's representations, warranties, and agreements. The Borrower's representations, warranties, and agreements in this Agreement and the other Loan Documents are material, and the Agent and the Lenders have relied on them in entering into this Agreement and the other Loan Documents.

17. **Notices.** Notices under this Agreement shall be given as provided in the Loan Agreement.

18. **Waiver of Cure Periods.** Other than as specifically provided for in this Agreement, the Borrower unconditionally and irrevocably waives any and all notice, grace or cure periods that may be required before the exercise by the Agent or any Lender of any rights or remedies the Agent or any Lender may have whether under the Loan Documents, at law, in equity, or otherwise.

19. **Waiver.** The Borrower hereby acknowledges that it has received from the Agent or the Collateral Agent a Notice of Intention to Enforce Security delivered or to be delivered on or about June 19, 2015 but which were stayed by agreement by the parties until July 31, 2015, pursuant to section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and hereby consents to the immediate enforcement by the Agent or the Collateral Agent, as applicable of its rights and remedies upon the occurrence of an Event of Default described in Section 4 of this Agreement, without any further notice; and subject to Section 7(a) of this Agreement, waives any and all further or other notices that the Collateral Agent, the Agent and the Lenders are required to give to it including, without limitation:

(a) All rights to notice of a sale of Collateral or retention of Collateral and any right to redeem Collateral, including, without limitation, redemption of personal property under Uniform Commercial Code Section 9-623, or Sections 60 or 62 of the Alberta Personal Property Security Act or similar legislation in any other Province of Canada; and

(b) All rights to require disposition of any Collateral under Uniform Commercial Code Section 9-620, or Section 63 of the Personal Property Security Act of Alberta or any similar legislation in force in any other Province in Canada.

20. **Legal Rate Adjustment.** The interest paid or agreed to be paid by Borrower may not exceed the highest interest rate allowed. If complying with the Loan Documents would cause the interest rate to exceed the highest rate allowed, then the interest rate is reduced to the highest amount allowed. If the Agent or any Lender receives interest that would be unlawful, it will be automatically applied to principal, whether or not then due, or refunded if all principal has been paid.

21. **Information Sharing and Sales.** The Agent and the Lenders may sell and or assign their rights in the Obligations and the Loan Documents to any person or entity. In connection therewith, the Agent and the Lenders may provide to prospective buyers or assigns all information in their possession regarding their relationship with the Borrower including, without limitation, any financial information provided by the Borrower to the Agent or Lenders, and any other information about the Borrower, the Obligations, the Collateral, or matters related to this Agreement or the other Loan Documents. While such materials may constitute "confidential information", the Agent or Lenders may nonetheless share and disclose it as provided in this paragraph, provided however that any such prospective buyers or assigns execute a confidentiality agreement in the form provided by the Borrowers.

22. **Statute of Frauds.** All promises made by all parties related to this Agreement are in this Agreement and the other Loan Documents. This Agreement is the final agreement between the Agent, the Lenders, and the Borrower. It may not be contradicted by prior,

contemporaneous, or subsequent oral agreements. All prior and contemporaneous oral agreements, if any, between the Agent, the Lenders, and the Borrower are merged into this Agreement and do not survive this Agreement's execution.

23. Entire Agreement, Etc.

(a) This Agreement is the Borrowers', the Agent's, and the Lenders' entire agreement on this subject. There are no written or oral representations or understandings that are not fully expressed in this Agreement. Only written modifications or amendments to this Agreement that are signed by the Agent, the Lenders, and the Borrower are effective.

(b) This Agreement is governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to conflicts of law principles.

(c) This Agreement is binding on the Agent, the Lenders, the Borrower, and their respective successors, assigns, heirs, and personal representatives. Except as provided herein this Agreement is for the sole benefit of the Agent, the Lenders, and the Borrower. No other person or entity may claim any right or benefit under this Agreement, including as a third party beneficiary.

(d) If a term of the Loan Documents is unenforceable, it does not invalidate other terms.

(e) This Agreement is entered into by competent persons, who are experienced in business matters, and who had the opportunity to consult with counsel. All parties participated in drafting this Agreement and the other Loan Documents. Accordingly, any ambiguous language in this Agreement or the other Loan Documents is not construed against a party because it drafted that language.

(f) References to the Loan Documents means the Loan Documents as amended by this Agreement.

(g) The term "including" means "including, without limitation", and the term "includes" means "includes, without limitation".

(h) All headings are inserted for convenience and do not affect this Agreement's construction or interpretation.

(i) This Agreement may be executed in counterparts with the same effect as if all signatories signed the same document. All counterparts must be construed together as one instrument. Facsimile signatures and other electronic signatures are treated as originals.

(j) All present and future security is cumulative.

(k) Time is of the essence for each term of the Loan Documents.

(l) No failure or delay on the Agent's or any Lender's part to exercise a power or right, and no course of dealing between the Borrowers, the Agent, and the Lenders, waives a power or right. Nor does a single or partial exercise of a power or right preclude other or further exercise of that power or right, or the exercise of other powers or rights. The remedies in this Agreement, the other Loan Documents, and those available under law are cumulative. A notice to, or demand on, the Borrower that is given even though not required to be given does not entitle the Borrower to notice or demand in similar or other circumstances, and does not waive the Agent's and the Lenders' right to take other or further action in any circumstances, including similar circumstances, without notice or demand.

(m) The Agent and the Lenders may waive a term in this Agreement or the other Loan Documents in their sole discretion. Waiving one term does not waive another term. A waiver is effective only if it is in writing and signed by an authorized officer of the Agent and each Lender, and then only in the specific instance and for the specific purpose given.

(n) Within 2 days of a request, the Borrower must execute any documents and take any other action that Agent requests to carry out the intent of, or to implement, this Agreement and the other Loan Documents.

(o) The Borrower must inform the Agent and the Lenders immediately if:

(i) An Event of Default occurs.

(ii) An event occurs that with time, notice, or both, would be an Event of Default.

(iii) An event occurs that has or is reasonably likely to have a material adverse effect on a the Borrower's business, properties, Collateral, financial condition, or ability to comply with its obligations under this Agreement or the other Loan Documents.

(p) The Loan Agreement and this Agreement are to be read and construed as one agreement. If there is an express conflict between the terms of this Agreement and the terms of the other Loan Documents, the terms of this Agreement control.

(q) Defined terms that are defined in the singular also include the plural and *vice versa*.

(r) The Borrower or its agents may not record (by audio, video or otherwise) any conversation with any representative of the Agent, the Lenders, or their agents.


(s) If the Agent or any Lender does not immediately charge, accrue, or bill interest or fees at any "default" or "past due" rate, the Agent and the Lenders nonetheless remain entitled to collect the full amount thereof calculated from the date on which the default or past due status occurred.

(t) The Borrower acknowledges that (1) it has fully read this Agreement; (2) it has been given the opportunity to consult with counsel and other advisors; (3) it is entering into this Agreement and the other Loan Documents in its business judgment, knowingly and voluntarily, and without duress, coercion, unlawful restraint, intimidation or compulsion; and (4) it is not relying on the Agent's, any Lender's, or their agent's opinions or advice in entering into the Loan Documents, or in other matters.

24. **Representation and Warranty.** The Borrower represents and warrants, on behalf of itself, and its successors, assigns, parents, subsidiaries, affiliates, officers, directors, employees, agents and attorneys, that, as of the date of this Agreement, it has no knowledge of any actions, causes of action, suits, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (each, a "**Claim**" and collectively, "**Claims**") of any kind and nature, which it may now have or now claim to have against the Agent or any Lender or the Collateral Agent.

[Remainder of this page intentionally left blank.]

**SEKUR ENERGY MANAGEMENT
CORP., as Borrower**



By: _____
Name: Christopher Gillanders
Title: President and CEO

**GUGGENHEIM CORPORATE
FUNDING, LLC, as Agent**

By: _____
Name: _____
Title: _____

**VERGER CAPITAL FUND LLC, by
Guggenheim Partners Investment
Management, LLC as Sub-Advisor**

By: _____
Name: _____
Title: _____

**SBC FUNDING, LLC, by Guggenheim
Partners Investment Management, LLC as
Manager**

By: _____
Name: _____
Title: _____

**EQUITRUST LIFE INSURANCE
COMPANY, by Guggenheim Partners
Investment Management, LLC as Advisor**

By: _____
Name: _____
Title: _____

**SEKUR ENERGY MANAGEMENT
CORP., as Borrower**

By: _____
Name:
Title:

**GUGGENHEIM CORPORATE
FUNDING, LLC, as Agent**

By: Ben Goodman
Name: Benjamin A. Goodman
Title: Attorney-in-Fact

**VERGER CAPITAL FUND LLC, by
Guggenheim Partners Investment
Management, LLC as Sub-Advisor**

By: WRH
Name: William R. Hagner
Title: Attorney-in-Fact

**SBC FUNDING, LLC, by Guggenheim
Partners Investment Management, LLC as
Manager**

By: WRH
Name: William R. Hagner
Title: Attorney-in-Fact

**EQUITRUST LIFE INSURANCE
COMPANY, by Guggenheim Partners
Investment Management, LLC as Advisor**

By: WRH
Name: William R. Hagner
Title: Attorney-in-Fact

SCHEDULE "A"

FORM OF CONSENT ORDER FOR APPOINTMENT OF RECEIVER

See attached.

Clerk's stamp:

COURT FILE NUMBER: 1501-_____

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY OF SEKUR ENERGY
MANAGEMENT CORP.

APPLICANT: COMPUTERSHARE TRUST COMPANY OF
CANADA

RESPONDENT(S): SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT: RECEIVERSHIP ORDER

OSLER, HOSKIN & HARCOURT LLP

Suite 2500, TransCanada Tower
450 - 1st Street S.W.
Calgary, Alberta, Canada T2P 5H1

Solicitor: ●
Telephone: ●
Facsimile: ●
Email: ●
File Number: ●

Lawyers for the Applicant

DATE ON WHICH ORDER WAS PRONOUNCED:

NAME OF JUDGE WHO MADE THIS ORDER:

LOCATION OF HEARING: Calgary, Alberta

UPON the application of **Computershare Trust Company of Canada**, as **Collateral Agent**, in respect of **Sekur Energy Management Corp.** (the "**Debtor**"); **AND UPON** having read the Application, the Affidavit of _____; and the Affidavit of Service of _____, filed; **AND UPON** reading the consent of _____ to act as receiver ("**Receiver**") of the Debtor, filed; **AND UPON** noting the consent endorsed hereon of

the Debtor; **AND UPON** hearing counsel for _____; **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 service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("BIA"), and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, _____ is hereby appointed Receiver, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of

business, cease to carry on all or any part other business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court.
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required.
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependant on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the

Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods

or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").

14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a

"Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the

appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

- A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
- A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

17. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.
18. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ _____ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority

to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

24. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
26. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
27. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. 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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
29. The Receiver be at liberty and is 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 that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
30. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
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. This Order is issued and shall be filed in Court of Queen's Bench Action No. _____, and Court of Queen's Bench in Bankruptcy Action No. 1501-_____, which actions are not consolidated. All further proceedings shall be taken in both actions unless otherwise ordered.
33. 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

FORM AND CONTENT CONSENTED TO THIS 15th DAY OF
June, 2015.

FIRM NAME Gawling Lafleur Henderson LLP

Thomas Cummer
Name: Thomas Cummer
Counsel for Sekur Energy Management Corp.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that _____, the receiver (the "**Receiver**") of all of the assets, undertakings and properties of SEKUR ENERGY MANAGEMENT CORP. appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the ____ day of _____, 2015 (the "**Order**") made in action numbers _____; has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the ____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2015.

_____, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

THIS IS EXHIBIT " I "

to the Affidavit of

Christopher Gillanders

Sworn before me this 7

Day of August, 2015



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

NOTICE OF INTENTION TO ENFORCE SECURITY
BANKRUPTCY AND INSOLVENCY ACT, s. 244(1)

To: Sekur Energy Management Corp.
2408 Broadview Road NW
Calgary, Alberta T2N 3J5
cgillanders@sekurenergy.com
Fax: 403.770.8939

(the “Company”)

Take notice that:

1. Computershare Trust Company of Canada, as collateral agent (the “Agent”), intends to enforce its security on the Company’s property described below:

All of the Company’s undertaking, property, assets, rights, benefits and privileges, both real and person, moveable and immoveable of whatsoever kind, now owned or hereafter acquired by the Company pursuant to the Credit Agreement dated November 26, 2012 including, without limitation, all personal property, insurance policies, annuities, financial assets, Accounts, Chattel Paper, Contracts, Documents of Title, Equipment, Intangibles, Instruments, Inventory, Investment Property, Money and Proceeds, together with all increases, additions and accessions to any of them, and all substitutions or any replacements of any of them, as stated and defined in the General Security Agreement dated November 26, 2012.

2. The security that is to be enforced is in the form as follows:
 - (a) General Security Agreement dated November 26, 2012 granted by the Company to Computershare Trust Company of Canada, as collateral agent on behalf of the Agent, Lenders and the Swap Lender; and
 - (b) Demand Debenture dated November 26, 2012 granted by the Company to Computershare Trust Company of Canada, as collateral agent on behalf of the Agent, Lenders and the Swap Lender.

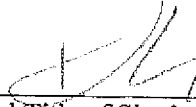
(collectively, the “Security”).

3. The total amount of indebtedness secured by the Security is US \$36,101,667.41 as of June 15, 2015, including all legal fees, losses, costs, damages, expenses, claims and liabilities incurred by the Agent prior to the date hereof and hereafter, and any other amounts whatsoever which may be claimed by the Agent under the General Security Agreement, Demand Debenture or any other document relating thereto plus all interest accrued on all of the foregoing to the date of payment in full calculated at the applicable rates.

4. The Agent will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Company consents to an earlier enforcement.

Dated at Calgary, Alberta, this 15th day of June, 2015.

COMPUTERSHARE TRUST
COMPANY OF CANADA, as Collateral
Agent



Name and Title of Signing Officer
KAREN BISCOPE
MANAGER, CORPORATE TRUST



BEATRIZ FEDOZZI
CORPORATE TRUST OFFICER

THIS IS EXHIBIT "J"
to the Affidavit of

Christopher Gilanders

Sworn before me this 7

Day of August, 2015


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

SALE PROCEDURES

Preamble

Pursuant to a credit agreement dated as of November 26, 2012 between Sekur Energy Management Corp. (the "**Company**") as borrower, Guggenheim Corporate Funding, LLC as agent (in such capacity, the "**Agent**"), and Verger Capital Fund LLC, SBC Funding, LLC, Equitrust Life Insurance Company, Guggenheim Life and Annuity Company, Guggenheim Energy Opportunities Fund LP, NZC Guggenheim Fund LLC and Heritage Life Insurance Company as lenders (collectively, the "**Lenders**"), the Lenders created a credit facility in favour of the Company. The indebtedness, liabilities and obligations of the Company to the Agent and the Lenders was collaterally secured by, *inter alia*, a general security agreement and demand debenture (collectively, the "**Security**") in favour of Computershare Trust Company of Canada, as collateral agent for and on behalf of the Agent and the Lenders (in such capacity, the "**Collateral Agent**").

The Company has determined that the disposition of all of its assets (collectively, the "**Assets**") is in the interests of its stakeholders, and that such disposition shall be carried out in accordance with these sale procedures (the "**Sale Procedures**"). The Lenders and the Agent have consented to the implementation of the Sale Procedures and the appointment by the Company of Deloitte Restructuring Inc. as financial advisor (in such capacity, the "**Financial Advisor**") to assist it in supervising these sale procedures and developing and implementing strategic options for addressing its financial difficulties. The Company has also retained NRG Divestitures Inc. to act as sale agent (in such capacity, the "**Sale Agent**") for the purposes of administering and carrying out these Sale Procedures. It is anticipated that any disposition of Assets will be made by a Receiver appointed by the Court on application by the Collateral Agent.

These Sale Procedures shall exclusively govern the process for soliciting and selecting bids for the sale of the Assets of the Company.

Defined Terms and Interpretation

1. In these Sale Procedures, the following capitalized terms have the meanings set out below:

"**Agent**" is defined in the preamble

"**Approval and Vesting Order**" is defined in section 20

"**Approval Hearing**" is defined in section 20.

"**APS**" is defined in section 18.

"**Assets**" means the undertaking, property and assets of the Company.

"**Asset Bid**" is defined in section 12.

"**Bid Deadline**" is defined in section 12.

"Business Day" means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Calgary.

"CIM" is defined in 6(f).

"Claims" is defined in section 5(b).

"Collateral Agent" is defined in the preamble

"Company" is defined in the preamble.

"Confidentiality Agreement" is defined in section 6(e).

"Court" means the Alberta Court of Queen's Bench.

"Deposit" is defined in section 16(c).

"Financial Advisor" is defined in the preamble.

"Known Potential Bidders" is defined in section 6(a).

"Obligations" means any indebtedness, liabilities and obligations, whether present and future, direct and indirect, or liquidated and contingent, owed by the Company to any person.

"Potential Bidder" is defined in section 7.

"Priority Payables" means any Obligations of the Company secured by Security Interests that rank in priority to the Security Interests securing the Obligations of the Company to the Collateral Agent, Agent and Lenders.

"Purchase Price" means the value of the total consideration to be provided by a bidder pursuant to an Asset Bid, Qualified Bid, Successful Bid or APS, as the case may be, in Canadian dollars.

"Qualified Bid" is defined in section 13.

"Qualified Bidder" is defined in section 7.

"Receiver" means a receiver appointed by the Court on application by the Collateral Agent and the Agent.

"Sale Agent" is defined in the preamble.

"Sale Procedures" is defined in the preamble.

"Security Interest" means any mortgage, charge, pledge, assignment, hypothecation, title retention, finance lease or security interest, including any trust obligations, creating in favour of any creditor a right in respect of any property.

"Successful Bid" is defined in section 17.

"**Successful Bidder**" is defined in section 15.

"**Teaser Letter**" is defined in section 6(b).

2. All dollar amounts expressed herein, unless otherwise noted, are in Canadian currency. Unless otherwise indicated herein any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

Sale Procedures

3. These Sale Procedures describe, among other things, the Assets available for sale, the manner in which prospective bidders may gain access to due diligence materials concerning the Company and the Assets, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids received, the ultimate selection of one or more Successful Bids, and the approval thereof by the Courts.
4. The Sale Agent shall be responsible for administering and carrying out these Sale Procedures under the oversight of the Financial Advisor and in consultation with the Company and the Agent. The Company shall assist and support the Sale Agent and the Financial Advisor in connection with these Sale Procedures. In the event that there is a disagreement or clarification required as to the interpretation or application of these Sale Procedures or the responsibilities of the Sale Agent, the Financial Advisor, the Receiver or the Company hereunder, the Court will have the jurisdiction to hear such matter and provide advice and directions, upon application of the Sale Agent, the Financial Advisor, the Receiver, the Company or any other interested party with a hearing on no less than three (3) Business Days' notice.
5. Any sale of the Assets under these Sale Procedures:
 - (a) will be on an "**as is, where is**" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Sale Agent, the Financial Advisor, the Receiver, the Company, or any of their agents, estates, advisors, professionals or otherwise, except to the extent set forth in the relevant APS; and
 - (b) all of the right, title and interest of the Company in and to all Assets sold or transferred will, at the time of such sale or transfer, be sold or transferred free and clear of all Security Interests, claims, options, and interests therein and there against (collectively, the "**Claims**") pursuant to Approval and Vesting Orders made by the Court. Contemporaneously with such Approval and Vesting Orders being made, all such Claims shall attach to the net proceeds of the sale of such Assets (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant APS.

Solicitation of Interest

6. The Sale Agent shall:
 - (a) in consultation with the Financial Advisor and the Company and their advisors,

will prepare a list of potential bidders (the "**Known Potential Bidders**") for the Assets. Such list will include all parties who, in the reasonable business judgment of the Sale Agent, the Financial Advisor or the Company, may be interested in acquiring the Assets;

- (b) prepare an initial offering summary (the "**Teaser Letter**") notifying Known Potential Bidders of the existence of these Sale Procedures and inviting the Known Potential Bidders to express their interest in making an Asset Bid;
- (c) cause a notice of these Sale Procedures and such other relevant information which the Financial Advisor considers appropriate to be published in the Globe and Mail and the Daily Oil Bulletin;
- (d) issue a press release providing the above notice and such other relevant information, with Canada Newswire and a United States equivalent newswire for dissemination in Canada and major financial centers in the United States;
- (e) distribute to the Known Potential Bidders the Teaser Letter, as well as a copy of these Sales Procedures and a draft form of confidentiality agreement to which the Company, the Sale Agent and the potential bidder are party (the "**Confidentiality Agreement**") that is satisfactory to the Financial Advisor, acting reasonably, and which shall inure to the benefit of any purchaser under an Asset Bid;
- (f) prepare a confidential information memorandum describing the Assets and the Company (the "**CIM**"); and
- (g) create an electronic data room with confidential materials and financial and other information relating to the Assets and the Company.

7. In order to participate in these Sales Procedures, an interested party (a "**Potential Bidder**") must deliver the following to the Sale Agent, with a copy to the Financial Advisor:

- (a) an executed Confidentiality Agreement, in form and substance satisfactory to the Financial Advisor, acting reasonably, which shall inure to the benefit of any purchaser pursuant to an Asset Bid; and
- (b) an executed letter acknowledging receipt of a copy of these Sale Procedures and agreeing to accept and be bound by the provisions contained therein,

whereupon the Potential Bidder will be deemed a "**Qualified Bidder**".

Due Diligence

8. Upon a Potential Bidder becoming a Qualified Bidder, the Sale Agent shall:

- (a) make the CIM available to such Qualified Bidder; and
- (b) give such Qualified Bidder access to the electronic data room.

9. At the discretion of the Sale Agent, in consultation with the Financial Advisor, due diligence access may include presentations by the Sale Agent and management of the Company (as may be scheduled by the Sale Agent), access to physical data rooms, on-site inspections and such other matters as a Qualified Bidder may reasonably request and as to which the Sale Agent, in its reasonable exercise of discretion, may agree. The Sale Agent shall not be obligated to furnish any due diligence information after the Bid Deadline.
10. Neither the Company, the Sale Agent, the Financial Advisor nor the Receiver shall be responsible for, or have any liability with respect to, any information obtained by any Known Potential Bidder, Potential Bidder or Qualified Bidder in connection with the Assets or the Company. The Company, Sale Agent, the Financial Advisor, the Receiver and their respective advisors do not make any representations or warranties whatsoever as to the information or the materials provided, except, in the case of the Company, to the extent provided under any APS executed and delivered by a Successful Bidder and the Company.

Asset Bids by Qualified Bidders

11. Until the Bid Deadline, the Sale Agent will solicit Asset Bids from Qualified Bidders in accordance with these Sale Procedures.
12. A Qualified Bidder, if it wishes to submit an Asset Bid, must deliver to the Sale Agent (with a copy to the Financial Advisor), so as to be received by the Sale Agent not later than 5:00 p.m. (Mountain Time) on July 8, 2015 (the "**Bid Deadline**"), an executed binding offer in the form of an agreement for the acquisition of all or any portion of the Assets, which offer must be substantially in the form attached hereto as **Schedule "A"**, WHICH Asset Bid, if accepted by the Company, will result in a binding agreement (an "**Asset Bid**"). The Sale Agent shall provide all Asset Bids to the Agent upon receipt.
13. An Asset Bid will only be considered to be qualified for consideration in accordance with section 15 if it complies at a minimum with the following requirements (whereupon, the Asset Bid is a "**Qualified Bid**"):
 - (a) the Asset Bid is duly executed by the Qualified Bidder;
 - (b) the Asset Bid provides that it is irrevocable until the approval of the Successful Bid(s) by the Court pursuant to an Approval and Vesting Order; provided, however, that if such Asset Bid is selected as the Successful Bid, it shall remain irrevocable until the closing of the Successful Bid;
 - (c) the Asset Bid does not include any request or entitlement to any break-fee, expense reimbursement or similar type of payment;
 - (d) the Asset Bid is conditional only upon an Approval and Vesting Order being issued and is not conditional on: (i) the outcome of unperformed due diligence by the bidder, (ii) obtaining any financing capital, or (iii) any other conditions other than as permitted herein;

- (e) the Asset Bid includes an acknowledgement and representation that the bidder has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid;
 - (f) the Asset Bid includes an acknowledgement and representation that the Qualified Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its Asset Bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Sale Agent, the Financial Advisor, the Receiver and the Company, or any of their respective advisors, except as expressly stated in the purchase and sale agreement submitted by it; (iii) is a sophisticated party capable of making its own assessments in respect of making its Asset Bid; and (iv) has had the benefit of independent legal advice in connection with its Asset Bid; and
 - (g) the Asset Bid is received by no later than the Bid Deadline.
14. Notwithstanding any other provision hereof, the Sale Agent in consultation with the Financial Advisor may waive compliance with any one or more of the Qualified Bid requirements specified herein, and deem such noncompliant bids to be Qualified Bids.
15. The Sale Agent in consultation with the Financial Advisor and the Company will evaluate the Qualified Bids received on the basis of the following criteria:
- (a) the Purchase Price and the net value (including assumed liabilities and other obligations to be performed or assumed by a Qualified Bidder) provided by a Qualified Bid;
 - (b) the Assets included or excluded from the Qualified Bid and the transaction costs and risks associated with closing multiple transactions versus a single transaction for all or substantially all of the Assets;
 - (c) the identity and apparent financial resources of a Qualified Bidder and any party related thereto;
 - (d) the terms and provisions of and conditions contained in a Qualified Bid and any contemplated transaction documents, and their compliance with the provisions of these Sale Procedures;
 - (e) other factors affecting the speed, certainty and value of the transaction contemplated by a Qualified Bid (including any regulatory approvals required to close the transaction contemplated by the Qualified Bid);
 - (f) any transition services required from the Company post-closing and any related restructuring costs;
 - (g) the likelihood and timing of consummating the transaction contemplated by the Qualified Bid; and

- (h) such other factors as the Sale Agent, in consultation with the Financial Advisor and the Company, determines in its reasonable business judgment to be relevant.
16. If there is one or more Qualified Bids that the Sale Agent, the Financial Advisor and the Company have determined constitute the highest, most favourable or otherwise best Qualified Bid(s), the Sale Agent shall request the following from the Qualified Bidder(s) submitting such Qualified Bid (provided that the Sale Agent, in consultation with the Financial Advisor, may waive one or more of these requirements with respect to any Qualified Bidder):
- (a) evidence of the financial capacity of the Qualified Bidder to complete the transaction contemplated by the Asset Bid;
 - (b) the identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Asset Bid;
 - (c) a refundable deposit (the "**Deposit**") in the form of a certified cheque or bank draft payable to the order of the Financial Advisor, in trust, drawn on a financial institution acceptable to the Financial Advisor, acting reasonably, in an amount equal to ten percent (10%) of the Purchase Price, to be held and dealt with in accordance with these Sale Procedures;
 - (d) evidence, in form and substance reasonably satisfactory to the Sale Agent, the Financial Advisor and the Company, of compliance or anticipated compliance with any and all applicable regulatory approvals, the anticipated time frame for such compliance and any anticipated impediments for obtaining such approvals; and
 - (e) such other information reasonably requested by the Sale Agent or the Financial Advisor.
17. The Sale Agent, the Financial Advisor and the Company will make a final determination, in accordance with the criteria set out in sections 15 and 25, and upon being satisfied with compliance with and the information provided pursuant to section 16, of which Qualified Bid(s), if any, constitutes the highest, most favourable or otherwise best Qualified Bid(s) and should be accepted by the Agent (such Qualified Bid(s), if accepted by the Sale Agent, being the "**Successful Bid(s)**", and the Qualified Bidders(s) who made the Successful Bid is the "**Successful Bidder(s)**"). The Sale Agent will notify the Qualified Bidders whether or not they are the Successful Bidder(s).
18. Upon the identification of a Successful Bidder, the Sale Agent in consultation with the Financial Advisor and Company shall negotiate and settle the terms of a definitive agreement of purchase and sale between the Company and the Successful Bidder in respect of the Successful Bid, which agreement shall be substantially in the form attached hereto as **Schedule "B"** (such agreement being the "**APS**"), which must be executed by no later than five (5) Business Days after the identification of the Successful Bidder, and which will be conditional upon Court approval of the Successful Bid and the purchase and sale transaction contemplated thereby. The dates specified herein may be extended at the option of the Sale Agent in consultation with the Financial Advisor.

19. All Qualified Bids (other than the Successful Bid) shall be deemed rejected on and as of the later of the date of approval of the Successful Bid by the Court.

Approval Hearing

20. Within a reasonable time subsequent to the identification of a Successful Bid, the Company shall request that the Collateral Agent and Agent apply to the Court for the appointment of the Receiver and for an order (a) approving the Successful Bid and the purchase and sale transaction contemplated thereby, (b) authorizing and direct the Receiver to enter into an APS in connection with the transaction contemplated by the Successful Bid, (c) vesting the Assets subject to the Successful Bid in the Successful Bidder in the manner contemplated in the Successful Bid and these Sale Procedures (such order being an "**Approval and Vesting Order**"). The hearing may be adjourned or rescheduled by the Collateral Agent, without further notice.

Deposits

21. The Financial Advisor shall retain possession of all certified cheques and bank drafts delivered to it by Qualified Bidders as Deposits. Upon the identification of the Successful Bidder, the Financial Advisor shall deposit into an interest bearing trust account with a Schedule I Bank in Canada the certified cheque or bank draft provided by the Successful Bidder in payment of the Deposit. Upon the completion of the APS in respect of the Successful Bid, the Deposit shall be applied to the Purchase Price to be paid by the Successful Bidder upon closing of the Successful Bid. The Deposits of all Qualified Bidders not selected as the Successful Bidder shall be returned to such bidders within five (5) Business Days of the later of the date upon which the Approval and Vesting Order is made in respect of the Successful Bid. Upon the appointment of the Receiver, the Financial Advisor shall transfer the Deposit in trust to the account opened by the Receiver at a Schedule I Bank in Canada and the Financial Advisor shall have no further obligations in respect thereof.
22. If an entity selected as or deemed to be the Successful Bidder breaches its obligations to close under the Successful Bid or the APS in respect thereof, it shall forfeit its Deposit to the Receiver; provided however that the forfeit of such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Receiver has against such breaching entity.

Approvals

23. For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the BIA or any other statute or are otherwise required at law in order to implement a Successful Bid.

Notice

24. The addresses used for delivering documents to the Sale Agent, the Financial Advisor and the Company as prescribed by the terms and conditions of these Sale Procedures are set out in **Schedule "C"**. An Asset Bid and all associated documentation shall be delivered to the Sale Agent, with a copy to the Financial Advisor, by electronic mail, personal delivery or courier. Interested bidders requesting information about the qualification process, including a form of APS, and information in connection with their

due diligence, should contact the Sale Agent or Financial Advisor at the contact information contained in Schedule "A".

Reservation of Rights

25. The Sale Agent, in consultation with the Financial Advisor: (a) may reject, at any time any Qualified Bid that is (i) inadequate or insufficient, or (ii) not in conformity with the requirements of the BIA, these Sale Procedures or any orders of the Court applicable to the Company; (b) in accordance with the terms hereof, may impose additional terms and conditions and otherwise seek to modify the Sale Procedures at any time in order to maximize the results obtained; and (c) in accordance with the terms hereof, may accept bids not in conformity with these Sale Procedures to the extent that the Sale Agent determines, in its reasonable business judgment and in consultation with the Financial Advisor, the Company and the Agent, that doing so would benefit the Company, its estate and stakeholders.
26. The Sale Agent may extend the Bid Deadline in consultation with the Financial Advisor and the Agent.
27. At any time during these Sales Procedures, the Sale Agent, in consultation with the Financial Advisor and the Agent, may impose such additional terms and conditions, on notice to the relevant bidders, as the Sale Agent may determine to be in the best interests of the Company's estate and its stakeholders that are not inconsistent with any of the procedures in these Sale Procedures.
28. These Sale Procedures do not, and shall not be interpreted to, create any contractual or other legal relationship between:
 - (a) the Sale Agent, the Financial Advisor, the Receiver, the Agent and/or the Company; and
 - (b) any Known Potential Bidder, Potential Bidder, Qualified Bidder or Successful Bidder,other than as specifically set forth in the APA.

No Amendment

29. There shall be no amendments to these Sale Procedures without the prior written consent of the Sale Agent, the Financial Advisor and the Agent.

Schedule "A"

Form of Asset Bid

ASSET BID
(the "Asset Bid")

Sekur Energy Management Corp. (the "Company")

To: NRG Divestitures Inc., as sale agent of the Company
(in such capacity, the "Sale Agent")
Elveden House
970, 717 - 7th Ave SW
Calgary, AB T2P 0Z3

Attention: Arno Keller
Email: arno.keller@nrgdivestitures.com

And to: Deloitte Restructuring Inc., as financial advisor
to the Company (in such capacity, the Financial Advisor)
700, 850 – 2 Street SW
Calgary, AB T2P 0R8

Attention: Jeff Keeble
Email: jkeeble@deloitte.ca

Reference is made to the Sale Procedures of the Company (the "Sale Procedures") and filed in the data room prepared by the Sale Agent on behalf of the Company. This Asset Bid is submitted by the Bidder (as defined below) to the Trustee in accordance with sections 12 and 13 of the Sale Procedures. Unless otherwise defined herein, capitalized terms have the meanings given to them in the Sale Procedures.

1. _____ (legal name of bidder) (the "Bidder") hereby offers to purchase (such purchase and sale transaction being the "Transaction") the assets listed on Schedule "A" to this Asset Bid (the "Assets").

2. The contact details of the Bidder are as follows:

(address)
Attention: _____
Email: _____
Direct Line: _____
Cell: _____

3. The purchase price for the Assets is Cdn. \$ _____ (the "Purchase Price").

4. The amount of the refundable deposit, being 10% of the Purchase Price, is Cdn. \$ _____ (the "**Deposit**"). Attached is a certified cheque or bank draft payable to the order of the Financial Advisor in the amount of the Deposit.
5. The offer provided for in section 1 of this Asset Bid is irrevocable until the approval of the Successful Bid by the Court pursuant to an Approval and Vesting Order; provided, however, that if such Asset Bid is selected as the Successful Bid, it shall remain irrevocable until the closing of the Successful Bid.
6. Attached as **Schedule "B"** to this Asset Bid is evidence of:
 - (a) the financial capacity of the Qualified Bidder to complete the transaction contemplated by the Asset Bid; and/or
 - (b) a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence satisfactory to the Sale Agent and Financial Advisor,to allow the Sale Agent and the Financial Advisor to make a reasonable determination as to the bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Asset Bid.
7. The Bidder acknowledges that the Transaction will be completed by a receiver of the property and assets of the Company appointed by the Court.
8. The completion of the Transaction shall be conditional upon the Court making an Approval and Vesting Order, approving the Transaction and vesting the Assets in the Bidder, which condition can only be waived by a written instrument signed by the Bidder and the Trustee.
9. Attached hereto as **Schedule "C"** to this Asset Bid is evidence of compliance or anticipated compliance with any and all applicable regulatory approvals required by the Bidder in connection with the Transaction and the anticipated time frame for such compliance and any anticipated impediments for obtaining such approvals.
10. The Bidder hereby represents and warrants, as follows, and acknowledges that the Company and the Sale Agent are relying upon such representation and warranty:
 - (a) Set out on **Schedule "D"** to this Asset Bid is a list of each entity (other than the Bidder) that is bidding or will otherwise be sponsoring or participating in the Asset Bid, including the identification of the bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
 - (b) the Bidder:
 - (i) has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid;

- (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its Asset Bid;
 - (iii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Sale Agent, the Financial Advisor or the Company, or any of their respective advisors, except as expressly stated in the purchase and sale agreement submitted by it;
 - (iv) is a sophisticated party capable of making its own assessments in respect of making its Asset Bid; and
 - (v) has had the benefit of independent legal advice in connection with its Asset Bid; and
11. In the event that the Transaction is not completed, the Bidder shall not be entitled to any break fee, expense reimbursement or similar type of payment.
 12. The Bidder acknowledges that notwithstanding the binding nature of this Asset Bid upon its acceptance by the Company, the terms and provisions of the Transaction will be set out in a form of purchase and sale agreement entered into between the Company and the Bidder within five (5) Business Days after such acceptance.
 13. The Bidder hereby agrees to be bound by the Sale Procedures, except as amended hereby.
 14. This Asset Bid shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in such province.

This Asset Bid is dated the _____ day of _____, 2015.

(name of Bidder)

Signature of Signing Officer

Name: _____

Title: _____

ACCEPTANCE BY THE COMPANY

This Asset Bid is hereby accepted by the Company.

Dated the _____ day of _____, 2015.

Sekur Energy Management Corp.

Per:

Name:

Title:

Schedule "A"
The Assets

Schedule "B"
Evidence of Financial Capacity to Complete Transaction

Schedule "C"
Evidence of compliance with Applicable Regulatory Approvals

Schedule "D"
**Each Entity (other than the Bidder) that is bidding or will otherwise
be sponsoring or participating in the Asset Bid**

Schedule "B"

Form of APS

Schedule "C"

Address for Notices and Deliveries

To the Sale Agent:

NRG Divestitures Inc.
Elveden House
970, 7171 – 7th Ave SW
Calgary, AB T2P 0Z3

Attention: Arno Keller
Tel. No.: (403) 668-0688
Facsimile No.: (403) 366-8626
E-mail: arno.keller@nrgdivestitures.com

To the Financial Advisor:

Deloitte Restructuring Inc.
700, 850 – 2nd Street SW
Calgary, AB T2P 0R8

Attention: Jeff Keeble, Senior Vice President
Tel. No.: (403) 920-9374
E-mail: jkeeble@deloitte.ca

with a copy to:

Gowling Lafleur Henderson LLP
1600, 421 – 7 Avenue SW
Calgary, AB T2P 4K9


Attention: Tom Cumming
Tel. No.: (403) 298-1938
Facsimile No.: (403) 695-3538
E-mail: tom.cumming@gowlings.com

THIS IS EXHIBIT " K "
to the Affidavit of

Christopher Gillanders

Sworn before me this 7

Day of August, 20 15


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

ASSET PURCHASE AND SALE AGREEMENT

BETWEEN

**DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain
property and assets of Sekur Energy Management Corp.,
and not in its personal capacity**

(the "Vendor")

**SIGNALTA RESOURCES LIMITED, a corporation incorporated pursuant to the laws of the
Province of Alberta**

(the "Purchaser")

August 12, 2015

ASSET PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of the 12 day of August, 2015,

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity ("**Vendor**")

- and -

SIGNALTA RESOURCES LIMITED, a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Purchaser**")

CONTEXT

A. The Vendor was appointed as receiver of the Property pursuant to the Receivership Order.

B. The Vendor wishes to sell the Assets to the Purchaser and the Purchaser wishes to purchase the Assets from the Vendor, all upon and subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, mutual covenants, agreements and warranties in this Agreement, the Parties covenant and agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following capitalized terms have the following meanings:

- (a) "**Abandonment and Reclamation Liabilities**" means all past, present and future obligations and liabilities to:
 - (i) abandon the Wells and close, decommission, dismantle and remove all structures, foundations, buildings, pipelines, equipment, tanks and other facilities and Tangibles that are or were located in or on the Lands or lands pooled or unitized therewith or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands or lands pooled or unitized therewith; and
 - (ii) restore, remediate and reclaim any surface and subsurface locations of the lands on which the Wells, structures, foundations, buildings, pipelines, equipment, tanks and other facilities described in Section 1.1(a)(i) are or were located and all lands used to gain access to any of them;

for which the owner of the Assets is liable, all in accordance with generally accepted industry practices in the province where the Underlying Assets are

located and in compliance with all Applicable Laws and the Title and Operating Documents.

- (b) **"Acquired Pipelines"** means those pipeline segments listed in Schedule "A" – Part 4.
- (c) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership of more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise.
- (d) **"Agreement"** means this Asset Purchase and Sale Agreement including the Schedules attached hereto, as it may be amended, modified, supplemented or restated by written agreement between the Parties.
- (e) **"Applicable Laws"** means, in relation to any Person, asset, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licenses, approvals and authorizations;which are applicable to such Person, asset, transaction, event or circumstance.
- (f) **"Assets"** means the Debtor's entire right, title, estate and interest (whether absolute or contingent, legal or beneficial, present or future, vested or not and whether or not an "interest in land") in and to the Underlying Assets.
- (g) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Alberta, and also excluding any day on which the principal chartered banks or financial institutions located in the City of Calgary are not open for business during normal hours.
- (h) **"Claim"** means any claim, demand, lawsuit, proceeding, arbitration or governmental investigation, in each case, whether asserted, threatened, pending or existing.
- (i) **"Closing"** means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Conveyance Documents and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and consideration required to be delivered on the Closing Date pursuant hereto.

- (j) "**Closing Date**" has the meaning provided in Section 5.1.
- (k) "**Closing Deliveries**" means, collectively, those items or documents to be delivered by the Vendor at Closing pursuant to Section 10.1 and those documents to be delivered by the Purchaser at Closing pursuant to Section 10.2.
- (l) "**Closing Payment**" has the meaning provided in Section 3.3.
- (m) "**Communication**" means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- (n) "**Confidentiality Agreement**" means the confidentiality agreement between the Vendor and the Purchaser.
- (o) "**Conveyance Documents**" means all conveyances, assignments, transfers, novations, notices of assignment, trust agreements and declarations, subleases, directions to pay and other documents and instruments that are reasonably required or desirable in accordance with generally accepted oil and gas industry practice in the province where the Assets are located, to convey, assign and transfer title to the Assets held in the name of the Debtor to the Purchaser and to novate the Purchaser into the contracts, licenses, permits, approvals and authorizations comprised in the Miscellaneous Interests in the place and stead of the Debtor, insofar as such contracts, licenses, permits, approvals and authorizations pertain to the Assets.
- (p) "**Court**" means the Court of Queen's Bench of Alberta;
- (q) "**Court Approval**" means the approval of the Transaction by the Court and the vesting of the Assets in the name of the Purchaser free and clear of any Encumbrances other than the Permitted Encumbrances, substantially in the form of the Order attached hereto as Schedule "E".
- (r) "**Data Room Information**" means all information provided to the Purchaser in electronic form in relation to the Debtor and/or the Assets.
- (s) "**Debtor**" means Sekur Energy Management Corp.
- (t) "**Deposit**" is defined in Section 3.1(b).
- (u) "**Dollar**" and "**\$**" mean a dollar of the lawful money of Canada.
- (v) "**Effective Date**" means August 1, 2015 or such other date as the Parties agree to in writing.
- (w) "**Effective Time**" means 8:00 a.m.
- (x) "**Encumbrance**" means all liens, charges, security interests, royalties, pledges, options, net profit interests, rights of pre-emption, mortgages, adverse claims and other encumbrances on ownership rights of any kind or character or agreements to create the same.

- (y) “**Environment**” means the components of the earth and includes ambient air, land, surface and sub-surface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning.
- (z) “**Environmental Law**” means all Applicable Laws respecting the protection of, or the control, remediation or reclamation of contamination or pollution of, the Environment or any part thereof.
- (aa) “**Environmental Liabilities**” means all past, present and future obligations and liabilities of whatsoever nature or kind arising from or relating to, directly or indirectly:
 - (i) Environmental Matters;
 - (ii) past, present and future non-compliance with, violation of or liability under Environmental Laws applicable to or otherwise involving the Assets; or
 - (iii) Abandonment and Reclamation Liabilities,whenever occurring or arising.
- (bb) “**Environmental Matters**” means any activity, event or circumstance in respect of or relating to:
 - (i) the storage, use, holding, collection, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling, transportation or Release of Hazardous Substances;
 - (ii) the protection of the Environment; or
 - (iii) pollution, reclamation, remediation or restoration of the Environment;in each case relating to the Lands or the Assets or that has or have arisen or hereafter arise from or in respect of past, present or future Operations, activities or omissions in or on the Lands or in respect of or otherwise involving the Assets, including obligations to compensate Third Parties for Losses and Liabilities.
- (cc) “**Facilities**” means the facilities set out in Schedule “A” – Part 3.
- (dd) “**Final Statement of Adjustments**” has the meaning provided in Section 4.2(b).
- (ee) “**GAAP**” means generally accepted accounting principles and practices in Canada.
- (ff) “**General Conveyance**” means the general conveyance in the form attached as Schedule “B”.
- (gg) “**Government Authority**” means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any

ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction.

- (hh) "**GST**" the goods and services tax required to be paid pursuant to the *Excise Tax Act* (Canada) and in accordance with Section 3.4(a).
- (ii) "**Hazardous Substances**" means hazardous or toxic substances, hazardous wastes, radioactive substances, asbestos, dangerous goods and Petroleum Substances, including any and all substances and wastes regulated under Environmental Law.
- (jj) "**Insider**" has the meaning given to that term in the *Securities Act* (Alberta).
- (kk) "**Interim Statement of Adjustments**" has the meaning provided in Section 4.2(a).
- (ll) "**Land Schedule**" means Schedule "A".
- (mm) "**Lands**" means the lands set forth and described in the Land Schedule, and includes (i) unless the context otherwise requires, the surface of such lands and (ii) the Petroleum Substances within, upon or under such lands, together with the rights to drill for, explore for, win, take, own or remove same, insofar as the same are granted by the Leases to such lands.
- (nn) "**Leases**" means the leases, reservations, permits, licenses or other documents of title set forth and described in the Land Schedule by virtue of which the holder thereof is entitled to drill for, explore for, mine, win, take, own or remove Petroleum Substances underlying the Lands, and include, if applicable, all renewals and extensions of such documents and all documents issued in substitution therefore.
- (oo) "**Losses and Liabilities**" means, in relation to a matter, any and all:
 - (i) losses, costs, damages, expenses and charges (including all penalties, assessments and fines) which a Person suffers, sustains, pays or incurs, directly or indirectly, in connection with such matter and includes costs of legal counsel (on a full indemnity basis) and other professional advisors and reasonable costs of investigating and defending Claims arising from the matter, regardless of whether such Claims are sustained and includes taxes payable on any settlement payment or damage award in respect of such matter; and
 - (ii) liabilities and obligations (whether under common law, in equity, under Applicable Law or otherwise; whether tortious, contractual, vicarious, statutory or otherwise; whether absolute or contingent; and whether based on fault, strict liability or otherwise) which a Person suffers, sustains, pays or incurs as a result of or in connection with such matter;

but excluding indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by the

Person, but if the Person is the Vendor, including any such indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by a Third Party entitled to recovery or indemnification from the Vendor.

(pp) **"Miscellaneous Interests"** means all property, assets and rights, whether contingent or absolute, legal or beneficial, present or future, vested or not (other than the Petroleum and Natural Gas Rights), to the extent relating to the Petroleum and Natural Gas Rights or the Tangibles, including the following property, rights and assets:

- (i) all contracts, agreements, books, records, files, maps and documents to the extent that they relate to the Petroleum and Natural Gas Rights or the Tangibles, including the Title and Operating Documents;
- (ii) all other land records or similar data contained on hard drives or other computer devices or networks;
- (iii) the Surface Interests;
- (iv) geological, geochemical and mineralogical data, reports and findings and archive samples, and all core or liquid samples and cuttings;
- (v) seismic data, to the extent relating solely and directly to the Lands;
- (vi) all engineering information, to the extent relating solely and directly to the Petroleum and Natural Gas Rights, the Lands, and the Tangibles which the Debtor either has in its custody or to which the Debtor has access, excluding any such information which is subject to confidentiality restrictions;
- (vii) all permits, licenses, approvals and other authorizations, crossing privileges and other subsisting rights to carry out operations on the Lands and any lands upon which the Tangibles are located, including well and pipeline licenses and other permits and authorizations relating to the Petroleum and Natural Gas Rights or the Tangibles, and
- (viii) the Wells, including the entire wellbores and casings.

but excluding all agreements and documents to which the Debtor is a party and which relate to the sale or transportation on common carriers of Petroleum Substances from the Wells, all which shall be retained by the Debtor;

(qq) **"Operations"** means any and all work, activities and operations of any kind whatsoever conducted on or with respect to the Underlying Assets.

(rr) **"Party"** means the Vendor or the Purchaser, and **"Parties"** means the Vendor and the Purchaser.

(ss) **"Permitted Encumbrances"** means, as of a particular time, any of the following:

- (i) easements, rights of way, servitudes, permits, licenses and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cable;
- (ii) the right reserved to or vested in any Government Authority by the terms of any Title and Operating Document, lease, license, franchise, grant or permit or by any Applicable Law, to terminate any such Title and Operating Document, lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (iii) the right reserved to or vested in any Government Authority to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;
- (iv) rights reserved to or vested in any Government Authority to control or regulate any of the Assets in any manner;
- (v) liens granted in the ordinary course of business to a public utility or Government Authority in connection with operations on or in respect of the Lands;
- (vi) the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;
- (vii) all royalty burdens, liens, adverse claims, penalties, conversions and other Encumbrances identified in the Land Schedule;
- (viii) the terms and conditions of the Leases and the Title and Operating Documents; and
- (ix) any other circumstance, matter or thing disclosed in any Schedule hereto;

provided that the following items must be identified in a Schedule to qualify as a Permitted Encumbrance: (A) any overriding royalty, net profits, ROFRs or other similar encumbrance applicable to the Petroleum and Natural Gas Rights for which Purchaser will assume the obligation for payment; (B) any existing potential alteration of the Debtor's interests in the Underlying Assets because of a payout conversion or farmin, farmout or other similar agreement; and (C) any Encumbrance which would not be a Permitted Encumbrance under the preceding paragraphs of this definition.

- (tt) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Government Authority or other entity.
- (uu) "**Petroleum and Natural Gas Rights**" means all rights to and in respect of the Lands and the Leases, subject in all events to the Permitted Encumbrances.

- (vv) **"Petroleum Substances"** means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to or produced in conjunction with any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur and hydrogen sulphide.
- (ww) **"Place of Closing"** means the offices of Gowlings Lafleur Henderson LLP at 1600, 421 – 7th Avenue SW, Calgary, Alberta, or as otherwise agreed to in writing by the Parties.
- (xx) **"Prime Rate"** means the rate of interest (expressed as a rate per annum) used by the main branch Royal Bank of Canada in Calgary, Alberta from time to time as the reference rate used in determining the rates of interest payable on Canadian dollar commercial demand loans made by such bank in Canada and which is announced by such bank, from time to time, as its "prime rate".
- (yy) **"Property"** has the meaning given to it in the Receivership Order.
- (zz) **"Purchase Price"** has the meaning given in Section 3.1(a).
- (aaa) **"Receivership Order"** means the order issued by the Court in the Receivership Proceedings on August 12, 2015, as amended, modified or supplemented from time to time.
- (bbb) **"Receivership Proceedings"** means the means the proceedings before the Court and identified as Court File No. ●.
- (ccc) **"Release"** means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration of a Hazardous Substance into or through the Environment or into or out of any lands, including the movement of a Hazardous Substance through or in any part of the Environment.
- (ddd) **"Representatives"** means, with, respect to any Person, its Affiliates, and the respective directors, officers, servants, agents, advisors, employees, consultants and representatives of that Party and its Affiliates.
- (eee) **"Right of First Refusal"** or **"ROFR"** means a right of first refusal, pre-emptive right of purchase or similar right whereby any Third Party has the right to acquire or purchase any of the Assets as a consequence of the Parties entering into this Agreement or the Transaction.
- (fff) **"Surface Interests"** means all rights to enter upon, use, occupy and enjoy the surface of the Lands and any lands upon which the Wells or the Tangibles are located and any lands used to gain access thereto, in each case, for purposes related to the use or ownership of the Petroleum and Natural Gas Rights, the Tangibles or the Wells or Operations, whether the same are held by right of way, or otherwise.
- (ggg) **"Tangibles"** means the Facilities, the Acquired Pipelines and all tangible depreciable property and assets located within or upon the Lands or lands

pooled or unitized therewith or lands appurtenant thereto, but only to the extent such tangible depreciable property and assets are used or are intended to be used to produce, process, gather, treat, measure, or make marketable Petroleum Substances from the Wells.

- (hhh) **"Third Party"** means any Person other than the Parties or their Representatives.
- (iii) **"Title and Operating Documents"** means all agreements, contracts, instruments and other documents that govern the ownership, operation or use of the Assets, the Underlying Assets or relate to Permitted Encumbrances, including (i) the Leases and other agreements and instruments pursuant to which the Petroleum and Natural Gas Rights were issued, granted or created, (ii) permits, licenses, approvals and authorizations, (iii) operating agreements, unit agreements, production allocation agreements, trust declarations, participation agreements, joint venture agreements, farmin agreements, farmout agreements and royalty agreements, (iv) agreements that create or relate to Surface Interests, (v) agreements for the construction, ownership and/or operation of the Tangibles, (vi) trust declarations and other documents and instruments that evidence the Assets; and (vii) trust declarations pursuant to which the Debtor holds interests in the Lands in trust for other Persons, but in all cases excluding all agreements and documents to which the Debtor is a party and which relate to the sale or transportation on common carriers of Petroleum Substances from the Wells, all which shall be retained by the Debtor.
- (jii) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement.
- (kkk) **"Underlying Assets"** means the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests.
- (III) **"Vendor Entity"** means the Vendor and its Representatives, and each of their respective successors and assigns.
- (mmm) **"Wells"** means only those wells set out in Part 2 of Schedule "A".

1.2 Interpretation

The following rules of construction shall apply to this Agreement:

- (a) the headings in this Agreement are inserted for convenience of reference only and shall not affect the meaning, interpretation or construction of this Agreement;
- (b) all documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict;
- (c) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, and all amendments made thereto and in force at the date hereof;

- (d) whenever the singular or masculine or neuter is used in this Agreement, the same shall be construed as meaning plural or feminine or referring to a body politic or corporate, and *vice versa*, as the context requires;
- (e) the words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;
- (f) reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;
- (g) if any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict; and
- (h) "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.3 Schedules

The following schedules are attached to and form part of this Agreement:

Schedule "A"	Land Schedule
- Part 1	Lands, Leases and Petroleum and Natural Gas Rights
- Part 2	Wells
- Part 3	Facilities
- Part 4	Acquired Pipelines
Schedule "B"	Form of General Conveyance
Schedule "C"	Form of Vendor's Officer's Certificate
Schedule "D"	Form of Purchaser's Officer's Certificate
Schedule "E"	Form of Court Approval Order

1.4 Interpretation If Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

1.5 Knowledge or Awareness

References to a Party's knowledge or awareness and similar references contained in Sections 8.1 and 8.3 mean the actual knowledge or awareness, as the case may be, of the officers of such Party who are primarily responsible for the matters in question, and does not include knowledge and awareness of any other Person or any constructive or imputed knowledge. A Party shall not have any obligation to make inquiry of any Person or the files and records of any Person or of any Government Authority in connection with any representations and warranties contained herein that are made to its knowledge, information, belief or awareness.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign, transfer, convey and set over to the Purchaser, and the Purchaser agrees to purchase and accept the Assets from the Vendor at and for the Purchase Price.

2.2 Transfer of Assets

Provided that Closing occurs, and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

ARTICLE 3 PURCHASE PRICE AND PAYMENT

3.1 Purchase Price

- (a) The purchase price to be paid by the Purchaser to the Vendor for the Assets shall be [REDACTED], subject to adjustment only as set forth in Section 4.1 (the "Purchase Price").
- (b) The Vendor acknowledges receipt of a deposit in the amount of [REDACTED] (the "Deposit"), which shall be held in trust by the Vendor and shall be releasable in accordance with this Agreement.
- (c) If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be retained by the Vendor and credited against the Purchase Price in partial satisfaction of the Purchaser's obligation to pay the Purchase Price on or before Closing.
- (d) If Closing does not occur:
 - (i) due to the conditions precedent in favour of the Purchaser set forth in Section 9.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Deposit received by the Vendor shall be returned by the Vendor to the Purchaser, this Agreement shall thereupon terminate, and each Party shall be released from all obligations and liabilities under or in connection with this Agreement; or
 - (ii) for any reason other than the conditions precedent in favour of the Purchaser set forth in Section 9.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Vendor shall be entitled to the Deposit, the Deposit shall be forfeited to the Vendor, and this Agreement shall terminate.
- (e) The Purchaser and the Vendor hereby acknowledge and agree that, should Closing not occur for any reason provided in Section 3.1(d)(ii), the Vendor will suffer and incur damages that cannot be precisely calculated, and will therefore be entitled to retain the Deposit pursuant to Section 3.1(d)(ii) as liquidated

damages, and not as a penalty, and in full satisfaction of all rights and claims the Vendor may have against the Purchaser, the Deposit being a genuine pre-estimate of the damages that will be suffered by the Vendor as contemplated by this Section 3.1(e).

3.2 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- | | | | |
|-----|----------------------------------|----|---------------------------|
| (a) | to the Miscellaneous Interests | \$ | ██████████ |
| (b) | to the Tangibles | | ██████████ |
| (c) | Petroleum and Natural Gas Rights | | Balance of Purchase Price |

3.3 Closing Payment

The Purchaser shall pay to the Vendor at Closing, by certified cheque, bank draft or electronic wire transfer: (i) the Purchase Price (less the Deposit); (ii) plus or minus any adjustments pursuant to article 4 ; (iii) plus any taxes and fees (including GST) payable under Section 3.4 (the "Closing Payment").

3.4 Taxes and Fees

- (a) The Purchase Price does not include GST. At Closing, the Purchaser shall pay to the Vendor an amount equal to the statutory rate of GST on the portion of the Purchase Price allocated to Tangibles and Miscellaneous Interests pursuant to Section 1(e) and on the amount attributable to any other Assets or expenses to which GST may apply. The Purchaser shall be liable for the payment and remittance of any additional amount of GST payable in respect of the purchase of the Assets pursuant hereto, including any interest, penalties, or any other costs payable in respect of such additional GST, and shall indemnify and save harmless the Vendor in respect thereof. The GST Registration Number of the Vendor is 805424454 RT0001. The GST Registration Number of the Purchaser is 10485 3221 RT0001.
- (b) The Purchaser shall also be liable for and shall pay any and all transfer taxes, federal or provincial sales taxes and all other taxes, duties or other similar charges properly payable upon and in connection with the conveyance and transfer of the Assets by the Vendor to the Purchaser and the Purchaser shall be responsible for all recording charges and registration fees payable in connection therewith.

ARTICLE 4 ADJUSTMENTS

4.1 Adjustments

- (a) All costs and revenues accruing, payable, paid, received or receivable in respect of the Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances shall, subject to the provisions of this Agreement, be apportioned on an accrual basis

between the Vendor and the Purchaser as of the Effective Time on the Effective Date, on and subject to the following:

- (i) except as otherwise provided in this Section 4.1, costs and revenues shall accrue in accordance with GAAP;
 - (ii) all such costs and revenues accruing up to the Effective Time on the Effective Date shall be for the Vendor's account and all costs and revenues accruing after the Effective Time on the Effective Date shall be for the Purchaser's account;
 - (iii) all costs of whatever nature pertaining to work performed or goods or services provided with respect to the Assets prior to the Effective Time on the Effective Date shall be borne by the Vendor, notwithstanding that such costs may be payable in whole or in part after the Effective Time on the Effective Date and all costs of whatever nature pertaining to work performed or goods or services provided with respect to the Assets after the Effective Time on the Effective Date shall be borne by the Purchaser;
 - (iv) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a *per diem* basis as of the Effective Time on the Effective Date; and
 - (v) there shall not be any adjustment on account of income taxes.
- (b) The effective time and date for income tax purposes shall be the Effective Time on the Closing Date.
 - (c) Notwithstanding the foregoing, the Vendor shall not be required to provide a credit at Closing for any benefits accruing to the Purchaser after the Effective Time on the Effective Date but not actually received by the Vendor at least three (3) Business Days prior to the Closing, but shall include all such amounts in the Final Statement of Adjustments.
 - (d) All adjustments to be made pursuant to this Section 4.1 shall be allocated to the Petroleum and Natural Gas Rights.

4.2 **Statement of Adjustments**

- (a) The Vendor shall carry out an accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made for the Transaction (the "**Interim Statement of Adjustments**"). The Parties shall cooperate in preparing the interim accounting and the Vendor shall assist the Purchaser in verifying the amounts set out in the statement.
- (b) A final accounting of the adjustments required pursuant to Section 4.1 shall be conducted sixty (60) days following the Closing Date. The Vendor shall prepare the initial draft of the final accounting statement (the "**Final Statement of Adjustments**") and shall assist the Purchaser in verifying the amounts set out in

the statement. The Final Statement of Adjustments shall be binding and conclusive on the Parties.

- (c) Nothing in this Agreement shall restrict or otherwise interfere with the audit rights which the Vendor may have under any of the agreements pertaining to the Assets for the period prior to the Effective Time on the Effective Date, it being the intention of the Parties that any adjustments occurring as a result of the exercise of such audit rights by the Vendor shall be for the account of the Vendor. For the purposes hereof, the expression "audit rights" shall include the right to require an audit or to participate in or receive the benefits from such an audit.

ARTICLE 5 CLOSING

5.1 Closing

The Closing of the Transaction shall take place at the Place of Closing or such other place as the Parties may agree on the later of:

- (a) the second Business Day following the day the Court Approval is obtained; or
 - (b) on such other Business Day as the Parties may agree in writing
- (the "**Closing Date**").

ARTICLE 6 INTERIM PROVISIONS

6.1 Restrictions on Conduct of Business

The Vendor shall not, between the date of this Agreement and the Closing Date, without the written consent of the Purchaser, which consent will not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure out of the ordinary course of business with respect to the Underlying Assets, of which the Debtor's share is in excess of Twenty Five Thousand Dollars (\$25,000.00), except in the case of an emergency or as may be reasonably necessary to protect or ensure life and safety or to preserve the Underlying Assets or title to the Underlying Assets (including Lease rental payments) or in respect of amounts which the Vendor may be committed to expend or be deemed to authorize for expenditure without its consent;
- (b) other than in the ordinary course of business, materially amend or terminate any agreement or instrument relating to the Assets or the Underlying Assets or enter into any new agreement or commitment relating to the Assets or the Underlying Assets, except as may be reasonably necessary to protect or ensure life and safety or to preserve the Underlying Assets or title to the Underlying Assets;
- (c) surrender or abandon any of the Underlying Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same in a timely fashion, in which event the Underlying Assets

in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;

- (d) sell, encumber or otherwise dispose of any of the Assets or the Underlying Assets or any interest therein except the sale of materials and supplies no longer required in connection with the Assets, and excepting sales of Petroleum Substances in the ordinary course of business.
- (e) exercise any right or option of the Debtor relative to or arising as a result of the ownership of the Assets.

6.2 Following Closing

- (a) Following Closing, Vendor shall hold title to the Assets in trust for Purchaser, as bare legal trustee, until all necessary notifications, registrations and other steps required to transfer such title to Purchaser have been completed and, in furtherance thereof:
 - (i) all payments relating to the Assets received by the Vendor following Closing shall be received and held by the Vendor in trust for the Purchaser, and the Vendor shall promptly remit such amounts to the Purchaser;
 - (ii) the Vendor shall forward all statements, notices and other information received by it pursuant to Title and Operating Document to Purchaser promptly following its receipt thereof; and
 - (iii) the Vendor shall forward to other parties to the Title and Operating Documents such notices and elections pursuant to such Title and Operating Documents as Purchaser may reasonably request;

provided that the Vendor shall not be required to initiate or conduct Operations in relation to the Underlying Assets.

- (b) Purchaser shall indemnify and save and hold harmless the Vendor Entity from and against all Losses and Liabilities arising as a consequence of the provisions of this Section 6.2, except to the extent caused by the gross negligence or wilful misconduct of the Vendor Entity. Acts or omissions taken by the Vendor Entity on the instructions of, or with the approval or concurrence of Purchaser shall not constitute gross negligence or wilful misconduct.

ARTICLE 7 ACCESS TO INFORMATION AND RECORDS

7.1 Technical and Operating Information

The Vendor shall, upon request and subject to contractual restrictions relating to disclosure, make available all technical data relating to the Underlying Assets (including drilling reports, well files and production records, but excluding data and information which are subject to confidentiality restrictions prohibiting their disclosure) as are in the possession of the Vendor or the Debtor for such inspection as the Purchaser reasonably requires in connection herewith.

7.2 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any abatement or reduction in the Purchase Price as a result of, arising from or in connection with any deficiency or allegation of deficiency in respect of the Assets, including, without limitation, any environmental liability or deficiency or title deficiency, whether identified in connection with the Purchaser's right to information as provided by Section 7.1 or otherwise.

7.3 Access to Records

The Vendor may, at its sole expense, for a period of two (2) years after Closing, obtain from the Purchaser copies or photocopies of any Title and Operating Documents, correspondence, documents or reports which were delivered to the Purchaser at Closing and which the Vendor requires to the extent the Purchaser is in possession or control thereof.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

8.1 Vendor's Representations and Warranties

Except to the extent otherwise disclosed in the Data Room Information, to the Purchaser in writing prior to the date of this Agreement, or in any Schedule to this Agreement, the Vendor hereby represents and warrants to the Purchaser that:

- (a) it has been appointed by the Court as receiver of the Assets and such appointment is valid and subsists;
- (b) it has good right, full power and absolute authority to sell, assign, transfer, convey and set over the Assets, subject to the terms and conditions of the Receivership Order and the Court Approval;
- (c) it has not previously sold, assigned transferred, conveyed set over or granted an Encumbrance in the Assets (other than pursuant to the receiver certificates issued from time to time by Vendor, each of which shall be released and discharged at Closing); and
- (d) it is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

8.2 No Additional Representations and Warranties by the Vendor

- (a) Notwithstanding anything to the contrary in this Agreement, the Vendor makes no representations or warranties except as expressly set forth in Section 8.1 and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and shall not be liable for any representation or warranty express or implied, of any kind, at law or in equity, which may have been made or alleged to be made in any instrument or document relative hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor or its Representatives, or by the Debtor or its Representatives, in connection with the Assets or in relation to the Transaction.

For greater certainty, the Vendor does not make any representation or warranty, express or implied, of any kind, at law or in equity, with respect to:

- (i) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor or its Representatives, or by the Debtor or its Representatives, in connection with the Assets;
- (ii) the quality, quantity or recoverability of any Petroleum Substances within or under the Lands;
- (iii) the value of the Assets or any estimates of prices or future cash flows arising from the sale of any Petroleum Substances produced from or allocated to the Assets or the Lands or any estimates of other revenues or expenses attributable to the Assets;
- (iv) the availability or continued availability of facilities, services or markets for the processing, transportation or sale of any Petroleum Substances;
- (v) the quality, condition, fitness, suitability, serviceability or merchantability of any of the Tangibles; or
- (vi) the title of the Debtor to the Assets.

The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Assets and it has not relied on advice from the Vendor or its Representatives, or by the Debtor or its Representatives, with respect to the matters specifically enumerated in the immediately preceding paragraphs in connection with the purchase of the Assets pursuant hereto. The Purchaser further acknowledges and agrees that it is acquiring the Assets on an "as is, where is" basis. The Purchaser acknowledges and agrees that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Purchaser has had a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as such access could reasonably be provided) and that the Purchaser is not relying upon any representation or warranty of the Vendor or its Representatives, or by the Debtor or its Representatives, as to the condition, environmental or otherwise, of the Assets, except as expressly contained in Section 8.1 of this Agreement.

- (b) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all equitable, common law, tort, contractual and statutory rights and remedies) against the Vendor, any Vendor Entity or any of their Representatives, or the Debtor or its Representatives, in respect of the Assets or the Transaction or any representations or statements made, direct or indirect, express or implied, or information or data furnished to the Purchaser or its Representatives, in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

8.3 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is and at the Closing Date shall continue to be a valid and subsisting corporation under the laws of its jurisdiction of registration and is authorized to carry on business in the jurisdiction where the Assets are located;
- (b) except for the Court Approval, it has taken all action and has full power and authority to enter into this Agreement and the other documents and agreements executed and delivered hereunder and it has taken all necessary action to consummate the Transaction and to perform its obligations hereunder and the other documents and agreements executed and delivered hereunder;
- (c) provided the Court Approval is obtained, this Agreement has been, and all documents and agreements to be executed and delivered by it at Closing pursuant to this Agreement shall be, duly executed and delivered by it, and upon execution by the Vendor and it, this Agreement constitutes, and all documents and agreements required to be executed and delivered by it at Closing will constitute legal, valid and binding obligations of it enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditor's rights generally and the discretionary nature of equitable remedies and defences;
- (d) to its knowledge, and provided that Court Approval is obtained, no authorization or approval or other action by, and no notice to or filing with, any Government Authority exercising jurisdiction over the Assets is required by it or on its behalf for the due execution and delivery of this Agreement;
- (e) provided the Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;
- (f) it has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Transaction for which the Vendor or the Debtor shall have any obligations or liability;
- (g) it has not received notice of any Claims in existence, contemplated, pending or threatened against it seeking to prevent the consummation of the Transaction;
- (h) it is acquiring the Assets in its capacity as a principal and is not purchasing the Assets for the purpose of resale or distribution to a Third Party;
- (i) it has sufficient funds available to it to enable it to pay in full the Purchase Price to the Vendor as herein provided and otherwise to fully perform its obligations under this Agreement; and
- (j) to the Purchaser's knowledge, having made due enquiry, no Insider of the Purchaser is also an Insider of the Vendor or the Debtor.

8.4 Enforcement of Representations and Warranties

- (a) Notwithstanding anything to the contrary herein expressed or implied and notwithstanding the Closing or deliveries of covenants and/or representations and warranties in any other agreements at Closing or prior or subsequent thereto, the representations and warranties set forth in Sections 8.1 and 8.3 hereof shall survive Closing for the benefit of the Purchaser and the Vendor respectively, provided that no Claim in respect of such representations and warranties shall be made or be enforceable unless written notice of such Claim is given by the claimant to the other Parties within twelve (12) months of the Closing Date. Effective on the expiry of such twelve (12) month period, each Party hereby releases and forever discharges the other Party from any breach of any representations and warranties set forth in Sections 8.1 and 8.3 hereof except in respect of those Claims in which notice has been given in accordance with this Section 8.4. No Claim shall be made by a Party in respect of the representations and warranties in this Agreement made by the other Party except pursuant to and in accordance with this Section 8.4.
- (b) There shall not be any merger of any covenant, representation or warranty in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.
- (c) The representations and warranties of the Vendor and the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Purchaser or the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

ARTICLE 9 CONDITIONS PRECEDENT TO CLOSING

9.1 Vendor's Closing Conditions

The obligation of the Vendor to complete the sale of the Assets pursuant to this Agreement is subject to the satisfaction at or prior to the Closing Date of the following conditions precedent:

- (a) **Representations and Warranties True:** all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects on the Closing Date, and the Vendor shall have received a certificate from an officer of the Purchaser substantially in the form attached hereto as Schedule "D" dated as of the Closing Date;
- (b) **Purchaser's Obligations:** the Purchaser shall have, in all material respects, timely performed and satisfied all obligations required by this Agreement to be performed and satisfied by the Purchaser on or prior to the Closing Date;
- (c) **Payment:** the Purchaser shall have tendered the Closing Payment to the Vendor in the manner provided in this Agreement;
- (d) **Conveyance Documents:** the Purchaser shall have executed and delivered to the Vendor all Conveyance Documents required under Section 11.1(a) and the General Conveyance;

- (e) **No Injunction:** there will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction;
- (f) **Restrictions:** all necessary governmental and other regulatory approvals to the sale of the Assets that are required prior to Closing shall have been obtained without conditions; and
- (g) **Court Approval:** the Court Approval shall have been obtained.

The foregoing conditions shall be for the benefit of the Vendor and may, without prejudice to any of the rights of the Vendor hereunder excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived, be waived by it in writing, in whole or in part, at any time, provided that the Vendor is not entitled to waive the Court Approval condition contained in Section 9.1(g). The Vendor shall proceed diligently and in good faith and use all reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions in case any of the said conditions shall not be complied with, or waived by the Vendor, at or before the Closing Date, the Vendor may terminate this Agreement by written notice to the Purchaser.

9.2 Purchaser's Closing Conditions

The obligation of the Purchaser to complete the purchase of the Assets pursuant to this Agreement is subject to the satisfaction, at or prior to the Closing Date, of the following conditions precedent:

- (a) **Representations and Warranties True:** all representations and warranties of the Vendor contained in this Agreement shall be true in all material respects on the Closing Date, and the Purchaser shall have received a certificate from an officer of the Vendor substantially in the form attached hereto as Schedule "C" dated as of the Closing Date;
- (b) **Vendor's Obligations:** the Vendor shall have, in all material respects, timely performed and satisfied all obligations required by this Agreement to be performed and satisfied by the Vendor on or prior to the Closing Date;
- (c) **Conveyance Documents:** the Vendor shall have executed and delivered to the Purchaser all Conveyance Documents required under Section 11.1(a) and the General Conveyance;
- (d) **Restrictions:** all necessary governmental and other regulatory approvals to the sale of the Assets that are required prior to Closing shall have been obtained without conditions;
- (e) **No Injunction:** there will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction; and
- (f) **Court Approval:** the Court Approval shall have been obtained.

The foregoing conditions shall be for the benefit of the Purchaser and may, without prejudice to any of the rights of the Purchaser hereunder (excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition

waived), be waived by it by notice to the Vendor in writing, in whole or in part, at any time, provided that the Purchaser is not entitled to waive the Court Approval condition contained in Section 9.2(f). The Purchaser shall proceed diligently and in good faith and use all reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions. In case any of the said conditions shall not be complied with, or waived by the Purchaser at or before the Closing Date, the Purchaser may terminate this Agreement by written notice to the Vendor.

9.3 Parties to Exercise Diligence and Good Faith with respect to Conditions

Each Party covenants to the other that it will proceed diligently, honestly, and in good faith, and use commercially reasonable efforts with respect to all matters within its reasonable control to satisfy its respective conditions in Sections 9.1 and 9.2.

ARTICLE 10 CLOSING DELIVERIES

10.1 Vendor Closing Deliveries

At Closing, the Vendor shall table the following:

- (a) a certified copy of the Court Approval;
- (b) a copy of the Interim Statement of Adjustments;
- (c) a certificate of the Vendor substantially in the form attached hereto as Schedule "C" dated as of the Closing Date;
- (d) a receipt for the Deposit and the Closing Payment;
- (e) the General Conveyance, fully executed by the Vendor;
- (f) the Conveyance Documents; and
- (g) the Alberta Crown RMF2 Form effective as of the Effective Time on the Effective Date completed and executed by the Vendor.

10.2 Purchaser's Closing Deliveries

At Closing, Purchaser shall table the following:

- (a) the Closing Payment;
- (b) a certificate of a senior officer of Purchaser substantially in the form attached hereto as Schedule "D" dated as of the Closing Date; and
- (c) the General Conveyance, fully executed by Purchaser.

10.3 Deliveries

Vendor shall deliver or cause to be delivered to Purchaser within five (5) Business Days following Closing, the original copies of the Title and Operating Documents and any other agreements and documents in its possession related to the Assets and the original copies of contracts, agreements, records, books, documents, licenses, reports and data included in the

Miscellaneous Interests which are now in the possession of Vendor. Notwithstanding the foregoing, if and to the extent such contracts, agreements, records, books, documents, licenses, reports and data also pertain to interests other than the Assets, at Vendor's expense, photocopies or other copies may be provided to Purchaser in lieu of original copies.

ARTICLE 11 CONVEYANCES AND TRANSFER

11.1 Conveyances

- (a) The Vendor shall provide at the Closing Date the Conveyance Documents, but no such documents shall require the Vendor to assume or incur any obligation, or to provide any representation or warranty, beyond that contained in this Agreement. The Purchaser shall execute and promptly return to the Vendor at least one copy of each such document and shall use all reasonable efforts to obtain timely execution and return of such documents by Third Parties wherever required.
- (b) The Vendor shall promptly register in the applicable registry all registrable transfers and conveyances of its interests in the Assets and the Vendor shall make application to all applicable Government Authorities to change the recorded name of the licensee of the Wells and Tangibles. All costs incurred in registering any transfers and conveyances inclusive of well license transfers, and all costs of registering any further assurances required to convey the Assets, shall be borne by the Purchaser.

ARTICLE 12 LIABILITIES AND INDEMNITIES

12.1 General Indemnity

If Closing occurs, the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:

- (a) assume, perform, pay, discharge and be liable to the Vendor for; and
- (b) as a separate covenant, save and hold harmless and indemnify the Vendor and each other Vendor Entity from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time on the Effective Date and which relate to the Assets or the terms and conditions of the Title and Operating Documents as they apply to the Assets, including but not limited to all Losses and Liabilities attributable to the operation, ownership, use, construction or maintenance of the Underlying Assets arising or accruing on or after the Effective Time on the Effective Date for which the owner of the Assets is liable. The Purchaser's indemnity obligation set forth in this Section 12.1 shall survive the Closing Date indefinitely.

12.2 Environmental Indemnity

- (a) The Purchaser acknowledges that it:

- (i) is familiar with the condition of the Underlying Assets, including the past and present use of the Underlying Assets, and it has been provided with the right and the opportunity to conduct due diligence investigations with respect to existing or potential Environmental Liabilities pertaining to the Underlying Assets; and
 - (ii) is not relying upon any representation or warranty of the Vendor as to the condition, environmental or otherwise, of the Underlying Assets.
- (b) The Purchaser agrees that once Closing has occurred the Vendor shall have no liability whatsoever for any Environmental Liabilities. In this regard, once Closing has occurred, the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:
- (i) be solely liable and responsible for all of the Vendor's Losses and Liabilities; and
 - (ii) as a separate covenant, indemnify, save and hold the Vendor and each other Vendor Entity harmless from and against all Losses and Liabilities that may be brought against or which they or any one of them may suffer, sustain, pay or incur;

as a result of any act, omission, matter or thing related to any Environmental Liabilities for which the owner of the Assets may be liable, however and whenever arising or occurring, and the Purchaser shall assume, perform, pay and discharge all such Environmental Liabilities. This liability and indemnity shall apply without limit and without regard to cause or causes, including the negligence, whether sole, concurrent, gross, active, passive, primary or secondary, or the wilful or wanton misconduct of the Vendor or the Purchaser or any other person or otherwise. The Purchaser acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or any Vendor Entity under the common law or statute pertaining to any such Environmental Liabilities, including the right to name the Vendor or any Vendor Entity as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's indemnity obligation set forth in this Section 12.2(b) shall survive the Closing Date indefinitely.

12.3 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

12.4 Holding of Indemnities

The Vendor will hold the indemnities contained in Sections 12.1 and 12.2 in trust on behalf of all of the other Vendor Entities and may enforce the same on their behalf.

ARTICLE 13 TERMINATION

13.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing;

- (a) by mutual written agreement of the Vendor and the Purchaser;
- (b) by either the Vendor or the Purchaser pursuant to the provisions of Sections 9.1 or 9.2, as applicable; or
- (c) by either the Vendor or the Purchaser if Closing has not occurred on or before October 12, 2015.

13.2 Effect of Termination

If this Agreement is terminated by the Vendor or the Purchaser as permitted under Section 13.1, then Sections 14.1, 14.2 and 19.2 shall remain in full force and effect following any such permitted termination.

ARTICLE 14 CONFIDENTIALITY, PUBLIC ANNOUNCEMENTS AND SIGNS

14.1 Confidentiality

- (a) Prior to Closing, each Party agrees to keep in strict confidence:
 - (i) subject to Section 14.2, all information regarding the terms of this Agreement; and
 - (ii) any information exchanged or received in connection with:
 - A. the performance of due diligence by the Purchaser prior to or after the date hereof; or
 - B. negotiation or drafting of this Agreement,

provided that a Party shall be entitled to disclose all information as may be required or desirable in connection with obtaining the Court Approval. If this Agreement is terminated, each Party upon request will promptly return to the other Party all documents, contracts, records or other information received by it that disclose or embody confidential information of the other Party.

- (b) The Parties agree that the Confidentiality Agreement shall terminate concurrent with the execution and delivery of this Agreement by the Parties, and that the terms and conditions of this Article 14 shall thereafter govern the Parties with respect to their confidentiality obligations.

14.2 Public Announcements

- (a) If a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the transactions contemplated herein, the disclosing Party shall provide the other Party with an advance copy of any such

press release or other public disclosure with sufficient time to enable the other Party to review such press release or other public disclosure and advise of any comments they may have with respect thereto.

- (b) Notwithstanding Section 14.1 or 14.2(a), a Party may release or provide information about the Transaction insofar as is required by Applicable Laws (including as may be required to obtain Court Approval) or stock exchange requirements applicable to the disclosing Party or its Affiliates; provided that such disclosing Party shall make reasonable commercial efforts to provide the other Party with the details of the nature and substance of such required disclosure as soon as practicable and in any event prior to such disclosure. A Party may provide information about the Transaction to a bank or other financial institution to obtain financing on any required consent of the bank or other financial lender of such Party or any of its Affiliates. A Party may also disclose such information pertaining to this Agreement, including the identity of the Parties, insofar as is required to enable such Party to fulfil its obligations under this Agreement, including obtaining any approvals or consents to the Transaction required from Governmental Authorities (including Court Approval) or Third Parties.

14.3 Signs

Within sixty (60) days following the Closing Date, the Purchaser shall remove the names of the Vendor, the Debtor and their Affiliates and predecessors from all signs located at or near the Wells or any Tangibles. If the Purchaser fails to comply with the foregoing, the Vendor shall have the right, at its discretion, to remove its name as aforesaid and the Purchaser shall be responsible for and shall reimburse such Vendor for all reasonable costs incurred by such Vendor in so doing.

ARTICLE 15 GOVERNING LAW AND DISPUTE RESOLUTION

15.1 Governing Law

This Agreement shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with the laws in effect in the Province of Alberta and to the laws of Canada applicable therein.

15.2 Resolution of Disputes

- (a) Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court, and waives any defences it might have regarding jurisdiction in any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a party, or for recognition or enforcement of any judgment in respect thereof, and each Party hereby irrevocably and unconditionally agrees that all Claims in respect of any such action or proceeding may be heard and determined by the Court.
- (b) Each Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a party in any court of competent jurisdiction in the Province of Alberta. Each of the Parties hereby

irrevocably waives, to the fullest extent permitted by Applicable Law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

ARTICLE 16 NOTICES

16.1 Service of Notices

Any Communication must be in writing and either delivered personally or by courier, sent by prepaid registered mail or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid.

Any Communication must be sent to the intended recipient at its address as follows:

the Purchaser:

700, 840 – 6th Avenue S.W.,
Calgary, AB
T2P 3E5

Attention: J. K. Reid, General Counsel
Email: kim.reid@signalta.com

the Vendor:

Deloitte Restructuring Inc., in its capacity as court
appointed receiver of certain property and assets of Sekur
Energy Management Corp., and not in its personal
capacity
700, 850 – 2nd Street SW
Calgary, Alberta T2P 0R8

Attention: Jeff Keeble, Senior Vice President
Email: jkeeble@deloitte.ca

With a copy to:

900, 717 – 7th Avenue S.W.
Calgary, AB
T2P 0Z3

Attention: Christopher Gillanders
Email: cgillanders@sekurenergy.com

or at any other address as any Party may at any time advise the other by Communication given or made in accordance with this Section 16.1. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the

Communication will be deemed to have been given or made and received on the next Business Day. Any Communication sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be delivered personally or by courier or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission. Any Communication transmitted by facsimile, e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the Communication is transmitted on a day which is not a Business Day or after 4:00 pm (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day..

ARTICLE 17 PERSONAL INFORMATION

17.1 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained by the Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates or as otherwise permitted or authorized by Applicable Law. The Purchaser's obligations set forth in this Section 17.1 shall survive the Closing Date indefinitely.

ARTICLE 18 ASSIGNMENT

18.1 Assignment

- (a) Prior to Closing, neither Party may assign their interest in or under this Agreement or to the Assets without the prior written consent of the other Party, which consent may be withheld in such other Party's sole and unfettered discretion.
- (b) No assignment, transfer, or other disposition of this Agreement or the Assets or any portion of the Assets shall relieve the Purchaser from its obligations to the Vendor herein. The Vendor shall have the option to claim performance or payment of the obligations from the Purchaser or the assignee or transferee, and to bring proceedings in the event of default against either or all of them, provided that nothing herein shall entitle the Vendor to receive duplicate performance or payment of the same obligation.

ARTICLE 19 MISCELLANEOUS

19.1 Remedies Cumulative

No failure on the part of any Party to exercise any right or remedy will operate as a waiver thereof. A Party will not be precluded from exercising any right available to it at law, equity or by statute because of its exercise of any single or partial right, and a Party may exercise any such remedies independently or in combination.

19.2 Costs

Except as otherwise specified in this Agreement, each Party shall pay its respective costs incurred in connection with the preparation, negotiation and execution of this Agreement and the consummation of the Transaction.

19.3 No Waiver

No waiver by any Party of any breach of any of the terms, conditions, representations or warranties in this Agreement shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

19.4 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and the Parties agree and confirm that this Agreement cancels and supersedes any prior understandings and agreements between the Parties hereto with respect to the subject matter hereof. No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties.

19.5 Further Assurances

From time to time, as and when reasonably requested by the other Party, a Party shall execute and deliver or cause to be executed and delivered all such documents and instruments and shall take or cause to be taken all such further or other actions to implement or give effect to the Transaction, provided such documents, instruments or actions are consistent with the provisions of this Agreement. All such further documents, instruments or actions shall be delivered or taken at no additional consideration other than reimbursement of any expenses reasonably incurred by the Party providing such further documents or instruments or performing such further acts, by the Party at whose request such documents or instruments were delivered or acts performed.

19.6 Time of the Essence

Time shall be of the essence in this Agreement.

19.7 Enurement

This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective successors and permitted assigns.

19.8 Severability

In the case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

19.9 No Third Party Beneficiaries

Except as expressly provided in Section 8.2, the Parties do not intend, nor will any Section of this Agreement be interpreted to create, any obligation to, or benefit from, any Person other than a Party.

19.10 Counterpart Execution

This Agreement may be executed in counterpart and all executed counterparts together shall constitute one agreement. This Agreement shall not be binding upon any Party unless and until executed by all Parties. Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by such party.

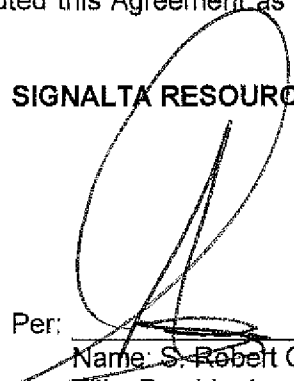
IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity

Per: _____
Name:
Title:

Per: _____
Name:
Title:

SIGNALTA RESOURCES LIMITED

Per:  _____
Name: S. Robert Chad
Title: President and COO

[This is the execution page to the Asset Purchase and Sale Agreement dated August 12, 2015 between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, and Signalta Resources Limited., a corporation incorporated pursuant to the laws of Alberta.]

SCHEDULE "A"

Attached to and made a part of that Asset Purchase and Sale Agreement dated August 12, 2015.

Part 1 - Lands, Leases and Petroleum and Natural Gas Rights

See attached
Mineral Property
Report – 17 pages

Part 2 - Wells

Well Location	Status	Working Int.	ERCB License #
00/12-28-037-25 W4M/0	Gas well	10.5%	0172157
00/01-29-037-25 W4M/0	Gas well	10.5%	0153049
00/06-24-037-26 W4M/0	Gas well	6.3%	0206468
00/07-24-037-26 W4M/0	Gas well	6.3%	0201321

Part 3 – Facilities

Facilities	Type	ERCB Facility #
N/A		

Part 4 – Acquired Pipelines

Pipelines	ERCB Approval #	Line #	Status
N/A			

SEKUR ENERGY MANAGEMENT CORP.

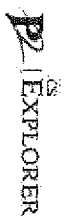
Mineral Property Report

SIGNALTA

Generated by Lisa Arcaini on July 22, 2015 at 3:15:56 pm.

Selection

Admin Company:
Category:
Country:
Province:
Division:
Area(s):
Active / Inactive:
Status Types:
Lease Types:
Acreage Status:
Expiry Period:
Acreage Category:



SEKUR ENERGY MANAGEMENT CORP.

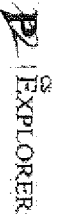
Mineral Property Report

Print Options

Acres / Hectares:	Acres
Working Interest DOI:	Yes
Other DOI:	Reference
Related Contracts:	Yes
Royalty Information:	Yes
Well Information:	Yes
Remarks:	Yes
Types:	Yes
Acreege:	Producing / Non Producing Developed / Undeveloped

Sort Options

Division:	No
Category:	No
Province:	Yes
Area:	Yes
Location:	No



Report Date: Jul 22, 2015
 Page Number: 1
 ** REPORTED IN ACRES**

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper./Cont	ROFR	DOI Code
File Status	Int Type / Use No/Name		Gross			
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*

M00359	PNG	CR	640,000	C00205	A	WI
Sub: A	WI		640,000	SEKUR		10,500,000,000
ACTIVE	0491030092	Ext: 15	67,200	PENN WEST PETRO		12,000,000,000
	STRIKER			STRIKER		73,000,000,000
100,000,000,000	STRIKER			SIGNALTA RESOUR		4,500,000,000

Total Rental: 896.00

Lease Description / Rights Held

TWP 37 RGE 25 W4M SEC 28
 ALL PNG FROM BASE (UPPER) BELLY
 RIVER TO BASE MANNVILLE EXCL
 CBM TO BASE MANNVILLE

Status	Acres	Net	NProd:	Under:	Acres	Net
PRODUCING	640,000	67,200	0,000	0,000	0,000	0,000
DEVELOPED	640,000	67,200	Under:	0,000	0,000	0,000

Royalty / Encumbrances

Royalty Type: LESSOR OVERRIDING ROYALTY
 Product Type: ALL PRODUCTS
 Sliding Scale: Y
 Convertible: N
 % of Prod/Sales: 100,000,000,000
 % of PROD: 100,000,000,000

Roy Percent: 100,000,000,000
 Deduction: STANDARD
 Gas: Royalty: Max:
 S/S OIL: Min: Min:
 Other Percent: Min: Prod/Sales: Prod/Sales:

Paid to:	LESSOR (M)	Paid by:	WI	(C)
MINFIN	100,000,000,000	SEKUR		10,500,000,000
		PENN WEST PETRO		12,000,000,000
		STRIKER		73,000,000,000
		SIGNALTA RESOUR		4,500,000,000

Remarks

Type	Date	Description
GENERAL	Nov 14, 2006	LANDS ACQUIRED FROM LIGHTNING SEPT 1/04.

Related Contracts
 C00205 A POOL FOPART Jul 17, 1992
 C01392 A P&S Sep 13, 2012 (I)
 JV00096 A PROCESS May 01, 1999

Well U.W.L. Status/Type
 100/12-28-037-25-W4/00 PRODUCING/GAS

Report Date: Jul 22, 2015
 Page Number: 2
 ** REPORTED IN ACRES**

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report
 SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*	

(cont'd)

M00369 A

Remarks

Type Date
 GENERAL Nov 14, 2006

Description
 OFFSET NOTICE: GAS OFFSET NO 2011139F ISSUED. A PORTION OF THIS LEASE COMPRISING OF M4 R25 T037.28 IS SUBJECT TO AN OFFSET OBLIGATION AS A RESULT OF THE 102/13-21-037-25W/4/02 WELL PRODUCING NATURAL GAS FROM THE VIKING GROUP.
 CONOCO ELECTED TO PAY OFFSET COMPENSATION ON SAME. ARCHEAN ELECTED NOT TO PAY OFFSET COMPENSATION AND TO SURRENDER ITS INTEREST IN THE PORTION OF LEASE THAT IS SUBJECT TO THE NOTICE (ALL PNG SURFACE TO BASE VIKING). CONOCO SOLD ITS INTEREST TO ONYX. ONYX'S INTENT WAS TO COMPLETE THE VIKING ZONE IN BOTH THE 12-28 AND 1-29 WELLS AND COMMINGLE PRODUCTION WITH THE ELLERSLIE ZONE THAT WAS PRODUCING IN BOTH WELLS.
 FURTHER TO CONVERSATIONS WITH ONYX, ARCHEAN AMENDED ITS DECISION TO SURRENDER ITS INTEREST AND ELECTED TO PAY COMPENSATORY ROYALTY ON ITS SHARE OF SAME (SEE ONYX'S LETTER DATED AUGUST 21, 2002). REACTIVATED ALL RELATED FILES AS THEY HAD BEEN UPDATED TO REFLECT OUR SURRENDER OF SAME.
 ONYX REQUESTED RELIEF FROM PAYMENT OF COMPENSATORY ROYALTY UNTIL DEC. 3, 2002. FURTHER TO CROWN'S LETTER DATED OCT. 3, 2002, CROWN CONCURRED WITH SAME. WE HAVE UNTIL DEC. 31, 2002 TO FULFILL THE OFFSET OBLIGATION PURSUANT TO SECTION 20(2)(B).
 FURTHER TO CROWN'S LETTER OFFSET OBLIGATION HAS BEEN SATISFIED BY PUTTING THE 100/12-28-037-25W/4/00 WELL ON PRODUCTION. PURSUANT TO SECTION 22(5.1) OF THE P&G TENURE REGS, THE REQUIREMENT TO PAY OFFSET COMPENSATION HAS ENDED.

Report Date: Jul 22, 2015
 Page Number: 3

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

SIGNALTA

Province: ALBERTA
 Area: THREE HILLS CREEK

** REPORTED IN ACRES **

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name	Operator / Payor	Gross	Net	Doi Partner(s)		

(cont'd)

M00359 A

Remarks

Type: ACQ Date: Jan 17, 2013
 Description: OFFSET COMPENSATION FILE G2277 WILL BE CLOSED EFFECTIVE JAN. 1, 2003.
 ACQUIRED FROM AVENEX CORP SEP 1, 2012

TWP 37 RGE 25 W4M SEC 28

ALL CBM TO BASE MANNVILLE.

M00359 PNG CR Eff: Mar 07, 1991
 Sub: B WI Exp: Mar 06, 1998
 ACTIVE 0491030092 Ext: 15
 STRIKER
 100.00000000 STRIKER

0.000 C00205 B No WI
 0.000 SEKUR 10.500000000
 0.000 PENN WEST PETRO 12.000000000
 EMBER 70.000000000
 STRIKER 3.000000000
 SIGNALTA RESOUR 4.500000000

----- Related Contracts -----
 C00205 B POOLFOPART Jul 17, 1992
 C01392 A P&S Sep 13, 2012 (1)

Status	Acres	Net	NProd:	Acres	Net
NON PRODUCING Prod:	0.000	0.000		0.000	0.000
UNDEVELOPED Dev:	0.000	0.000	Undev:	0.000	0.000
Total Rental: 0.00					

Royalty / Encumbrances

Royalty Type: LESSOR OVERRIDING ROYALTY
 Product Type: ALL PRODUCTS
 Sliding Scale: Y
 Convertible: N
 % of Prod/Sales: 100.00000000
 % of PROD: 100.00000000
 Deduction: STANDARD
 Gas Royalty: Max:
 S/S OIL: Min: Min Pay: Div:
 Other Percent: Min: Prod/Sales: Prod/Sales:

Report Date: Jul 22, 2015
 Page Number: 4
 ** REPORTED IN ACRES **

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Lease Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*	

(cont'd)

Paid to:	LESSOR (M)	Paid by:	WI	(C)
MINFIN	100.000000000	SEKUR		10.500000000
		PENN WEST PETRO		12.000000000
		EMBER		70.000000000
		STRIKER		3.000000000
		SIGNALTA RESOUR		4.500000000

Remarks

Type **Date**

GENERAL Nov 14, 2006
 GENERAL Nov 14, 2008

Description

LANDS ACQUIRED FROM LIGHTNING SEPT 1/04.
 OFFSET NOTICE: GAS OFFSET NO 2011139F ISSUED. A PORTION
 OF THIS LEASE COMPRISING OF M4 R25 T037. 28 IS SUBJECT TO
 AN OFFSET OBLIGATION AS A RESULT OF THE
 102/13-21-037-25W4/02 WELL PRODUCING NATURAL GAS FROM THE
 VIKING GROUP.
 CONOCO ELECTED TO PAY OFFSET COMPENSAION ON SAME.
 ARCHEAN ELECTED NOT TO PAY OFFSET COMPENSATION AND TO
 SURRENDER ITS INTEREST IN THE PORTION OF LEASE THAT IS
 SUBJECT TO THE NOTICE (ALL PNG SURFACE TO BASE VIKING)
 CONOCO SOLD ITS INTEREST TO ONYX. ONYX'S INTENT WAS TO
 COMPLETE THE VIKING ZONE IN BOTH THE 12-28 AND 1-29 WELLS
 AND COMMINGLE PRODUCTION WITH THE ELLERSLIE ZONE THAT WAS
 PRODUCING IN BOTH WELLS.
 FURTHER TO CONVERSATIONS WITH ONYX, ARCHEAN AMENDED ITS
 DECISION TO SURRENDER ITS INTEREST AND ELECTED TO PAY
 COMPENSATORY ROYALTY ON ITS SHARE OF SAME (SEE ONYX'S
 LETTER DATED AUGUST 21, 2002). REACTIVATED ALL RELATED
 FILES AS THEY HAD BEEN UPDATED TO REFLECT OUR SURRENDER OF
 SAME.

Report Date: Jul 22, 2015
 Page Number: 5
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SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

SIGNALTA

Province: ALBERTA
 Area: THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)			

(cont'd)

M00369 B _____ Remarks _____

Description
 ONYX REQUESTED RELIEF FROM PAYMENT OF COMPENSATORY ROYALTY UNTIL DEC. 3, 2002. FURTHER TO CROWN'S LETTER DATED OCT. 3, 2002, CROWN CONCURRED WITH SAME. WE HAVE UNTIL DEC. 31, 2002 TO FULFILL THE OFFSET OBLIGATION PURSUANT TO SECTION 20(2)(B).

ACQ Jan 17, 2013 ACQUIRED FROM AVENEX CORP SEP 1, 2012

Type	Date	Eff.	Aug 07, 1986	640.000	C00205	A	No	WI
M00360	PNG	CR						
Sub: A	WI		Exp: Aug 06, 1991	640.000	SEKUR			10.500000000
ACTIVE	0486080075		Ext: 15	67.200	PENN WEST PETRO			12.000000000
	STRIKER				STRIKER			73.000000000
	100.00000000	STRIKER			SIGNALTA RESOUR			4.500000000

Total Rental: 896.00

Related Contracts
 C00205 A POOLFOPART Jul 17, 1992
 C01392 A P&S Sep 13, 2012 (I)
 JV00096 A PROCESS May 01, 1999

Status	Acres	Net	NProd:	Acres	Net
PRODUCING	640.000	67.200	0.000	0.000	0.000
DEVELOPED	640.000	67.200	Undev:	0.000	0.000

Well U.W.I. Status/Type
 100/01-29-037-25-W4/00 PRODUCING/GAS

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR OVERRIDING ROYALTY	ALL PRODUCTS	Y	N	100.00000000
Roy Percent:				% of PROD
Deduction:	STANDARD			

Report Date: Jul 22, 2015
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 ** REPORTED IN ACRES**

**SEKUR ENERGY MANAGEMENT CORP.
 Mineral Property Report**

SIGNALTA

Province: ALBERTA
 Area: THREE HILLS CREEK

File Number	Lease Type	Lessor Type	Exposure	Oper. Cont	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lease No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)			

(cont'd)

M00360	A						
	Gas: Royalty:	Min Pay:				Prod/Sales:	
	S/S OIL: Min:	Div:				Prod/Sales:	
	Other Percent:	Min:				Prod/Sales:	
	Paid to: LESSOR (M)						
	MINIFIN		100,000,000.00				
		Paid by: WI		(C)			
		SEKUR			10,500,000.00		
		PENN.WEST PETRO			12,000,000.00		
		STRIKER			73,000,000.00		
		SIGNALTA RESOUR			4,500,000.00		

Remarks

Type	Date	Description
GENERAL	Dec 21, 2006	LANDS ACQUIRED FROM LIGHTNING SEPT 1, 2004
GENERAL	Dec 21, 2006	<p>OFFSET NOTICE:</p> <p>GAS OFFSET NO 2011139F ISSUED. A PORTION OF THIS LEASE COMPRISING OF W4 R25T037. 28 IS SUBJECT TO AN OFFSET OBLIGATION AS A RESULT OF THE 102/13-21-037-25W4/02 WELL PRODUCING NATURAL GAS FROM THE VIKING GROUP.</p> <p>CONOCO ELECTED TO PAY OFFSET COMPENSATION ON SAME.</p> <p>ARCHEAN ELECTED NOT TO PAY OFFSET COMPENSATION AND TO SURRENDER ITS INTEREST IN THE PORTION OF LEASE THAT IS SUBJECT TO THE NOTICE (ALL PNG SURFACE TO BASE VIKING).</p> <p>CONOCO SOLD ITS INTEREST TO ONYX. ONYX'S INTENT WAS TO COMPLETE THE VIKING ZONE IN BOTH THE 12-28 AND 1-29 WELLS AND COMMINGLE PRODUCTION WITH THE ELLERSLIE ZONE THAT WAS PRODUCING IN BOTH WELLS.</p> <p>FURTHER TO CONVERSATIONS WITH ONYX, ARCHEAN AMENDED ITS DECISION TO SURRENDER ITS INTEREST AND ELECTED TO PAY COMPENSATORY ROYALTY ON ITS SHARE OF SAME (SEE ONYX'S</p>
GENERAL	Dec 21, 2006	

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report
 SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
M00360	A		Gross				
	File Status	Int Type / Use No/Name	Net	Doi Partner(s)	*	*	
	Mineral Int	Operator / Payor					

M00360 A _____ Remarks _____

ACQ: Jan 17, 2013
 ACQUIRED FROM AVENEX CORP SEP 1, 2012

Type	Date	Description	Acres	Net	NProd:	Undev:	Acres	Net
M00360	PNG	CR	0.000	C00205 B No	WI			
Sub: B	WI		0.000	SEKUR		10.500000000		
ACTIVE	0486080075	Ext: 15	0.000	PENN WEST PETRO		12.000000000		
	STRIKER			EMBER		70.000000000		
	STRIKER			STRIKER		3.000000000		
	STRIKER			SIGNALTA RESOUR		4.500000000		
100 000000000								
		Total Rental:	0.00					

Status
 NON PRODUCING Prod: 0.000
 UNDEVELOPED Dev: 0.000

TWP 37 RGE 25 W4M SEC 29
 ALL CBM TO BASE MANNVILLE
 C00205 B POOL/FOPART Jul 17, 1992
 C01392 A P&S Sep 13, 2012 (f)
 Related Contracts

Report Date: Jul 22, 2015
 Page Number: 8

REPORTED IN ACRES

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

SIGNALTA

Province: ALBERTA
 Area: THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partners			

(cont'd)

M003360
 Sub: B

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR OVERRIDING ROYALTY	ALL PRODUCTS	Y	N	100.00000000 % of PROD
Roy Percent:	STANDARD			
Deduction:				
Gas Royalty:		Min Pay:		Prod/Sales:
S/S OIL Min:		Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

Paid to:	LESSOR (M)	Paid by:	WI	(C)
MINFIN	100,000,000,000	SEKUR		10,500,000,000
		PENN.WEST PETRO		12,000,000,000
		EMBER		70,000,000,000
		STRIKER		3,000,000,000
		SIGNALTA RESOUR		4,500,000,000

Remarks

Type	Date	Description
GENERAL	Dec 21, 2006	LANDS ACQUIRED FROM LIGHTNING SEPT 1, 2004
GENERAL	Dec 21, 2006	OFFSET NOTICE: GAS OFFSET NO 2011139F ISSUED. A PORTION OF THIS LEASE COMPRISING OF W4 R25T037. 28 IS SUBJECT TO AN OFFSET OBLIGATION AS A RESULT OF THE 102/13-21-037-25W4/02 WELL PRODUCING NATURAL GAS FROM THE VIKING GROUP.

Report Date: Jul 22, 2015
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SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report
 SIGNALTA

Province: ALBERTA
 Area: THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DoI Partner(s)	*	*	

(cont'd)

M00360 B _____ Remarks

ACQ Jan 17, 2013

M00367 PNG CR Eff: Mar 03, 1994 480.000 C00209 A No WI TWP 37 RGE 26 W4M SEC N&SE 24

Type	Date	Description
GENERAL	Dec 21, 2006	<p>CONOCO ELECTED TO PAY OFFSET COMPENSATION ON SAME. ARCHEAN ELECTED NOT TO PAY OFFSET COMPENSATION AND TO SURRENDER ITS INTEREST IN THE PORTION OF LEASE THAT IS SUBJECT TO THE NOTICE (ALL PNG SURFACE TO BASE VIKING). CONOCO SOLD ITS INTEREST TO ONYX. ONYX'S INTENT WAS TO COMPLETE THE VIKING ZONE IN BOTH THE 12-28 AND 1-29 WELLS AND COMMINGLE PRODUCTION WITH THE ELLERSLIE ZONE THAT WAS PRODUCING IN BOTH WELLS.</p> <p>FURTHER TO CONVERSATIONS WITH ONYX, ARCHEAN AMENDED ITS DECISION TO SURRENDER ITS INTEREST AND ELECTED TO PAY COMPENSATORY ROYALTY ON ITS SHARE OF SAME (SEE ONYX'S LETTER DATED AUG 21, 2002). REACTIVATED ALL RELATED FILES AS THEY HAD BEEN UPDATED TO REFLECT OUR SURRENDER OF SAME. ONYX REQUESTED RELIEF FROM PAYMENT OF COMPENSATORY ROYALTY UNTL DEC 31, 2002. FURTHER TO CROWN'S LETTER DATED OCT 3, 2002, CROWN CONCURRED WITH SAME. WE HAVE UNTIL DEC 31, 2002 TO FULFILL THE OFFSET OBLIGATION PURSUANT TO SECTION 20(2)(B).</p> <p>FURTHER TO CROWN'S LETTER OFFSET OBLIGATION HAS BEEN SATISFIED BY PUTTING THE 100/01-29-037-25W4/00 WELL ON PRODUCTION. PURSUANT TO SECTION 22(6.1) OF THE P&NG TENURE REGS, THE REQUIREMENT TO PAY OFFSET COMPENSATION HAS ENDED. OFFSET COMPENSATION FILE G2291 WILL BE CLOSED EFFECTIVE OCT 1, 2002.</p> <p>ACQUIRED FROM AVENEX CORP SEP 1, 2012</p>

Report Date: Jul 22, 2015
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SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross				
Mineral Int			Net	DOI Partner(s)	*	*	

(cont'd)

M00367	WI		480.000	SEKUR		6.300000000	
Sub: A	0494030105	Exp: Mar 02, 1999	30.240	PENN WEST PETRO		62.200000000	
ACTIVE	PENN WEST PETRO	Ext: 15		STRIKER		28.800000000	PNG TO BASE MANNVILLE EXCL PNG
	PENN WEST PETRO			SIGNALTA RESOUR		2.700000000	IN VIKING & EXCL CBM TO BASE
100.000000000							MANNVILLE

Total Rental: 672.00

Status	Acres	Net	NProd:	Acres	Net
PRODUCING	480.000	30.240	0.000	0.000	0.000
DEVELOPED	480.000	30.240	Under:	0.000	0.000

Related Contracts

C00209 A	FARMOUT	Mar 24, 1997
C01392 A	P&S	Sep 13, 2012(1)
JV00095 A	PROCESS	Aug 01, 1998

Well U/W: Status/Type

100/07-24-037-26-W4/00	PRODUCING/GAS
100/06-24-037-26-W4/00	PRODUCING/GAS

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales	% of Prod
LESSOR OVERRIDING ROYALTY	ALL PRODUCTS	Y	N	100.000000000	% of PROD
Roy Percent:	100.000000000				
Deduction:	STANDARD				
Gas Royalty:					
S/S Oil Min:	Max:				
Other Percent:	Min:				
Paid to: LESSOR (M)	Paid by: WI		(C)		
MINFIN	SEKUR			6.300000000	
	PENN WEST PETRO			62.200000000	
	STRIKER			28.800000000	
	SIGNALTA RESOUR			2.700000000	

Remarks

Type: GENERAL Date: Nov 15, 2008 Description: LANDS ACQUIRED FROM LIGHTNING SEPT 1/04
 CS EXPLORER Version: 11.0.4

Report Date: Jul 22, 2015
 Page Number: 11
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SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report
 SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
M00367	GENERAL		Gross				
	Int Type / Use No/Name		Net	DOI Partner(s)	*	*	
	Mineral Int	Operator / Payor					

(cont'd)
 M00367 A Remarks

Type Date Description
 GENERAL Nov 15, 2006 LETTER DATED MAR 8, 1999 FROM ALBERTA ENERGY CONTINUED THIS
 LEASE PURSUANT TO SECTION 15, 6-24 REACHED PAYOUT ON AUG
 1/98, ARCHEAN ELECTED TO CONVERT AS PER NOV 2/98 LETTER
 FROM MAGIN. 7-24 REACH PAYOUT SEPT 20/98. ARCHEAN AND
 PARTNERS ELECTED TO CONVERT TO WI.
 ACQUIRED FROM AVENEX CORP SEP 1, 2012
 SW 24 SURRENDERED FOR OFFSET OBLIGATION

Sub: C	WI	Exp: Mar 02, 1999	Ext: 15	Eff: Mar 03, 1994	CR	0.000	C00209	C	No	WI	8.300000000	TWP 37 RGE 28 W4M SEC N&SE 24.
M00367	PNG											
ACTIVE	0494030105											ALL CBM TO BASE MANNVILLE EXCL CBM IN VIKING
100.00000000	PENN WEST PETRO											----- Related Contracts ----- C00209 C FARMOUT Mar 24, 1997 C01392 A P&S Sep 13, 2012 (0)

Status	Acres	Net	NPProd:	Acres	Net
NON PRODUCING Prod:	0.000	0.000	0.000	0.000	0.000
UNDEVELOPED Dev:	0.000	0.000	Undev:	0.000	0.000
			Total Rental:	0.00	

Royalty Type LESSOR OVERRIDING ROYALTY ALL PRODUCTS Y N 100.00000000 % of Prod/Sales
 Roy Percent: 100.00000000

Royalty / Encumbrances

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

Province: ALBERTA
 Area: THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	

(cont'd)

M00367	C		STANDARD				
Deduction:		STANDARD					
Gas: Royalty:		Max:		Min Pay:		Prod/Sales:	
S/S OIL: Min:				Div:		Prod/Sales:	
Other Percent:				Min:		Prod/Sales:	
Paid to: LESSOR (M)		Paid by: WI (C)					
MINFIN		100.000000000		SEKUR		6.300000000	
				PENN WEST PETRO		62.200000000	
				EMBER		27.000000000	
				STRIKER		1.800000000	
				SIGNALTA RESOUR		2.700000000	

Remarks

Type Date Description
 GENERAL Nov 15, 2006 LANDS ACQUIRED FROM LIGHTNING SEPT 1/04
 ACQ Jan 17, 2013 ACQUIRED FROM AVENEX CORP SEP 1, 2012
 EXPIRED Oct 22, 2012 SW 24 SURRENDERED FOR OFFSET OBLIGATION

M00367	PNG	CR	EFF: Mar 03, 1994	160.000	C00209 A No	WI
Sub: D	WI		Exp: Mar 02, 1999	160.000	SEKUR	6.300000000
ACTIVE	0494030105		Ext: 15	10.080	PENN WEST PETRO	62.200000000
	PENN WEST PELT				STRIKER	28.800000000
	PENN WEST PETRO				SIGNALTA RESOUR	2.700000000

Total Rental: 224.00

Status	Acres	Net	Acres	Net
Prod:	0.000	0.000	0.000	0.000
Dev:	0.000	0.000	0.000	0.000

----- Related Contracts -----
 C00209 A FARMOUT Mar 24, 1997
 JV00095 A PROCESS Aug 01, 1998

----- Well U.W.I. Status/Type -----
 100/06-24-037-26-W4/00 PRODUCING/GAS

Report Date: Jul 22, 2015
 Page Number: 13
 ** REPORTED IN ACRES**

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report
 SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
M00367	INT	WI	Gross				
Sub: E	Operator / Payor		Net	DOI Partner(s)	*	*	

(cont'd)

M00367
 Sub: D

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales	% of PROD
LESSOR OVERRIDING ROYALTY	ALL PRODUCTS	Y	N	100.000000000	
Roy Percent:				100.000000000	
Deduction:	STANDARD				
Gas: Royalty:					
S/S OIL: Min:		Max:			
Other Percent:		Min:			

Paid to:	PAID TO: (R)	Paid by:	WI	(C)
MINFIN	100.000000000	SEKUR		6.300000000
		PENN WEST PETRO		62.200000000
		STRIKER		28.800000000
		SIGNALTA RESOUR		2.700000000

M00367	PNG	CR	EFF: Mar 03, 1994	0.000	C00209	C	No	WI	Related Contracts
Sub: E	WI		Exp: Mar 02, 1999	0.000	SEKUR			6.300000000	TWP 37 RGE 26 W4M SEC SW 24
ACTIVE	0494030105		Ext: 15	0.000	PENN WEST PETRO			62.200000000	ALL CBM TO BASE MANNVILLE EXCL
	PENN WEST PELT				EMBER			27.000000000	CBM IN VIKING ZONE
	PENN WEST PETRO				STRIKER			1.800000000	
	100.000000000				SIGNALTA RESOUR			2.700000000	
									C00209 C FARMOUT Mar 24, 1997
									Total Rental: 0.00

Report Date: Jul 22, 2015
 Page Number: 14

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report

SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

REPORTED IN ACRES

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int. Type / Use No/Name		Gross				
Mineral Int.	Operator / Payor		Net	DOI Partner(s)			

(cont'd)

Sub:	E	Status	Acres	Net	NProd:	Acres	Net
M00367			0.000	0.000	Undev:	0.000	0.000
		Prod:	0.000	0.000		0.000	0.000
		Dev:	0.000	0.000		0.000	0.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR/OVERRIDING ROYALTY	ALL PRODUCTS	Y	N	100.00000000 % of PROD
Roy Percent: 100.00000000				
Deduction: STANDARD				
Gas: Royalty:				Prod/Sales:
S/S Oil: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Max:				
Min Pay:				
Div:				
Min:				
Paid to: PAIDTO (R)				Paid by: WI (C)
MINFIN	100.000000000			SEKUR
				PENN WEST PEIRO
				EMBER
				STRIKER
				SIGNALTA RESOUR
				6.300000000
				62.200000000
				27.000000000
				1.800000000
				2.700000000

Report Date: Jul 22, 2015
 Page Number: 15
 REPORTED IN ACRES

SEKUR ENERGY MANAGEMENT CORP.
Mineral Property Report
 SIGNALTA

Province: ALBERTA
 Area : THREE HILLS CREEK

File Number	Use Type	Lessor Type	Exposure	Oper Cont	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*	
Area Total:							
	Total Gross:	1,920,000	Total Net:	174,720			
	Prod Gross:	1,760,000	Prod Net:	164,640	NProd Gross:	0.000	NProd Net: 0.000
	Dev Gross:	1,760,000	Dev Net:	164,640	Undev Gross:	0.000	Undev Net: 0.000
Province Total:							
	Total Gross:	1,920,000	Total Net:	174,720			
	Prod Gross:	1,760,000	Prod Net:	164,640	NProd Gross:	0.000	NProd Net: 0.000
	Dev Gross:	1,760,000	Dev Net:	164,640	Undev Gross:	0.000	Undev Net: 0.000
Report Total:							
	Total Gross:	1,920,000	Total Net:	174,720			
	Prod Gross:	1,760,000	Prod Net:	164,640	NProd Gross:	0.000	NProd Net: 0.000
	Dev Gross:	1,760,000	Dev Net:	164,640	Undev Gross:	0.000	Undev Net: 0.000

** End of Report **

SCHEDULE "B"

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

GENERAL CONVEYANCE

This General Conveyance made this • day of August, 2015.

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity (the "**Vendor**")

- and -

SIGNALTA RESOURCES LIMITED, a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Purchaser**")

WHEREAS the Vendor has agreed to sell and convey the Debtor's entire right, title, estate and interest in the Underlying Assets to the Purchaser and the Purchaser has agreed to purchase and accept all of the Debtor's rights, title, estate and interest in and to the Underlying Assets.

THE PARTIES AGREE AS FOLLOWS:

1. Definitions

In this General Conveyance, including the recitals, "Agreement" means the Asset Purchase and Sale Agreement dated August 12, 2015, between the Vendor and the Purchaser and, in addition, the definitions provided for in the Agreement are adopted in this General Conveyance.

2. Conveyance

The Vendor, for the consideration provided for in the Agreement, the receipt and sufficiency of which is acknowledged by the Vendor, hereby sells, assigns, transfers and conveys the Assets to the Purchaser, its successors and assigns, and the Purchaser purchases and accepts such interests from the Vendor, TO HAVE AND TO HOLD the same absolutely, subject to the terms of the Agreement, the Permitted Encumbrances and compliance with the terms of the Leases and all other Title and Operating Documents.

3. Effective Time

This General Conveyance and the transfer of title to and possession of the Debtor's interest in and to the Assets will, subject to the terms of the Agreement, be effective as of the Closing Date.

4. Subordinate Document

This General Conveyance is executed and delivered by the Parties pursuant to the Agreement for the purposes of the provisions of the Agreement, and the terms hereof shall be read on

conjunction with the terms of the Agreement. If there is a conflict between the provisions of the Agreement and this General Conveyance, the provisions of the Agreement shall prevail to the extent of the conflict.

5. Enurement

This General Conveyance enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

6. Further Assurances

Each Party shall, after the date of this General Conveyance, at the request of the other Party and without further consideration, do all further acts and execute and deliver all further documents which are reasonably required to perform and carry out the terms of this General Conveyance.

7. Governing Law

This General Conveyance will be governed by and construed in accordance with the laws in effect in the Province of Alberta.

IN WITNESS WHEREOF the Parties have duly executed this General Conveyance.

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of the property and assets of Sekur Energy Management Corp., and not in its personal capacity

SIGNALTA RESOURCES LIMITED

Per: _____
Name:
Title:

Per: _____
Name: S. Robert Chad
Title: President and COO

Per: _____
Name:
Title:

SCHEDULE "C" - VENDOR'S OFFICER'S CERTIFICATE

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

VENDOR'S OFFICER'S CERTIFICATE

Re: Section 9.2(a) of the Asset Purchase and Sale Agreement ("**Agreement**") dated August 12, 2015, between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, as the Vendor and Signalta Resources Limited as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **[Name]**, **[Title]**, hereby certify that:

1. Each of the representations and warranties of the Vendor contained in Section 8.1 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Vendor, pursuant to Section 9.1 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Vendor and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Purchaser is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate the • day of August, 2015.

Name:

Title:

SCHEDULE "D" - PURCHASER'S OFFICER'S CERTIFICATE

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

Re: Section 9.1(a) of the Asset Purchase and Sale Agreement ("**Agreement**") dated August 12, 2015, between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, as the Vendor and Signalta Resources Limited as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **[Name]**, **[Title]**, hereby certify that:

1. Each of the representations and warranties of the Purchaser contained in Section 8.3 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Purchaser, pursuant to Section 9.2 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Purchaser and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Vendor is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate the ● day of August, 2015.

Name:

Title:

SCHEDULE "E" - FORM OF COURT ORDER

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY
OF CANADA, IN ITS CAPACITY AS
COLLATERAL AGENT FOR
GUGGENHEIM CORPORATE FUNDING,
LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

APPROVAL AND VESTING ORDER
(Sale by Receiver)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 – 7 Avenue SW
Calgary, Alberta T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 695-3558
File No. A128622

Attention: Tom Cumming / Jeff Oliver

DATE ON WHICH ORDER WAS PRONOUNCED: August 12, 2015

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice Horner

UPON THE APPLICATION by Deloitte Restructuring Inc., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the undertaking, property and assets of Sekur Energy Management Corp. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase and sale agreement (the "**Sale Agreement**") between the Receiver and Signalta Resources Limited (the "**Purchaser**") made as of August 12, 2015, which Sale Agreement is appended in redacted form as Exhibit "●" to the Affidavit of Christopher Gillanders, sworn and filed August 6, 2015 in the within proceedings (the "**Initial Affidavit**"), and in unredacted form as Exhibit "A" to the Confidential Affidavit of Christopher Gillanders, sworn and filed August 6, 2015 in the within proceedings (the "**Initial Confidential**

Affidavit”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Purchased Assets (as defined below);

AND UPON HAVING READ the Receivership Order dated August 12, 2015 (the “**Receivership Order**”), the Pre-Filing Report of the Receiver dated August 6, 2015 (the “**Pre-Filing Report**”), the Initial Affidavit, the Initial Confidential Affidavit and the Affidavit of Service of Richard Comstock; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, [**Names of other parties appearing**], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTIONS

2. The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3. Upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form set out in **Schedule “A”** hereto (the “**Receiver’s Certificate**”), all of the Debtor’s right, title and interest in and to the property and assets of the Debtor described as the “**Assets**” in the Sale Agreement and listed on **Schedule “B”** hereto (collectively, the “**Purchased Assets**”) shall vest absolutely in the name of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
 - (c) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances (as defined in the Sale Agreement); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. The Receiver is hereby authorized to execute for and on behalf of the Debtor all conveyances, assignments, transfers, novations, notices of assignment and other documents necessary or desirable in order to convey, assign and transfer title to the Purchased Assets to the Purchaser and to novate the Purchaser into any contracts, licenses, permits, approvals or authorizations included in the Purchased Assets.
5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
6. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
7. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.

8. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
9. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
10. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser.
11. Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* and section 20(e) of the Alberta *Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
12. Notwithstanding:
 - (a) The pendency of these proceedings;
 - (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) Any assignment in bankruptcy made in respect of the Debtor

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

14. 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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
15. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
16. Service of this Order on any party not attending this application is hereby dispensed with.

J.C.C.Q.B.A.

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY OF
CANADA, IN ITS CAPACITY AS
COLLATERAL AGENT FOR GUGGENHEIM
CORPORATE FUNDING, LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

RECEIVER'S CERTIFICATE

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 – 7 Avenue SW
Calgary, Alberta T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 695-3558
File No. A128622

Attention: Tom Cumming / Jeffrey Oliver**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated August 12, 2015, Deloitte Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Sekur Energy Management Corp. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated August 12, 2015, the Court approved the asset purchase and sale agreement made as of August 12, 2015 (the "**Sale Agreement**") between the Receiver and Signalta Resources Limited (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that

the conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

Deloitte Restructuring Inc., in its capacity as Receiver and Manager of the undertaking, property and assets of Sekur Energy Management Corp., and not in its personal capacity

Per:

Name:

Title:

Schedule "B"**Description of Purchased Assets**

The Purchased Assets consist of the Debtor's entire interest in the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests, as such terms are defined in the Sale Agreement, including the following:

Wells

Well Location	Status	Working Int.	ERCB License #
00/12-28-037-25 W4M/0	Gas well	10.5%	0172157
00/01-29-037-25 W4M/0	Gas well	10.5%	0153049
00/06-24-037-26 W4M/0	Gas well	6.3%	0206468
00/07-24-037-26 W4M/0	Gas well	6.3%	0201321

[ADD ADDITIONAL DETAILS FROM MINERAL PROPERTY REPORT SUFFICIENT FOR IDENTIFICATION AND REGISTRATION PURPOSES.]

THIS IS EXHIBIT " L "
to the Affidavit of

Christopher Gillanders

Sworn before me this 7

Day of August, 20 15


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

ASSET PURCHASE AND SALE AGREEMENT

BETWEEN

**DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain
property and assets of Sekur Energy Management Corp.,
and not in its personal capacity**

(the "Vendor")

**TWIN BUTTE ENERGY LTD., a corporation incorporated pursuant to the laws of the
Province of Alberta**

(the "Purchaser")

August 12, 2015

ASSET PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of the 12th day of August 2015

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity ("**Vendor**")

- and -

TWIN BUTTE ENERGY LTD., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Purchaser**")

CONTEXT

- A. The Vendor was appointed as receiver of the Property pursuant to the Receivership Order.
- B. The Vendor wishes to sell the Assets to the Purchaser and the Purchaser wishes to purchase the Assets from the Vendor, all upon and subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, mutual covenants, agreements and warranties in this Agreement, the Parties covenant and agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following capitalized terms have the following meanings:

- (a) "**Abandonment and Reclamation Liabilities**" means all past, present and future obligations and liabilities to:
- (i) abandon the Wells and close, decommission, dismantle and remove all structures, foundations, buildings, pipelines, equipment, tanks and other facilities and Tangibles that are or were located in or on the Lands or lands pooled or unitized therewith or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands or lands pooled or unitized therewith; and
 - (ii) restore, remediate and reclaim any surface and subsurface locations of the lands on which the Wells, structures, foundations, buildings, pipelines, equipment, tanks and other facilities described in Section 1.1(a)(i) are or were located and all lands used to gain access to any of them;

all in accordance with generally accepted industry practices in the province where the Assets are located and in compliance with all Applicable Laws and the Title and Operating Documents.

- (b) **"Acquired Pipelines"** means those pipeline segments listed in Schedule "A" – Part 4.
- (c) **"AER"** means the Alberta Energy Regulator.
- (d) **"AER Deposits"** means any deposits paid by or on behalf of the Debtor to the AER relating to the Assets.
- (e) **"AER Licenses"** means all licenses and authorizations issued by a Governmental Authority in respect of the Wells and any Tangibles licensed to the Vendor, but excludes, without limitation those portions of any licenses relating to pipelines or pipeline segments other than the Acquired Pipelines.
- (f) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership of more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise.
- (g) **"Agreement"** means this Asset Purchase and Sale Agreement including the Schedules attached hereto, as it may be amended, modified, supplemented or restated by written agreement between the Parties.
- (h) **"Applicable Laws"** means, in relation to any Person, asset, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licenses, approvals and authorizations;

which are applicable to such Person, asset, transaction, event or circumstance.

- (i) **"Assets"** means the Debtor's right, title, estate and interest in the Petroleum and Natural Gas Rights, the Miscellaneous Interests and the Tangibles.
- (j) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Alberta, and also excluding any day on which the principal chartered banks or financial institutions located in the City of Calgary are not open for business during normal hours.
- (k) **"Claim"** means any claim, demand, lawsuit, proceeding, arbitration or governmental investigation, in each case, whether asserted, threatened, pending or existing.

- (l) **"Closing"** means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Conveyance Documents and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and consideration required to be delivered on the Closing Date pursuant hereto.
- (m) **"Closing Date"** has the meaning provided in Section 5.1.
- (n) **"Closing Deliveries"** means, collectively, those items or documents to be delivered by Vendor at Closing pursuant to Section 10.1 and those documents to be delivered by Purchaser at Closing pursuant to Section 10.2.
- (o) **"Closing Payment"** has the meaning provided in Section 3.3.
- (p) **"Communication"** means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- (q) **"Confidentiality Agreement"** means the confidentiality agreement between the Debtor and the Purchaser.
- (r) **"Conveyance Documents"** means all conveyances, assignments, transfers, novations, notices of assignment, trust agreements and declarations, subleases, directions to pay and other documents and instruments that are reasonably required desirable in accordance with generally accepted oil and gas industry practice in the province where the Assets are located, to convey, assign and transfer title to the Assets held in the name of the Debtor to the Purchaser and to novate the Purchaser into the contracts, licenses, permits, approvals and authorizations comprised in the Miscellaneous Interests in the place and stead of the Debtor, insofar as such contracts, licenses, permits, approvals and authorizations pertain to the Assets.
- (s) **"Court"** means the Court of Queen's Bench of Alberta;
- (t) **"Court Approval"** means the approval of the Transaction by the Court and the vesting of the Assets in the name of the Purchaser free and clear of any Encumbrances other than the Permitted Encumbrances, substantially in the form of the Order attached hereto as Schedule "E".
- (u) **"Data Room Information"** means all information provided to the Purchaser in electronic form in relation to the Debtor and/or the Assets.
- (v) **"Debtor"** means Sekur Energy Management Corp.
- (w) **"Deposit"** is defined in Section 3.1(b).
- (x) **"Dollar"** and **"\$"** mean a dollar of the lawful money of Canada.
- (y) **"Effective Date"** means August 1, 2015 or such other date as the Parties agree to in writing.
- (z) **"Effective Time"** means 8:00 a.m. on the Closing Date.

- (aa) **"Encumbrance"** means all liens, charges, security interests, royalties, pledges, options, net profit interests, rights of pre-emption, mortgages, adverse claims and other encumbrances on ownership rights of any kind or character or agreements to create the same.
- (bb) **"Environment"** means the components of the earth and includes ambient air, land, surface and sub-surface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning.
- (cc) **"Environmental Law"** means all Applicable Laws respecting the protection of, or the control, remediation or reclamation of contamination or pollution of, the Environment or any part thereof.
- (dd) **"Environmental Liabilities"** means all past, present and future obligations and liabilities of whatsoever nature or kind arising from or relating to, directly or indirectly:
- (i) Environmental Matters;
 - (ii) past, present and future non-compliance with, violation of or liability under Environmental Laws applicable to or otherwise involving the Assets; or
 - (iii) Abandonment and Reclamation Liabilities,
- whenever occurring or arising, but shall not include any such matters or similar matters relating to the Excluded Wells or the Excluded Tangibles.
- (ee) **"Environmental Matters"** means any activity, event or circumstance in respect of or relating to:
- (i) the storage, use, holding, collection, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling, transportation or Release of Hazardous Substances;
 - (ii) the protection of the Environment; or
 - (iii) pollution, reclamation, remediation or restoration of the Environment;
- in each case relating to the Lands or the Assets or that has or have arisen or hereafter arise from or in respect of past, present or future Operations, activities or omissions in or on the Lands or in respect of or otherwise involving the Assets, including obligations to compensate Third Parties for Losses and Liabilities.
- (ff) **"Escrow Agent"** means the solicitors for the Vendor.
- (gg) **"Facilities"** means the facilities set out in Schedule "A" – Part 3.
- (hh) **"Final Statement of Adjustments"** has the meaning provided in Section 4.2(a).
- (ii) **"GAAP"** means generally accepted accounting principles and practices in Canada.

- (jj) "**General Conveyance**" means the general conveyance in the form attached as Schedule "C".
- (kk) "**Government Authority**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction.
- (ll) "**GST**" the goods and services tax required to be paid pursuant to the *Excise Tax Act* (Canada) and in accordance with Section 3.4(a).
- (mm) "**Hazardous Substances**" means hazardous or toxic substances, hazardous wastes, radioactive substances, asbestos, dangerous goods and Petroleum Substances, including any and all substances and wastes regulated under Environmental Law.
- (nn) "**Insider**" has the meaning given to that term in the *Securities Act* (Alberta).
- (oo) "**Land Schedule**" means Schedule "A" attached hereto.
- (pp) "**Lands**" means the entire interest of Debtor in and to the lands set forth and described in the Land Schedule, and includes (i) unless the context otherwise requires, the surface of such lands and (ii) the Petroleum Substances within, upon or under such lands, together with the rights to drill for, explore for, win, take, own or remove same, insofar as the same are granted by the Leases to such lands.
- (qq) "**Leases**" means the leases, reservations, permits, licenses or other documents of title set forth and described in the Land Schedule by virtue of which the holder thereof is entitled to drill for, explore for, mine, win, take, own or remove Petroleum Substances underlying the Lands, and include, if applicable, all renewals and extensions of such documents and all documents issued in substitution therefore.
- (rr) "**Losses and Liabilities**" means, in relation to a matter, any and all:
 - (i) losses, costs, damages, expenses and charges (including all penalties, assessments and fines) which the Vendor suffers, sustains, pays or incurs, directly or indirectly, in connection with such matter and includes costs of legal counsel (on a full indemnity basis) and other professional advisors and reasonable costs of investigating and defending Claims arising from the matter, regardless of whether such Claims are sustained and includes taxes payable on any settlement payment or damage award in respect of such matter; and
 - (ii) liabilities and obligations (whether under common law, in equity, under Applicable Law or otherwise; whether tortious, contractual, vicarious, statutory or otherwise; whether absolute or contingent; and whether based on fault, strict liability or otherwise) which the Vendor suffers, sustains, pays or incurs as a result of or in connection with such matter;

but excluding indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by the Vendor, but including any such indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by a Third Party entitled to recovery or indemnification from the Vendor.

- (ss) "**Miscellaneous Interests**" means all of the right, title, interest and estate of the Debtor in and to all property, assets and rights, whether contingent or absolute, legal or beneficial, present or future, vested or not (other than the Petroleum and Natural Gas Rights), to the extent relating to the Petroleum and Natural Gas Rights, the Lands or the Tangibles, including the following property, rights and assets:
- (i) all contracts, agreements, books, records, files, maps and documents to the extent that they relate to the Petroleum and Natural Gas Rights, the Lands or the Tangibles, including the Title and Operating Documents and any rights of the Debtor in relation thereto;
 - (ii) all other land records or similar data contained on hard drives or other computer devices or networks;
 - (iii) the Surface Interests;
 - (iv) geological, geochemical and mineralogical data, reports and findings and archive samples, and all core or liquid samples and cuttings;
 - (v) seismic data, to the extent relating solely and directly to the Lands, including, without limitation, the Proprietary Seismic;
 - (vi) all engineering information, to the extent relating solely and directly to the Petroleum and Natural Gas Rights, the Lands, and the Tangibles which the Debtor either has in its custody or to which the Debtor has access, excluding any such information which is subject to confidentiality restrictions;
 - (vii) all permits, licenses, approvals and other authorizations, crossing privileges and other subsisting rights to carry out operations on the Lands and any lands upon which the Tangibles are located, including well and pipeline licenses and other permits and authorizations relating to the Petroleum and Natural Gas Rights or the Tangibles, and
 - (viii) the Wells, including the entire wellbores and casings.
- (tt) "**Operations**" means any and all work, activities and operations of any kind whatsoever conducted on or with respect to the Assets.
- (uu) "**Party**" means the Vendor or the Purchaser, and "**Parties**" means the Vendor and the Purchaser.
- (vv) "**Permitted Encumbrances**" means, as of a particular time, any of the following:
- (i) easements, rights of way, servitudes, permits, licenses and other similar rights in land, including rights of way and servitudes for highways and other

roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cable;

- (ii) the right reserved to or vested in any Government Authority by the terms of any Title and Operating Document, lease, license, franchise, grant or permit or by any Applicable Law, to terminate any such Title and Operating Document, lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (iii) the right reserved to or vested in any Government Authority to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;
- (iv) rights reserved to or vested in any Government Authority to control or regulate any of the Assets in any manner;
- (v) liens granted in the ordinary course of business to a public utility or Government Authority in connection with operations on or in respect of the Lands;
- (vi) the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;
- (vii) all royalty burdens, liens, adverse claims, penalties, conversions and other Encumbrances identified in the Land Schedule;
- (viii) the terms and condition of the Leases and the Title and Operating Documents; and
- (ix) any other circumstance, matter or thing disclosed in any Schedule hereto;

provided that the following items must be identified in a Schedule to qualify as a Permitted Encumbrance: (A) any overriding royalty, net profits, ROFRs or other similar encumbrance applicable to the Petroleum and Natural Gas Rights for which Purchaser will assume the obligation for payment; (B) any existing potential alteration of the Debtor's interests in the Assets because of a payout conversion or farmin, farmout or other similar agreement; and (C) any Encumbrance which would not be a Permitted Encumbrance under the preceding paragraphs of this definition.

- (ww) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Government Authority or other entity.
- (xx) "**Petroleum and Natural Gas Rights**" means all of the right, title, estate and interest, whether absolute or contingent, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of the Debtor in and to the Lands and the Leases, subject in all events to the Permitted Encumbrances.

- (yy) **"Petroleum Substances"** means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to or produced in conjunction with any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur and hydrogen sulphide.
- (zz) **"Place of Closing"** means the offices of Gowlings Lafleur Henderson LLP, 1600, 421 7th Avenue SW, Calgary, Alberta, or as otherwise agreed to in writing by the Parties.
- (aaa) **"Prime Rate"** means the rate of interest (expressed as a rate per annum) used by the main branch Royal Bank of Canada in Calgary, Alberta from time to time as the reference rate used in determining the rates of interest payable on Canadian dollar commercial demand loans made by such bank in Canada and which is announced by such bank, from time to time, as its "prime rate".
- (bbb) **"Property"** has the meaning given to it in the Receivership Order.
- (ccc) **"Purchase Price"** has the meaning given in Section 3.1(a).
- (ddd) **"Receivership Order"** means the order issued by the Court in the Receivership Proceedings on August 12, 2015, as amended, modified or supplemented from time to time.
- (eee) **"Receivership Proceedings"** means the means the proceedings before the Court and identified as Court File No. ●.
- (fff) **"Release"** means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration of a Hazardous Substance into or through the Environment or into or out of any lands, including the movement of a Hazardous Substance through or in any part of the Environment.
- (ggg) **"Representatives"** means, with, respect to any Person, its Affiliates, and the respective directors, officers, servants, agents, advisors, employees, consultants and representatives of that Party and its Affiliates.
- (hhh) **"Right of First Refusal"** or **"ROFR"** means a right of first refusal, pre-emptive right of purchase or similar right whereby any Third Party has the right to acquire or purchase any of the Assets as a consequence of the Parties entering into this Agreement or the Transaction.
- (iii) **"Surface Interests"** means all right, title, interest and estate of the Debtor to enter upon, use, occupy and enjoy the surface of the Lands and any lands upon which the Wells or the Tangibles are located and any lands used to gain access thereto, in each case, for purposes related to the use or ownership of the Petroleum and Natural Gas Rights, the Tangibles or the Wells or Operations, whether the same are held by right of way, or otherwise.
- (jjj) **"Tangibles"** means all right, title, interest and estate of the Debtor, whether absolute or contingent, legal or beneficial, present or future, vested or not, in and to the Facilities, the Acquired Pipelines and the tangible depreciable property and assets

located within or upon the Lands or lands pooled or unitized therewith, but only to the extent such tangible depreciable property and assets are used or are intended to be used to produce, process, gather, treat, measure, or make marketable Petroleum Substances from the Wells.

- (kkk) **"Third Party"** means any Person other than the Parties or their Representatives.
- (lll) **"Title and Operating Documents"** means all agreements, contracts, instruments and other documents that govern the ownership, operation or use of the Assets or relate to Permitted Encumbrances, including (i) the Leases and other agreements and instruments pursuant to which the Petroleum and Natural Gas Rights were issued, granted or created, (ii) permits, licenses, approvals and authorizations, (iii) operating agreements, unit agreements, production allocation agreements, trust declarations, participation agreements, joint venture agreements, farmin agreements, farmout agreements and royalty agreements, (iv) agreements that create or relate to Surface Interests, (v) agreements for the construction, ownership and/or operation of the Tangibles, (vi) trust declarations and other documents and instruments that evidence the Debtor's interests in the Assets; and (vii) trust declarations pursuant to which the Debtor holds interests in the Lands in trust for other Persons.
- (mmm) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement.
- (nnn) **"Vendor Consents"** has the meaning provided in Section 8.1.
- (ooo) **"Vendor Entity"** means the Vendor and its Representatives, and each of their respective successors and assigns.
- (ppp) **"Wells"** means only those wells set out in Part 2 of Schedule "A".

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) the headings in this Agreement are inserted for convenience of reference only and shall not affect the meaning, interpretation or construction of this Agreement;
- (b) all documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict;
- (c) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, and all amendments made thereto and in force at the date hereof;
- (d) whenever the singular or masculine or neuter is used in this Agreement, the same shall be construed as meaning plural or feminine or referring to a body politic or corporate, and *vice versa*, as the context requires;

- (e) the words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;
- (f) reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;
- (g) if any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict;
- (h) "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.3 Schedules

The following schedules are attached to and form part of this Agreement:

Schedule "A"	Land Schedule
- Part 1	Lands, Leases and Petroleum and Natural Gas Rights
- Part 2	Wells
- Part 3	Facilities
- Part 4	Acquired Pipelines
Schedule "B"	Form of General Conveyance
Schedule "C"	Form of Vendor's Officer's Certificate
Schedule "D"	Form of Purchaser's Officer's Certificate
Schedule "E"	Form of Court Approval Order

1.4 Interpretation If Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

1.5 Knowledge or Awareness

References to a Party's knowledge or awareness and similar references contained in Sections 8.1 and 8.3 mean the actual knowledge or awareness, as the case may be, of the officers of such Party who are primarily responsible for the matters in question, and does not include knowledge and awareness of any other Person or any constructive or imputed knowledge. A Party shall not have any obligation to make inquiry of any Person or the files and records of any Person or of any Government Authority in connection with any representations and warranties contained herein that are made to its knowledge, information, belief or awareness.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign, transfer, convey and set over to the Purchaser, and the Purchaser agrees to purchase and accept the Asset's from the Vendor at and for the Purchase Price.

2.2 Transfer of Assets

Provided that Closing occurs, and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

ARTICLE 3 PURCHASE PRICE AND PAYMENT

3.1 Purchase Price

- (a) The purchase price to be paid by the Purchaser to the Vendor for the Assets shall be [REDACTED], subject to adjustment only as set forth in Section 4.1 (the "Purchase Price").
- (b) The Vendor acknowledges receipt of a deposit in the amount of [REDACTED] (the "Deposit"), which shall be held in trust by the Vendor and shall be releasable in accordance with this Agreement.
- (c) If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be retained by the Vendor and credited against the Purchase Price in partial satisfaction of the Purchaser's obligation to pay the Purchase Price on or before Closing.
- (d) If Closing does not occur:
 - (i) due to the conditions precedent in favour of the Purchaser set forth in Section 9.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Deposit received by the Vendor shall be returned by the Vendor to the Purchaser, this Agreement shall thereupon terminate, and each Party shall be released from all obligations and liabilities under or in connection with this Agreement; or
 - (ii) for any reason other than the conditions precedent in favour of the Purchaser set forth in Section 9.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Vendor shall be entitled to the Deposit, the Deposit shall be forfeited to the Vendor, and the Vendor shall be entitled to terminate this.
- (e) The Purchaser and the Vendor hereby acknowledge and agree that, should Closing not occur for any reason provided in Section 3.1(d)(ii), the Vendor will suffer and incur damages that cannot be precisely calculated, and will therefore be entitled to retain the Deposit pursuant to Section 3.1(d)(ii) as liquidated damages, and not as a penalty, the Deposit being a genuine pre-estimate of the damages that will be suffered by the Vendor as contemplated by this Section 3.1(e).

3.2 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- (a) to the Miscellaneous Interests \$ [REDACTED]

- (b) to the Tangibles \$ [REDACTED]
- (c) Petroleum and Natural Gas Rights [REDACTED] Balance of Purchase Price (\$ [REDACTED])

3.3 Closing Payment

The Purchaser shall pay to the Vendor at Closing, by certified cheque, bank draft or electronic wire transfer: (i) the Purchase Price (less the Deposit; (ii) plus or minus any adjustments pursuant to article 4 ; (iii) plus any taxes and fees (including GST) payable under Section 3.4 (the "Closing Payment").

3.4 Taxes and Fees

- (a) The Purchase Price does not include GST. At Closing, the Purchaser shall pay to the Vendor an amount equal to the statutory rate of GST on the portion of the Purchase Price allocated to Tangibles and Miscellaneous Interests pursuant to Section 3.2 and on the amount attributable to any other Assets or expenses to which GST may apply. The Purchaser shall be liable for the payment and remittance of any additional amount of GST payable in respect of the purchase of the Assets pursuant hereto, including any interest, penalties, or any other costs payable in respect of such additional GST, and shall indemnify and save harmless the Vendor in respect thereof. The GST Registration Number of the Vendor is 805424454 RT0001. The GST Registration Number of the Purchaser is 885257741RT0001.
- (b) The Purchaser shall also be liable for and shall pay any and all transfer taxes, federal or provincial sales taxes and all other taxes, duties or other similar charges properly payable upon and in connection with the conveyance and transfer of the Assets by the Vendor to the Purchaser and the Purchaser shall be responsible for all recording charges and registration fees payable in connection therewith.

ARTICLE 4 ADJUSTMENTS

4.1 Adjustments

- (a) All costs and revenues accruing, payable, paid, received or receivable in respect of the Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time on the Effective Date, on and subject to the following:
 - (i) except as otherwise provided in this Section 4.1, costs and revenues shall accrue in accordance with GAAP;
 - (ii) all such costs and revenues accruing up to the Effective Time on the Effective Date shall be for the Vendor's account and all costs and revenues accruing after the Effective Time on the Effective Date shall be for the Purchaser's account;

- (iii) all costs of whatever nature pertaining to work performed or goods or services provided with respect to the Assets prior to the Effective Time on the Effective Date shall be borne by the Vendor, notwithstanding that such costs may be payable in whole or in part after the Effective Time on the Effective Date and all costs of whatever nature pertaining to work performed or goods or services provided with respect to the Assets after the Effective Time on the Effective Date shall be borne by the Purchaser;
 - (iv) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a *per diem* basis as of the Effective Time on the Effective Date; and
 - (v) there shall not be any adjustment on account of municipal property or income taxes.
- (b) The effective time and date for income tax purposes shall be the Effective Time on the Effective Date.
 - (c) Notwithstanding the foregoing, the Vendor shall not be required to provide a credit at Closing for any benefits accruing to the Purchaser after the Effective Time on the Effective Date but not actually received by the Vendor at least three (3) Business Days prior to the Closing, but shall include all such amounts in the Final Statement of Adjustments.
 - (d) All adjustments to be made pursuant to this Section 4.1 shall be allocated to the Petroleum and Natural Gas Rights.

4.2 **Statement of Adjustments**

- (a) The Vendor shall carry out a final accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made for the Transaction (the "**Final Statement of Adjustments**"). The Final Statement of Adjustments shall be binding and conclusive on the Parties.
- (b) Nothing in this Agreement shall restrict or otherwise interfere with the audit rights which the Vendor may have under any of the agreements pertaining to the Assets for the period prior to the Effective Time on the Effective Date, it being the intention of the Parties that any adjustments occurring as a result of the exercise of such audit rights by the Vendor shall be for the account of the Vendor. For the purposes hereof, the expression "audit rights" shall include the right to include an audit or to participate in or receive the benefits from such an audit.

ARTICLE 5 CLOSING

5.1 **Closing**

The Closing of the Transaction shall take place at the Place of Closing or such other place as the Parties may agree on the later of:

- (a) the second Business Day following the day Court Approval is obtained; or

- (b) on such other Business Day as the Parties may agree in writing; and
 - (c) in no event shall Closing occur later than October 12, 2015.
- (the "**Closing Date**").

5.2 Escrow

- (a) The Closing Deliveries will be delivered and held in escrow until all of the AER Licenses have been transferred to and registered in the name of Purchaser.
- (b) The Escrow Agent shall maintain possession of the Closing Deliveries and shall not release any of the Closing Deliveries to either Party until all AER Licenses have been transferred to and registered in the name of Purchaser.
- (c) If the escrow conditions set forth in Section 5.2(a) are not satisfied within ten (10) business day of the Closing Date, then, unless Purchaser agrees in writing to waive the foregoing requirements, Closing will be deemed to have not occurred, the Escrow Agent will return all Closing Deliveries to the Party who made such Closing Deliveries and this Agreement will be deemed to have terminated and the Parties will be released from liability or obligation hereunder except as provided in Section 13.2 and the Purchase Price and Deposit shall be refunded to Purchaser.

ARTICLE 6 INTERIM PROVISIONS

6.1 Restrictions on Conduct of Business

The Vendor shall not, between the date of this Agreement and the Closing Date, without the written consent of the Purchaser, which consent will not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure out of the ordinary course of business with respect to the Assets, of which the Debtor's share is in excess of Twenty Five Thousand Dollars (\$25,000.00), except in the case of an emergency or as may be reasonably necessary to protect or ensure life and safety or to preserve the Assets or title to the Assets (including Lease rental payments) or in respect of amounts which the Vendor may be committed to expend or be deemed to authorize for expenditure without its consent;
- (b) other than in the ordinary course of business, materially amend or terminate any agreement or instrument relating to the Assets or enter into any new agreement or commitment relating to the Assets, except as may be reasonably necessary to protect or ensure life and safety or to preserve the Assets or title to the Assets;
- (c) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (d) sell, encumber or otherwise dispose of any of the Assets or any interest therein except the sale of materials and supplies no longer required in connection with the

Assets, and excepting sales of Petroleum Substances in the ordinary course of business.

- (e) exercise any right or option of the Debtor relative to or arising as a result of the ownership of the Assets.

6.2 Following Closing

- (a) Following Closing, Vendor shall hold title to the Assets (other than the Discharged Interests) in trust for Purchaser, as bare legal trustee, until all necessary notifications, registrations and other steps required to transfer such title to Purchaser have been completed and, in furtherance thereof:

- (i) the Vendor shall forward all statements, notices and other information received by it pursuant to Title and Operating Document to Purchaser promptly following its receipt thereof; and

- (ii) the Vendor shall forward to other parties to the Title and Operating Documents such notices and elections pursuant to such Title and Operating Documents as Purchaser may reasonably request;

provided that the Vendor shall not be required to initiate or conduct Operations in relation to the Assets.

- (b) Purchaser shall indemnify and save and hold harmless the Vendor Entity from and against all Losses and Liabilities arising as a consequence of the provisions of this Section 6.2, except to the extent caused by the gross negligence or wilful misconduct of the Vendor Entity. Acts or omissions taken by the Vendor Entity on the instructions of, or with the approval or concurrence of Purchaser shall not constitute gross negligence or wilful misconduct.

ARTICLE 7 ACCESS TO INFORMATION AND RECORDS

7.1 Technical and Operating Information

The Vendor shall, upon request and subject to contractual restrictions relating to disclosure, make available all technical data relating to the Assets (including drilling reports, well files and production records, but excluding data and information which are subject to confidentiality restrictions prohibiting their disclosure) as are in the possession of the Vendor or the Debtor for such inspection as the Purchaser reasonably requires in connection herewith.

7.2 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any abatement or reduction in the Purchase Price as a result of, arising from or in connection with any deficiency or allegation of deficiency in respect of the Assets, including, without limitation, any environmental liability or deficiency or title deficiency, whether identified in connection with the Purchaser's right to information as provided by Section 7.1 or otherwise.

7.3 Access to Records

The Vendor may, at its sole expense, for a period of two (2) years after Closing, obtain from the Purchaser copies or photocopies of any Title and Operating Documents, correspondence, documents or reports which were delivered to the Purchaser at Closing and which the Vendor requires to the extent the Purchaser is in possession or control thereof.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

8.1 Vendor's Representations and Warranties

Except to the extent otherwise disclosed in the Data Room Information, to the Purchaser in writing prior to the date of this Agreement, or in any Schedule to this Agreement, the Vendor hereby represents and warrants to the Purchaser that:

- (a) it has been appointed by the Court as receiver of the Assets and such appointment is valid and subsists;
- (b) it has good right, full power and absolute authority to sell, assign, transfer, convey and set over the interest of the Debtor in and to the Assets, subject to the terms and conditions of the Receivership Order and the Court Approval;
- (c) it has not previously sold, assigned transferred, conveyed set over or granted an Encumbrance in the Assets (other than pursuant to the receiver certificates issued from time to time by Vendor, each of which shall be released and discharged at Closing);
- (d) It is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

8.2 No Additional Representations and Warranties by the Vendor

- (a) Notwithstanding anything to the contrary in this Agreement, the Vendor makes no representations or warranties except as expressly set forth in Section 8.1 and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and shall not be liable for any representation or warranty express or implied, of any kind, at law or in equity, which may have been made or alleged to be made in any instrument or document relative hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, in connection with the Assets or in relation to the Transaction. For greater certainty, the Vendor does not make any representation or warranty, express or implied, of any kind, at law or in equity, with respect to:
 - (i) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, in connection with the Assets;
 - (ii) the quality, quantity or recoverability of any Petroleum Substances with or under the Lands;

- (iii) the value of the Assets or any estimates of prices or future cash flows arising from the sale of any Petroleum Substances produced from or allocated to the Assets or the Lands or any estimates of other revenues or expenses attributable to the Assets;
- (iv) the availability or continued availability of facilities, services or markets for the processing, transportation or sale of any Petroleum Substances;
- (v) the quality, condition, fitness, suitability, serviceability or merchantability of any of the Tangibles; or
- (vi) the title of the Debtor to the Assets.

The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Assets and it has not relied on advice from the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, with respect to the matters specifically enumerated in the immediately preceding paragraphs in connection with the purchase of the Assets pursuant hereto. The Purchaser further acknowledges and agrees that it is acquiring the Assets on an "as is, where is" basis. The Purchaser acknowledges and agrees that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Purchaser has had a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as such access could reasonably be provided) and that the Purchaser is not relying upon any representation or warranty of the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, as to the condition, environmental or otherwise, of the Assets, except as expressly contained in Section 8.1 of this Agreement.

- (b) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all equitable, common law, tort, contractual and statutory rights and remedies) against the Vendor, any Vendor Entity, the Sale Agent, the Financial Advisor or any of their Representatives, or the Debtor or its Representatives, in respect of the Assets or the Transaction or any representations or statements made, direct or indirect, express or implied, or information or data furnished to the Purchaser or its Representatives, in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

8.3 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is and at the Closing Date shall continue to be a valid and subsisting corporation under the laws of its jurisdiction of registration and is authorized to carry on business in the jurisdiction where the Assets are located;
- (b) except for the Court Approval, it has taken all action and has full power and authority to enter into this Agreement and the other documents and agreements executed and delivered hereunder and it has taken all necessary action to consummate the

Transaction and to perform its obligations hereunder and the other documents and agreements executed and delivered hereunder;

- (c) provided the Court Approval is obtained, this Agreement has been, and all documents and agreements to be executed and delivered by it at Closing pursuant to this Agreement shall be, duly executed and delivered by it, and upon execution by the Vendor and it, this Agreement constitutes, and all documents and agreements required to be executed and delivered by it at Closing will constitute legal, valid and binding obligations of it enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditor's rights generally and the discretionary nature of equitable remedies and defences;
- (d) to its knowledge after due inquiry, and provided that Court Approval is obtained, no authorization or approval or other action by, and no notice to or filing with, any Government Authority exercising jurisdiction over the Assets is required by it or on its behalf for the due execution and delivery of this Agreement;
- (e) provided the Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which it is bound or any judgment, law, decree, order or ruling applicable to it;
- (f) it has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Transaction for which the Vendor or the Debtor shall have any obligations or liability;
- (g) it has not received notice of any Claims in existence, contemplated, pending or threatened against it seeking to prevent the consummation of the Transaction;
- (h) it is acquiring the Assets in its capacity as a principal and is not purchasing the Assets for the purpose of resale or distribution to a Third Party;
- (i) it has sufficient funds available to it to enable it to pay in full the Purchase Price to the Vendor as herein provided and otherwise to fully perform its obligations under this Agreement; and
- (j) to the Purchaser's knowledge, having made due enquiry, no Insider of the Purchaser is also an Insider of the Vendor or the Debtor.

8.4 Enforcement of Representations and Warranties

- (a) Notwithstanding anything to the contrary herein expressed or implied and notwithstanding the Closing or deliveries of covenants and/or representations and warranties in any other agreements at Closing or prior or subsequent thereto, the representations and warranties set forth in Sections 8.1 and 8.3 hereof shall survive Closing for the benefit of the Purchaser and the Vendor respectively, provided that no Claim in respect of such representations and warranties shall be made or be enforceable unless written notice of such Claim is given by the claimant to the other Parties within twelve (12) months of the Closing Date. Effective on the expiry of such twelve (12) month period, each Party hereby releases and forever discharges

the other Parties from any breach of any representations and warranties set forth in Sections 8.1 and 8.3 hereof except in respect of those Claims in which notice has been given in accordance with this Section 8.4. No Claim shall be made a Party in respect of the representations and warranties in this Agreement made by the other Parties except pursuant to and in accordance with this Section 8.4.

- (b) There shall not be any merger of any covenant, representation or warranty in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.
- (c) The representations and warranties of the Vendor and the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Purchaser or the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

ARTICLE 9 CONDITIONS PRECEDENT TO CLOSING

9.1 Vendor's Closing Conditions

The obligation of the Vendor to complete the sale of the Assets pursuant to this Agreement is subject to the satisfaction at or prior to the Closing Date of the following conditions precedent:

- (a) **Representations and Warranties True:** all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects on the Closing Date, and the Vendor shall have received a certificate from an officer of the Purchaser substantially in the form attached hereto as Schedule "D" dated as of the Closing Date;
- (b) **Purchaser's Obligations:** the Purchaser shall have, in all material respects, timely performed and satisfied all obligations required by this Agreement to be performed and satisfied by the Purchaser on or prior to the Closing Date;
- (c) **Payment:** the Purchaser shall have tendered the Closing Payment to the Vendor in the manner provided in this Agreement;
- (d) **Conveyance Documents:** the Purchaser shall have executed and delivered to the Vendor all Conveyance Documents required under Section 11.1(a) and the General Conveyance;
- (e) **No Injunction:** there will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction;
- (f) **Restrictions:** all necessary governmental and other regulatory approvals to the sale of the Assets that are required prior to Closing shall have been obtained without conditions;
- (g) **Court Approval:** the Court Approval shall have been obtained; and
- (h) **AER Approval:** the AER will have confirmed that it will accept and process the transfer to Purchaser of all AER Licenses subject only to the payment by Purchaser

to the AER of security deposits relating to Purchaser's licensee liability rating in respect of the AER Licenses and not that of the Debtor.

The foregoing conditions shall be for the benefit of the Vendor and may, without prejudice to any of the rights of the Vendor hereunder excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived, be waived by it in writing, in whole or in part, at any time, provided that the Vendor is not entitled to waive the Court Approval condition contained in Section 9.1(g). The Vendor shall proceed diligently and in good faith and use all reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions in case any of the said conditions shall not be complied with, or waived by the Vendor, at or before the Closing Date, the Vendor may terminate this Agreement by written notice to the Purchaser.

9.2 Purchaser's Closing Conditions

The obligation of the Purchaser to complete the purchase of the Assets pursuant to this Agreement is subject to the satisfaction, at or prior to the Closing Date, of the following conditions precedent:

- (a) **Representations and Warranties True:** all representations and warranties of the Vendor contained in this Agreement shall be true in all material respects on the Closing Date, and the Purchaser shall have received a certificate from an officer of the Vendor substantially in the form attached hereto as Schedule "C" dated as of the Closing Date;
- (b) **Vendor's Obligations:** the Vendor shall have, in all material respects, timely performed and satisfied all obligations required by this Agreement to be performed and satisfied by the Vendor on or prior to the Closing Date;
- (c) **Conveyance Documents:** the Vendor shall have executed and delivered to the Purchaser all Conveyance Documents required under Section 11.1(a) and the General Conveyance;
- (d) **Restrictions:** all necessary governmental and other regulatory approvals to the sale of the Assets that are required prior to Closing shall have been obtained without conditions;
- (e) **No Injunction:** there will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction;
- (f) **AER Approval:** Purchaser shall have received confirmation from the AER, in a form satisfactory to Purchaser acting reasonably, that the AER will accept and process the transfer to Purchaser of all AER Licenses subject only to the payment by Purchaser to the AER of security deposits relating to Purchaser's licensee liability rating in respect of the AER Licenses and not that of the Debtor;
- (g) **Court Approval:** the Court Approval shall have been obtained and a certified copy delivered to Purchaser in a format satisfactory to Purchaser at least one (1) day before the Closing Date; and
- (h) **Adverse Damage:** from the Effective Date to the Closing Date, the Assets shall, to the best of the Vendor's knowledge, have suffered no material, adverse damage or

change, and a Certificate to that effect shall have been delivered by Vendor to Purchaser at Closing;

The foregoing conditions shall be for the benefit of the Purchaser and may, without prejudice to any of the rights of the Purchaser hereunder (excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived), be waived by it by notice to the Vendor in writing, in whole or in part, at any time, provided that the Purchaser is not entitled to waive the Court Approval condition contained in Section 9.2(g). The Purchaser shall proceed diligently and in good faith and use all reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions. In case any of the said conditions shall not be complied with, or waived by the Purchaser at or before the Closing Date, the Purchaser may terminate this Agreement by written notice to the Vendor.

9.3 Parties to Exercise Diligence and Good Faith with respect to Conditions

Each Party covenants to the other that it will proceed diligently, honestly, and in good faith, and use commercially reasonable efforts with respect to all matters within its reasonable control to satisfy its respective conditions in Sections 9.1 and 9.2.

ARTICLE 10 CLOSING DELIVERIES

10.1 Vendor Closing Deliveries

At Closing, the Vendor shall table the following:

- (a) a certified copy of the Court Approval;
- (b) a copy of the Interim Statement of Adjustments;
- (c) a certificate of the Vendor substantially in the form attached hereto as Schedule "C" dated as of the Closing Date;
- (d) a receipt for the Closing Payment;
- (e) the General Conveyance, fully executed by the Vendor; and
- (f) the Conveyance Documents, to the extent prepared on or by the Closing Date in accordance with Section 11.1(a).

10.2 Purchaser's Closing Deliveries

At Closing, Purchaser shall table the following:

- (a) the Closing Payment;
- (b) a certificate of a senior officer of Purchaser substantially in the form attached hereto as Schedule "D" dated as of the Closing Date; and
- (c) the General Conveyance, fully executed by Purchaser.

10.3 Deliveries

Vendor shall deliver or cause to be delivered to Purchaser within five (5) Business Days following Closing, the original copies of the Title and Operating Documents and any other agreements and documents in its possession related to the Assets and the original copies of contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests which are now in the possession of Vendor. Notwithstanding the foregoing, if and to the extent such contracts, agreements, records, books, documents, licenses, reports and data also pertain to interests other than the Assets, at Vendor's expense, photocopies or other copies may be provided to Purchaser in lieu of original copies.

ARTICLE 11 CONVEYANCES AND TRANSFER

11.1 Conveyances

- (a) The Vendor shall provide at the Closing Date the Conveyance Documents, but no such documents shall require the Vendor to assume or incur any obligation, or to provide any representation or warranty, beyond that contained in this Agreement. The Purchaser shall execute and promptly return to the Vendor at least one copy of each such document and shall use all reasonable efforts to obtain timely execution and return of such documents by Third Parties wherever required. Notwithstanding the foregoing, the Parties agree that any assignments in the form of electronic transfers, including the AER License transfers, shall be completed and submitted at Closing.
- (b) The Vendor shall promptly register in the applicable registry all registrable transfers and conveyances of its interests in the Assets and the Vendor shall make application to all applicable Government Authorities to change the recorded name of the licensee of the Wells and Tangibles. All costs incurred in registering any transfers and conveyances inclusive of well license transfers, and all costs of registering any further assurances required to convey the Assets, shall be borne by the Purchaser.

11.2 License and Authorization Transfers

- (a) At least five (5) Business Days prior to the Closing Date, the Purchaser shall communicate with the relevant Government Authority to determine all conditions and deposits which the relevant Government Authority will require in order for the relevant Government Authority to approve the transfer by the Vendor to the Purchaser of any and all AER Licenses, and shall advise the Vendor in writing of such conditions and required deposits. In such case, forthwith after Closing, the Purchaser shall satisfy the deposit requirements of the relevant Government Authority in order to approve any of those license and authorization transfers to the Purchaser. The Purchaser further covenants to comply with all conditions imposed by the relevant Government Authority in respect of such transfers.
- (b) Prior to Closing, the Vendor shall have prepared and, at Closing, will electronically submit an application to the relevant Government Authority for the transfer of any

Wells and any Tangibles held in the name of the Debtor and the Purchaser shall promptly accept and concur to such electronic transfer.

- (c) Should the relevant Government Authority deny any license transfer because of misdescription or other minor deficiencies in the application, the Vendor shall, within two (2) Business Days, correct the application and amend and re-submit an application for the license transfers and the Purchaser shall electronically ratify and sign such application.
- (d) After Closing, whether or not the Purchaser requested prior determination of the relevant Government Authority transfer conditions under Section 11.2, if for any reason the relevant Government Authority requires a Party to make a deposit in order to approve the license or authorization transfer, such Party shall and covenants to immediately make such deposit.
- (e) If the required Party fails to make a deposit it is required to make under Section 11.2(d) within ten (10) days of such Party's receipt of notification from the relevant Government Authority that such deposit is required, the other Party shall have the right, but not the obligation, to make such deposit. In such event, the required Party shall reimburse such other Party for the amount of such deposit plus interest thereon at the Prime Rate plus two percent (2%) per annum from the date such other Party paid the deposit until such reimbursement is made. In addition to all other rights to enforce such reimbursement otherwise available to the Party making payment as set out above, it shall have the right to set off the amount of such reimbursement (including interest) against other monies due to the required Party.
- (f) Each Party hereby appoints the other Party as its agent with regard to the payment referred to in Section 11.2(e), it being agreed however that the appointed Party shall not have any obligation to make such security deposits on behalf of the appointing Party.

ARTICLE 12 LIABILITIES AND INDEMNITIES

12.1 General Indemnity

If Closing occurs, the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:

- (a) assume, perform, pay, discharge and be liable to the Vendor for; and
- (b) as a separate covenant, save and hold harmless and indemnify the Vendor and each other Vendor Entity from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time on the Effective Date and which relate to the Assets or the terms and conditions of the Title and Operating Documents, including but not limited to all Losses and Liabilities attributable to the operation, ownership, use, construction or maintenance of the Assets arising or accruing on or after the Effective Time on the Effective Date. The Purchaser's indemnity obligation set forth in this Section 13.1 shall survive the Closing Date indefinitely.

12.2 Environmental Indemnity

- (a) The Purchaser acknowledges that it:
- (i) is familiar with the condition of the Assets, including the past and present use of the Assets, and it has been provided with the right and the opportunity to conduct due diligence investigations with respect to existing or potential Environmental Liabilities pertaining to the Assets; and
 - (ii) is not relying upon any representation or warranty of the Vendor as to the condition, environmental or otherwise, of the Assets.
- (b) The Purchaser agrees that once Closing has occurred the Vendor shall have no liability whatsoever for any Environmental Liabilities. In this regard, once Closing has occurred, the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:
- (i) be solely liable and responsible for all of the Vendor's Losses and Liabilities; and
 - (ii) as a separate covenant, indemnify, save and hold the Vendor and each other Vendor Entity harmless from and against all Losses and Liabilities that may be brought against or which they or any one of them may suffer, sustain, pay or incur;

as a result of any act, omission, matter or thing related to any Environmental Liabilities arising, however and whenever arising or occurring, and the Purchaser shall assume, perform, pay and discharge all Environmental Liabilities. This liability and indemnity shall apply without limit and without regard to cause or causes, including the negligence, whether sole, concurrent, gross, active, passive, primary or secondary, or the wilful or wanton misconduct of the Vendor or the Purchaser or any other person or otherwise. The Purchaser acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or any Vendor Entity under the common law or statute pertaining to any Environmental Liabilities, including the right to name the Vendor or any Vendor Entity as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's indemnity obligation set forth in this Section 12.2(b) shall survive the Closing Date indefinitely.

12.3 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

12.4 Holding of Indemnities

The Vendor will hold the indemnities contained in Sections 12.1 and 12.2 in trust on behalf of all of the other Vendor Entities and may enforce the same on their behalf.

ARTICLE 13 TERMINATION

13.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing;

- (a) by mutual written agreement of the Vendor and the Purchaser;
- (b) by either the Vendor or the Purchaser pursuant to the provisions of Articles 9.1 or 9.2, as applicable;
- (c) by either the Vendor or the Purchaser if Closing has not occurred on or before October 12, 2015; or
- (d) in accordance with Section 5.2(c).

13.2 Effect of Termination

If this Agreement is terminated by the Vendor or the Purchaser as permitted under Section 13.1, then article 12, article 14 and Section 19.2 shall remain in full force and effect following any such permitted termination.

ARTICLE 14 CONFIDENTIALITY, PUBLIC ANNOUNCEMENTS AND SIGNS

14.1 Confidentiality

- (a) Each Party agrees to keep in strict confidence:
 - (i) subject to Section 14.2, all information regarding the terms of this Agreement; and
 - (ii) any information exchanged or received in connection with:
 - A. the performance of due diligence by the Purchaser prior to or after the date hereof (including due diligence conducted under or in connection with the Offer to Purchase); or
 - B. negotiation or drafting of this Agreement,

provided that a Party shall be entitled to disclose all information as may be required or desirable in connection with obtaining the Court Approval. If this Agreement is terminated, each Party upon request will promptly return to the other Party all documents, contracts, records or other information received by it that disclose or embody confidential information of the other Party.

- (b) The Parties agree that the Confidentiality Agreement shall terminate concurrent with the execution and delivery of this Agreement by the Parties, and that the terms and conditions of this Article 15 shall thereafter govern the Parties with respect to their confidentiality obligations.

14.2 Public Announcements

- (a) If a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the transactions contemplated herein, the disclosing Party shall provide the other Parties with an advance copy of any such press release or other public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and advise of any comments they may have with respect thereto.
- (b) Notwithstanding Section 14.1 or 14.2(a), a Party may release or provide information about the Transaction insofar as is required by Applicable Laws (including as may be required to obtain Court Approval) or stock exchange requirements applicable to the disclosing Party or its Affiliates; provided that such disclosing Party shall make reasonable commercial efforts to provide the other Parties with the details of the nature and substance of such required disclosure as soon as practicable end in any event prior to such disclosure. A Party may provide information about the Transaction to a bank or other financial institution to obtain financing on any required consent of the bank or other financial lender of such Party or any of its Affiliates. A Party may also disclose such information pertaining to this Agreement, including the identity of the Parties, insofar as is required to enable such Party to fulfil its obligations under this Agreement, including obtaining any approvals or consents to the Transaction required from Governmental Authorities (including Court Approval) or Third Parties.

14.3 Signs

Within sixty (60) days following the Closing Date, the Purchaser shall remove the names of the Vendor, the Debtor and their Affiliates and predecessors from all signs located at or near the Wells or any Tangibles. If the Purchaser fails to comply with the foregoing, the Vendor shall have the right, at its discretion, to remove its name as aforesaid and the Purchaser shall be responsible for and shall reimburse such Vendor for all reasonable costs incurred by such Vendor in so doing.

ARTICLE 15 GOVERNING LAW AND DISPUTE RESOLUTION

15.1 Governing Law

This Agreement shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with the laws in effect in the Province of Alberta and to the laws of Canada applicable therein.

15.2 Resolution of Disputes

- (a) Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court, and waives any defences it might have regarding jurisdiction in any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a Party, or for recognition or enforcement of any judgment in respect thereof, and each Party hereto hereby irrevocably and unconditionally agrees that all Claims in respect of any such action or proceeding may be heard and determined by the Court.

- (b) Each Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a Party in any court of competent jurisdiction in the Province of Alberta. Each of the Parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

ARTICLE 16 NOTICES

16.1 Service of Notices

Any Communication must be in writing and either delivered personally or by courier, sent by prepaid registered mail, charges (if any) prepaid.

Any Communication must be sent to the intended recipient at its address as follows:

the Purchaser:

Twin Butte Energy Ltd.
410, 396 – 11th Avenue S.W.,
Calgary, Alberta
T2P 0C5

Attention: Gord Howe, Vice President Land
Email: ghowe@twinbutteenergy.com

the Vendor:

Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity
700, 850 – 2nd Street SW
Calgary, Alberta T2P 0R8

Attention: Jeff Keeble, Senior Vice President
Email: jkeeble@deloitte.ca

With a copy to:

900, 717 – 7th Avenue S.W.
Calgary, AB
T2P 0Z3

Attention: Christopher Gillanders
Email: cgillanders@sekurenergy.com

or at any other address as any Party may at any time advise the other by Communication given or made in accordance with this Section 16.1. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given or made and received on the next Business Day. Any Communication sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be delivered personally or by courier or transmitted by facsimile, email or functionally equivalent electronic means of transmission. Any Communication transmitted by facsimile, email or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the Communication is transmitted on a day which is not a Business Day or after 5:00 pm (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day. Receipt must be confirmed where Communication is transmitted by facsimile, email or other functionally equivalent electronic means of transmission in order for the Communication to be deemed to have been received.

ARTICLE 17 PERSONAL INFORMATION

17.1 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained by the Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates or as otherwise permitted or authorized by Applicable Law. The Purchaser's obligations set forth in this Section 17.1 shall survive the Closing Date indefinitely.

ARTICLE 18 ASSIGNMENT

18.1 Assignment

- (a) Neither Party may assign their interest in or under this Agreement or to the Assets without the prior written consent of the other Party, which consent may be withheld in such other Party's sole and unfettered discretion.
- (b) No assignment, transfer, or other disposition of this Agreement or the Assets or any portion of the Assets shall relieve the Purchaser from its obligations to the Vendor herein. The Vendor shall have the option to claim performance or payment of the obligations from the Purchaser or the assignee or transferee, and to bring proceedings in the event of default against either or all of them, provided that nothing herein shall entitle the Vendor to receive duplicate performance or payment of the same obligation.

ARTICLE 19 MISCELLANEOUS

19.1 Remedies Cumulative

No failure on the part of any Party to exercise any right or remedy will operate as a waiver thereof. A Party will not be precluded from exercising any right available to it at law, equity or by statute

because of its exercise of any single or partial right, and a Party may exercise any such remedies independently or in combination.

19.2 Costs

Except as otherwise specified in this Agreement, each Party shall pay its respective costs incurred in connection with the preparation, negotiation and execution of this Agreement and the consummation of the Transaction.

19.3 No Waiver

No waiver by any Party of any breach of any of the terms, conditions, representations or warranties in this Agreement shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

19.4 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and the Parties agree and confirm that this Agreement cancels and supersedes any prior understandings and agreements between the Parties hereto with respect to the subject matter hereof. No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties.

19.5 Benefit of the Agreement

This Agreement will ensure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties.

19.6 Further Assurances

From time to time, as and when reasonably requested by the other Party, a Party shall execute and deliver or cause to be executed and delivered all such documents and instruments and shall take or cause to be taken all such further or other actions to implement or give effect to the Transaction, provided such documents, instruments or actions are consistent with the provisions of this Agreement. All such further documents, instruments or actions shall be delivered or taken at no additional consideration other than reimbursement of any expenses reasonably incurred by the Party providing such further documents or instruments or performing such further acts, by the Party at whose request such documents or instruments were delivered or acts performed.

19.7 Time of the Essence

Time shall be of the essence in this Agreement.

19.8 Enurement

This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective heirs, executors, successors and permitted assigns.

19.9 Severability

In the case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

19.10 No Third Party Beneficiaries

Except as expressly provided in Section 8.2, the Parties do not intend, nor will any Section of this Agreement be interpreted to create, any obligation to, or benefit from, any Person other than a Party.

19.11 Limit of Liability

In no event shall the liability of Vendor to Purchaser in respect of claims of Purchaser arising out of or in connection with this Agreement exceed, in the aggregate, the Purchase Price, taking into account any and all increases or decreases to the Purchase Price that occur by virtue of the terms of this Agreement.

Counterpart Execution

This Agreement may be executed in counterpart and all executed counterparts together shall constitute one agreement. This Agreement shall not be binding upon any Party unless and until executed by all Parties. Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by such party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity

TWIN BUTTE ENERGY LTD.

Per: _____
Name:
Title:

Per:  _____
Name: Gordon Howe
Title: Vice President, Land

Per: _____
Name:
Title:

Per: _____
Name:
Title:

[This is the execution page to the Asset Purchase and Sale Agreement dated August 12, 2015 between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, and Twin Butte Energy Ltd., a corporation incorporated pursuant to the laws of Alberta.]

SCHEDULE "A"

Attached to and made a part of that Asset Purchase and Sale Agreement dated August 12, 2015

Part 1 - Lands, Leases and Petroleum and Natural Gas Rights

See attached
Mineral Property
Report of Sekur
Energy
Management Corp.
dated July 15,
2015- 4 pages

Part 2 - Wells

Well Location	Status	Working Int.	ERCB License #
00/14-32-036-03 W4M/00	Suspended gas	50%	0287774

Part 3 – Facilities

Facilities	Type	Location	ERCB Facility #
N/A			

Part 4 – Acquired Pipelines

Pipelines	ERCB Approval #	Line #	Status
From 14-32-036-03 W4M to 08-32-036-03 W4M	410332	1	Operating

Report Date: Jul 15, 2015
 Page Number: 1
 REPORTED IN ACRES

SEKUR ENERGY MANAGEMENT CORP
Mineral Property Report

Province: ALBERTA
 Area : PROVOST

File Number: M00872
 File Status: ACTIVE
 Mineral Int: 100.000000000
 Use Type: PNG
 Lessor Type: CR
 Int Type / Use No/Name: WI
 Operator / Payer: SEKUR

Exposure: 320.000
 Oper. Cont: C00593
 ROFR: C No.
 DOI Code: WI
 Gross: 320.000 SEKUR
 Net: 160.000 CHAIR RESOURCES
 DOI Partner(s): * *
 Lease Description / Rights Held: TWP 36 RGE 3 W4M S 32
 PNG FROM BASE VIKING ZONE TO
 BASE MANNVILLE BOTTOM

Status: PRODUCING
 Acres: 320.000
 Net: 160.000
 NProd: 0.000
 Undev: 0.000
 Dev: 320.000
 Undev: 160.000
 Net: 0.000
 Total Rental: 448.00

----- Related Contracts -----
 C00577 M ROYALTY May 28, 2001 (I)
 C00591 A PART May 22, 2002
 C00593 C JOA Sep 23, 2003
 C01392 A P&S Sep 13, 2012 (I)
 JM00119.A PROCESS Aug 01, 2005

Royalty Type: LESSOR OVERRIDING ROYALTY
 Product Type: ALL PRODUCTS
 Sliding Scale: Y
 Convertible: N
 % of Prod/Sales: 100.000000000
 % of PROD: 100.000000000

Roy Percent: STANDARD
 Deduction: STANDARD
 Gas Royalty: Min Pay:
 S/S OIL: Min: Div: Prod/Sales:
 Other Percent: Min: Prod/Sales:

Paid to: LESSOR (M)
 MINFIN 100.000000000
 Paid by: PAIDBY (R)
 SEKUR 50.000000000
 CHAIR RESOURCES 50.000000000

Remarks

Type: GENERAL
 Date: Jan 18, 2007
 Description: AVENIR SHALL PAY ALL RENTALS AND TAXES IN ADVANCE AND MAHALO SHALL REIMBURSE AVENIR 50% OF ALL RENTALS AND 100% OF THE TAXES TO THE EXTENT THEY ARE ALLOCATED TO CBM PRODUCTION.

Report Date: Jul 15, 2015
 Page Number: 2
 ** REPORTED IN ACRES**

SEKUR ENERGY MANAGEMENT CORP
Mineral Property Report

Province: ALBERTA
 Area : PROVOST

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*	

M00872 A _____ Remarks _____
 (cont'd)

Type	Date	Description
SOLD	Nov 26, 2012	SOLD TO SEKUR ENERGY MANAGEMENT CORP. EFFECTIVE SEPTEMBER 1, 2012
ACQ	Jan 17, 2013	ACQUIRED FROM AVENEX CORP SEP 1, 2012

Sub: B	WI	Exp: Oct 03, 2006	320,000	SEKUR	50,000,000,000	WI
ACTIVE	0401100088	Ext: 15	160,000	CHAIR RESOURCES	50,000,000,000	
SEKUR						
100.00000000 SEKUR			Total Rental:	448.00		

TMP 36 RGE 3 W4M N 32
 PNG TO BASE MANNVILLE BOTTOM
 (EXCL NG IN VIKING)

Status	Acres	Net	Acres	Net
PRODUCING	320,000	160,000	0,000	0,000
DEVELOPED	320,000	160,000	0,000	0,000

Related Contracts	Status/Type
C00577 M	ROYALTY May 28, 2001 (I)
C00591 A	PART May 22, 2002
C00593 A	JOA Sep 23, 2003
C01392 A	P&S Sep 13, 2012 (I)
JV00119 A	PROCESS Aug 01, 2005

Royalty Type LESSOR OVERRIDING ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD
 Product Type Sliding Scale Convertible % of Prod/Sales

Roy Percent: STANDARD
 Deduction: STANDARD
 Gas: Royalty: Max: Min Pay: Prod/Sales:
 S/S OIL: Min: Div: Prod/Sales:
 Other Percent: Min: Prod/Sales:
 Paid to: LESSOR (M) 100.00000000
 MINFIN
 Paid by: PAIDBY (R) 50.00000000
 SEKUR

Well U.W.I. Status/Type
 100/14-32-036-03-W4/00 SUSP/GAS

Report Date: Jul 15, 2015
 Page Number: 3
 ** REPORTED IN ACRES**

**SEKUR ENERGY MANAGEMENT CORP
 Mineral Property Report**

Province: ALBERTA
 Area : PROVOST

File Number	Use Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Use No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*	

(cont'd)

M00872 B CHAIR RESOURCES 50.00000000

Remarks

Type	Date	Description
GENERAL	Jan 18, 2007	AVENIR SHALL PAY ALL RENTALS AND TAXES IN ADVANCE AND MAHALO SHALL REIMBURSE AVENIR 50% OF ALL RENTALS AND 100% OF THE TAXES TO THE EXTENT THEY ARE ALLOCATED TO CBM PRODUCTION.
SOLD	Nov 26, 2012	SOLD TO SEKUR ENERGY MANAGEMENT CORP. EFFECTIVE SEPTEMBER 1, 2012
ACQ.	Jan 17, 2013	ACQUIRED FROM AVENEX CORP SEP 1, 2012

Report Date: Jul 15, 2015
 Page Number: 4
 ** REPORTED IN ACRES **

SEKUR ENERGY MANAGEMENT CORP
Mineral Property Report

Province: ALBERTA
 Area : PROVOST

File Number	Lease Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lease No/Name		Gross				
Mineral Int	Operator / Payor		Net	DOI Partner(s)	*	*	

Area Total: Total Gross: 640,000 Total Net: 320,000
 Prod Gross: 640,000 Prod Net: 320,000 NProd Gross: 0,000 NProd Net: 0,000
 Dev Gross: 640,000 Dev Net: 320,000 Undev Gross: 0,000 Undev Net: 0,000

Province Total: Total Gross: 640,000 Total Net: 320,000
 Prod Gross: 640,000 Prod Net: 320,000 NProd Gross: 0,000 NProd Net: 0,000
 Dev Gross: 640,000 Dev Net: 320,000 Undev Gross: 0,000 Undev Net: 0,000

Report Total: Total Gross: 640,000 Total Net: 320,000
 Prod Gross: 640,000 Prod Net: 320,000 NProd Gross: 0,000 NProd Net: 0,000
 Dev Gross: 640,000 Dev Net: 320,000 Undev Gross: 0,000 Undev Net: 0,000

** End of Report **

SCHEDULE "B"

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

GENERAL CONVEYANCE

This General Conveyance made this • day of •, 2015.

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity ("**Vendor**")

- and -

TWIN BUTTE ENERGY LTD., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Purchaser**")

WHEREAS the Vendor has agreed to sell and convey the Debtor's entire right, title, estate and interest in the Assets to the Purchaser and the Purchaser has agreed to purchase and accept all of the Debtor's rights, title, estate and interest in and to the Assets.

THE PARTIES AGREE AS FOLLOWS:

1. Definitions

In this General Conveyance, including the recitals, "Agreement" means the Asset Purchase and Sale Agreement dated August 12, 2015, between the Vendor and the Purchaser and, in addition, the definitions provided for in the Agreement are adopted in this General Conveyance.

2. Conveyance

The Vendor, for the consideration provided for in the Agreement, the receipt and sufficiency of which is acknowledged by the Vendor, hereby sells, assigns, transfers and conveys the entire right, title, benefit and interest of the Debtor in and to the Assets to the Purchaser, its successors and assigns, and the Purchaser purchases and accepts such interests from the Vendor, **TO HAVE AND TO HOLD** the same absolutely, subject to the terms of the Agreement, the Permitted Encumbrances and compliance with the terms of the Leases and all other Title and Operating Documents.

3. Effective Time

This General Conveyance and the transfer of title to and possession of the Debtor's interest in and to the Assets will, subject to the terms of the Agreement, be effective as of the Closing Date.

4. Subordinate Document

This General Conveyance is executed and delivered by the Parties pursuant to the Agreement for the purposes of the provisions of the Agreement, and the terms hereof shall be read on conjunction

with the terms of the Agreement. If there is a conflict between the provisions of the Agreement and this General Conveyance, the provisions of the Agreement shall prevail to the extent of the conflict.

5. Enurement

This General Conveyance enures to the benefit of and is binding; upon the Parties and their respective successors and permitted assigns.

6. Further Assurances

Each Party shall, after the date of this General Conveyance, at the request of the other Party and without further consideration, do all further acts and execute and deliver all further documents which are reasonably required to perform and carry out the terms of this General Conveyance.

7. Governing Law

This General Conveyance will be governed by and construed in accordance with the laws of the Province of Alberta.

IN WITNESS WHEREOF the Parties have duly executed this General Conveyance.

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of the property and assets of Sekur Energy Management Corp., and not in its personal capacity

TWIN BUTTE ENERGY LTD.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Per: _____
Name:
Title:

SCHEDULE "C" - VENDOR'S OFFICER'S CERTIFICATE

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

VENDOR'S OFFICER'S CERTIFICATE

Re: Section 9.2(a) of the Asset Purchase and Sale Agreement ("**Agreement**") dated August 12, 2015, between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, as the Vendor and Twin Butte Energy Ltd. as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **Gordon Howe, VP Land**, hereby certify that:

1. Each of the representations and warranties of the Vendor contained in Section 8.1 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Vendor, pursuant to Section 9.1 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Vendor and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Purchaser is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate the • day of •, 2015.

Name:

Title:

SCHEDULE "D" - PURCHASER'S OFFICER'S CERTIFICATE

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

Re: Section 9.1(a) of the Asset Purchase and Sale Agreement ("**Agreement**") dated August 12, 2015, between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, as the Vendor and Twin Butte Energy Ltd. as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **Jeff Keeble, Senior Vice-President**, hereby certify that:

1. Each of the representations and warranties of the Purchaser contained in Section 8.3 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Purchaser, pursuant to Section 9.2 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Purchaser and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Vendor is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate the • day of •, 2015.

Name:

Title:

SCHEDULE "E" - FORM OF COURT ORDER

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY
OF CANADA, IN ITS CAPACITY AS
COLLATERAL AGENT FOR
GUGGENHEIM CORPORATE FUNDING,
LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

APPROVAL AND VESTING ORDER
(Sale by Receiver)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 – 7 Avenue SW
Calgary, Alberta T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 695-3558
File No. A128622

Attention: Tom Cumming / Jeff Oliver

DATE ON WHICH ORDER WAS PRONOUNCED: August 12, 2015

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice Horner

UPON THE APPLICATION by Deloitte Restructuring Inc., in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the undertaking, property and assets of Sekur Energy Management Corp. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase and sale agreement (the “**Sale Agreement**”) between the Receiver and Twin Butte Energy Ltd. (the “**Purchaser**”) made as of August 12, 2015, which Sale Agreement is appended in redacted form as Exhibit “●” to the Affidavit of Christopher Gillanders, sworn and filed August 6, 2015 in the within proceedings (the “**Initial Affidavit**”), and in unredacted form as Exhibit “A” to the Confidential Affidavit of Christopher Gillanders, sworn and filed August 6, 2015 in the within

proceedings (the “**Initial Confidential Affidavit**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Purchased Assets (as defined below);

AND UPON HAVING READ the Receivership Order dated August 12, 2015 (the “**Receivership Order**”), the Pre-Filing Report of the Receiver dated August 6, 2015 (the “**Pre-Filing Report**”), the Initial Affidavit, the Initial Confidential Affidavit and the Affidavit of Service of Richard Comstock; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, [**Names of other parties appearing**], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTIONS

2. The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3. Upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form set out in **Schedule “A”** hereto (the “**Receiver’s Certificate**”), and upon the approval of the transfer of applicable licenses, permits and approvals by the Alberta Energy Regulator pursuant to section 24 of the *Oil and Gas Conservation Act* (as applicable), all of the Debtor’s right, title and interest in and to the property and assets of the Debtor described as the “**Assets**” in the Sale Agreement and listed on **Schedule “B”** hereto (collectively, the “**Purchased Assets**”) shall vest absolutely in the name of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial

or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
 - (c) those Claims listed on **Schedule “C”** hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances (as defined in the Sale Agreement); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. The Receiver is hereby authorized to execute for and on behalf of the Debtor all conveyances, assignments, transfers, novations, notices of assignment and other documents necessary or desirable in order to convey, assign and transfer title to the Purchased Assets to the Purchaser and to novate the Purchaser into any contracts, licenses, permits, approvals or authorizations included in the Purchased Assets.
5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
6. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
7. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and

equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.

8. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
9. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
10. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser.
11. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
12. Notwithstanding:
 - (a) The pendency of these proceedings;
 - (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) Any assignment in bankruptcy made in respect of the Debtor

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other

reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

14. 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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
15. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
16. Service of this Order on any party not attending this application is hereby dispensed with.

J.C.C.Q.B.A.

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER		Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	COMPUTERSHARE TRUST COMPANY OF CANADA, IN ITS CAPACITY AS COLLATERAL AGENT FOR GUGGENHEIM CORPORATE FUNDING, LLC	
DEFENDANT	SEKUR ENERGY MANAGEMENT CORP.	
DOCUMENT	RECEIVER'S CERTIFICATE	

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Gowling Lafleur Henderson LLP
 1600, 421 – 7 Avenue SW
 Calgary, Alberta T2P 4K9
 Telephone (403) 298-1000
 Facsimile (403) 695-3558
 File No. A128622

Attention: Tom Cumming / Jeffrey Oliver

RECITALS

- A. Pursuant to an Order of the Honourable Madam Justice Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated August 12, 2015, Deloitte Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Sekur Energy Management Corp. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated August 12, 2015, the Court approved the asset purchase and sale agreement made as of August 12, 2015 (the "**Sale Agreement**") between the Receiver and Twin Butte Energy Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the

Purchased Assets; (ii) that the conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

Deloitte Restructuring Inc., in its capacity as Receiver and Manager of the undertaking, property and assets of Sekur Energy Management Corp., and not in its personal capacity

Per:

Name:

Title:

Schedule "B"**Description of Purchased Assets**

The Purchased Assets consist of the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests, as such terms are defined in the Sale Agreement, including the following:

Wells

Well Location	Status	Working Int.	ERCB License #
00/14-32-036-03 W4M/00	Suspended gas	50%	0287774

Acquired Pipelines

Pipelines	ERCB Approval #	Line #	Status
From 14-32-036-03 W4M to 08-32-036-03 W4M	410332	1	Operating

[ADD ADDITIONAL DETAILS FROM MINERAL PROPERTY REPORT SUFFICIENT FOR IDENTIFICATION AND REGISTRATION PURPOSES.]

THIS IS EXHIBIT " M "

to the Affidavit of

Christopher Gallanders

Sworn before me this 7

Day of August, 2015



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

ASSET PURCHASE AND SALE AGREEMENT

BETWEEN

**DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain
property and assets of Sekur Energy Management Corp.,
and not in its personal capacity**

(the "Vendor")

**HEAD FIRST ENERGY INC., a corporation incorporated pursuant to the laws of the
Province of Alberta**

(the "Purchaser")

August 12, 2015

ASSET PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of the 12th day of August 2015

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity ("**Vendor**")

- and -

HEAD FIRST ENERGY INC., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Purchaser**")

CONTEXT

- A. The Vendor was appointed as receiver of the Property pursuant to the Receivership Order.
- B. The Vendor wishes to sell the Assets to the Purchaser and the Purchaser wishes to purchase the Assets from the Vendor, all upon and subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, mutual covenants, agreements and warranties in this Agreement, the Parties covenant and agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following capitalized terms have the following meanings:

- (a) "**Abandonment and Reclamation Liabilities**" means all past, present and future obligations and liabilities to:
- (i) abandon the Wells and close, decommission, dismantle and remove all structures, foundations, buildings, pipelines, equipment, tanks and other facilities and Tangibles that are or were located in or on the Lands or lands pooled or unitized therewith or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands or lands pooled or unitized therewith; and
 - (ii) restore, remediate and reclaim any surface and subsurface locations of the lands on which the Wells, structures, foundations, buildings, pipelines, equipment, tanks and other facilities described in Section 1.1(a)(i) are or were located and all lands used to gain access to any of them;

all in accordance with generally accepted industry practices in the province where the Assets are located and in compliance with all Applicable Laws and the Title and Operating Documents.

- (b) **"Acquired Pipelines"** means those pipeline segments listed in Schedule "A" – Part 4.
- (c) **"AER"** means the Alberta Energy Regulator.
- (d) **"AER Deposits"** means any deposits paid by or on behalf of the Debtor to the AER relating to the Assets.
- (e) **"AER Licenses"** means all licenses and authorizations issued by a Governmental Authority in respect of the Wells and any Tangibles licensed to the Vendor, but excludes, without limitation those portions of any licenses relating to pipelines or pipeline segments other than the Acquired Pipelines.
- (f) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership of more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise.
- (g) **"Agreement"** means this Asset Purchase and Sale Agreement including the Schedules attached hereto, as it may be amended, modified, supplemented or restated by written agreement between the Parties.
- (h) **"Applicable Laws"** means, in relation to any Person, asset, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licenses, approvals and authorizations;which are applicable to such Person, asset, transaction, event or circumstance.
- (i) **"Assets"** means the Debtor's right, title, estate and interest in the Petroleum and Natural Gas Rights, the Miscellaneous Interests and the Tangibles.
- (j) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Alberta, and also excluding any day on which the principal chartered banks or financial institutions located in the City of Calgary are not open for business during normal hours.
- (k) **"Claim"** means any claim, demand, lawsuit, proceeding, arbitration or governmental investigation, in each case, whether asserted, threatened, pending or existing.

- (l) **"Closing"** means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Conveyance Documents and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and consideration required to be delivered on the Closing Date pursuant hereto.
- (m) **"Closing Date"** has the meaning provided in Section 5.1.
- (n) **"Closing Deliveries"** means, collectively, those items or documents to be delivered by Vendor at Closing pursuant to Section 10.1 and those documents to be delivered by Purchaser at Closing pursuant to Section 10.2.
- (o) **"Closing Payment"** has the meaning provided in Section 3.3.
- (p) **"Communication"** means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- (q) **"Confidentiality Agreement"** means the confidentiality agreement between the Debtor and the Purchaser.
- (r) **"Conveyance Documents"** means all conveyances, assignments, transfers, novations, notices of assignment, trust agreements and declarations, subleases, directions to pay and other documents and instruments that are reasonably required desirable in accordance with generally accepted oil and gas industry practice in the province where the Assets are located, to convey, assign and transfer title to the Assets held in the name of the Debtor to the Purchaser and to novate the Purchaser into the contracts, licenses, permits, approvals and authorizations comprised in the Miscellaneous Interests in the place and stead of the Debtor, insofar as such contracts, licenses, permits, approvals and authorizations pertain to the Assets.
- (s) **"Court"** means the Court of Queen's Bench of Alberta;
- (t) **"Court Approval"** means the approval of the Transaction by the Court and the vesting of the Assets in the name of the Purchaser free and clear of any Encumbrances other than the Permitted Encumbrances, substantially in the form of the Order attached hereto as Schedule "E".
- (u) **"Data Room Information"** means all information provided to the Purchaser in electronic form in relation to the Debtor and/or the Assets.
- (v) **"Debtor"** means Sekur Energy Management Corp.
- (w) **"Deposit"** is defined in Section 3.1(b).
- (x) **"Dollar"** and **"\$"** mean a dollar of the lawful money of Canada.
- (y) **"Effective Date"** means August 1, 2015 or such other date as the Parties agree to in writing.
- (z) **"Effective Time"** means 8:00 a.m. on the Closing Date.

- (aa) **"Encumbrance"** means all liens, charges, security interests, royalties, pledges, options, net profit interests, rights of pre-emption, mortgages, adverse claims and other encumbrances on ownership rights of any kind or character or agreements to create the same.
- (bb) **"Environment"** means the components of the earth and includes ambient air, land, surface and sub-surface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning.
- (cc) **"Environmental Law"** means all Applicable Laws respecting the protection of, or the control, remediation or reclamation of contamination or pollution of, the Environment or any part thereof.
- (dd) **"Environmental Liabilities"** means all past, present and future obligations and liabilities of whatsoever nature or kind arising from or relating to, directly or indirectly:
 - (i) Environmental Matters;
 - (ii) past, present and future non-compliance with, violation of or liability under Environmental Laws applicable to or otherwise involving the Assets; or
 - (iii) Abandonment and Reclamation Liabilities,whenever occurring or arising, but shall not include any such matters or similar matters relating to the Excluded Wells or the Excluded Tangibles.
- (ee) **"Environmental Matters"** means any activity, event or circumstance in respect of or relating to:
 - (i) the storage, use, holding, collection, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling, transportation or Release of Hazardous Substances;
 - (ii) the protection of the Environment; or
 - (iii) pollution, reclamation, remediation or restoration of the Environment;in each case relating to the Lands or the Assets or that has or have arisen or hereafter arise from or in respect of past, present or future Operations, activities or omissions in or on the Lands or in respect of or otherwise involving the Assets, including obligations to compensate Third Parties for Losses and Liabilities.
- (ff) **"Escrow Agent"** means the solicitors for the Vendor.
- (gg) **"Facilities"** means the facilities set out in Schedule "A" – Part 3.
- (hh) **"Final Statement of Adjustments"** has the meaning provided in Section 4.2(a).
- (ii) **"GAAP"** means generally accepted accounting principles and practices in Canada.

- (jj) "**General Conveyance**" means the general conveyance in the form attached as Schedule "C".
- (kk) "**Government Authority**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction.
- (ll) "**GST**" the goods and services tax required to be paid pursuant to the *Excise Tax Act* (Canada) and in accordance with Section 3.4(a).
- (mm) "**Hazardous Substances**" means hazardous or toxic substances, hazardous wastes, radioactive substances, asbestos, dangerous goods and Petroleum Substances, including any and all substances and wastes regulated under Environmental Law.
- (nn) "**Insider**" has the meaning given to that term in the *Securities Act* (Alberta).
- (oo) "**Land Schedule**" means Schedule "A".
- (pp) "**Lands**" means the entire interest of Debtor in and to the lands set forth and described in the Land Schedule, and includes (i) unless the context otherwise requires, the surface of such lands and (ii) the Petroleum Substances within, upon or under such lands, together with the rights to drill for, explore for, win, take, own or remove same, insofar as the same are granted by the Leases to such lands.
- (qq) "**Leases**" means the leases, reservations, permits, licenses or other documents of title set forth and described in the Land Schedule by virtue of which the holder thereof is entitled to drill for, explore for, mine, win, take, own or remove Petroleum Substances underlying the Lands, and include, if applicable, all renewals and extensions of such documents and all documents issued in substitution therefore.
- (rr) "**Losses and Liabilities**" means, in relation to a matter, any and all:
 - (i) losses, costs, damages, expenses and charges (including all penalties, assessments and fines) which the Vendor suffers, sustains, pays or incurs, directly or indirectly, in connection with such matter and includes costs of legal counsel (on a full indemnity basis) and other professional advisors and reasonable costs of investigating and defending Claims arising from the matter, regardless of whether such Claims are sustained and includes taxes payable on any settlement payment or damage award in respect of such matter; and
 - (ii) liabilities and obligations (whether under common law, in equity, under Applicable Law or otherwise; whether tortious, contractual, vicarious, statutory or otherwise; whether absolute or contingent; and whether based on fault, strict liability or otherwise) which the Vendor suffers, sustains, pays or incurs as a result of or in connection with such matter;

but excluding indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by the Vendor, but including any such indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by a Third Party entitled to recovery or indemnification from the Vendor.

- (ss) **"Miscellaneous Interests"** means all of the right, title, interest and estate of the Debtor in and to all property, assets and rights, whether contingent or absolute, legal or beneficial, present or future, vested or not (other than the Petroleum and Natural Gas Rights), to the extent relating to the Petroleum and Natural Gas Rights, the Lands or the Tangibles, including the following property, rights and assets:
- (i) all contracts, agreements, books, records, files, maps and documents to the extent that they relate to the Petroleum and Natural Gas Rights, the Lands or the Tangibles, including the Title and Operating Documents and any rights of the Debtor in relation thereto;
 - (ii) all other land records or similar data contained on hard drives or other computer devices or networks;
 - (iii) the Surface Interests;
 - (iv) geological, geochemical and mineralogical data, reports and findings and archive samples, and all core or liquid samples and cuttings;
 - (v) all engineering information, to the extent relating solely and directly to the Petroleum and Natural Gas Rights, the Lands, and the Tangibles which the Debtor either has in its custody or to which the Debtor has access, excluding any such information which is subject to confidentiality restrictions;
 - (vi) all permits, licenses, approvals and other authorizations, crossing privileges and other subsisting rights to carry out operations on the Lands and any lands upon which the Tangibles are located, including well and pipeline licenses and other permits and authorizations relating to the Petroleum and Natural Gas Rights or the Tangibles, and
 - (vii) the Wells, including the entire wellbores and casings.
- (tt) **"Operations"** means any and all work, activities and operations of any kind whatsoever conducted on or with respect to the Assets.
- (uu) **"Party"** means the Vendor or the Purchaser, and **"Parties"** means the Vendor and the Purchaser.
- (vv) **"Permitted Encumbrances"** means, as of a particular time, any of the following:
- (i) easements, rights of way, servitudes, permits, licenses and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cable;

- (ii) the right reserved to or vested in any Government Authority by the terms of any Title and Operating Document, lease, license, franchise, grant or permit or by any Applicable Law, to terminate any such Title and Operating Document, lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (iii) the right reserved to or vested in any Government Authority to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;
- (iv) rights reserved to or vested in any Government Authority to control or regulate any of the Assets in any manner;
- (v) liens granted in the ordinary course of business to a public utility or Government Authority in connection with operations on or in respect of the Lands;
- (vi) the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;
- (vii) all royalty burdens, liens, adverse claims, penalties, conversions and other Encumbrances identified in the Land Schedule;
- (viii) the terms and condition of the Leases and the Title and Operating Documents; and
- (ix) any other circumstance, matter or thing disclosed in any Schedule hereto;

provided that the following items must be identified in a Schedule to qualify as a Permitted Encumbrance: (A) any overriding royalty, net profits, ROFRs or other similar encumbrance applicable to the Petroleum and Natural Gas Rights for which Purchaser will assume the obligation for payment; (B) any existing potential alteration of the Debtor's interests in the Assets because of a payout conversion or farmin, farmout or other similar agreement; and (C) any Encumbrance which would not be a Permitted Encumbrance under the preceding paragraphs of this definition.

- (ww) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Government Authority or other entity.
- (xx) "**Petroleum and Natural Gas Rights**" means all of the right, title, estate and interest, whether absolute or contingent, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of the Debtor in and to the Lands and the Leases, subject in all events to the Permitted Encumbrances.
- (yy) "**Petroleum Substances**" means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to or produced in conjunction with any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur and hydrogen sulphide.

- (zz) "**Place of Closing**" means the offices of Gowlings Lafleur Henderson LLP, 1600, 421 7th Avenue SW, Calgary, Alberta, or as otherwise agreed to in writing by the Parties.
- (aaa) "**Prime Rate**" means the rate of interest (expressed as a rate per annum) used by the main branch Royal Bank of Canada in Calgary, Alberta from time to time as the reference rate used in determining the rates of interest payable on Canadian dollar commercial demand loans made by such bank in Canada and which is announced by such bank, from time to time, as its "prime rate".
- (bbb) "**Property**" has the meaning given to it in the Receivership Order.
- (ccc) "**Purchase Price**" has the meaning given in Section 3.1(a).
- (ddd) "**Receivership Order**" means the order issued by the Court in the Receivership Proceedings on August 12, 2015, as amended, modified or supplemented from time to time.
- (eee) "**Receivership Proceedings**" means the means the proceedings before the Court and identified as Court File No. •.
- (fff) "**Release**" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration of a Hazardous Substance into or through the Environment or into or out of any lands, including the movement of a Hazardous Substance through or in any part of the Environment.
- (ggg) "**Representatives**" means, with respect to any Person, its Affiliates, and the respective directors, officers, servants, agents, advisors, employees, consultants and representatives of that Party and its Affiliates.
- (hhh) "**Right of First Refusal**" or "**ROFR**" means a right of first refusal, pre-emptive right of purchase or similar right whereby any Third Party has the right to acquire or purchase any of the Assets as a consequence of the Parties entering into this Agreement or the Transaction.
- (iii) "**Surface Interests**" means all right, title, interest and estate of the Debtor to enter upon, use, occupy and enjoy the surface of the Lands and any lands upon which the Wells or the Tangibles are located and any lands used to gain access thereto, in each case, for purposes related to the use or ownership of the Petroleum and Natural Gas Rights, the Tangibles or the Wells or Operations, whether the same are held by right of way, or otherwise.
- (jjj) "**Tangibles**" means all right, title, interest and estate of the Debtor, whether absolute or contingent, legal or beneficial, present or future, vested or not, in and to the Facilities, the Acquired Pipelines and the tangible depreciable property and assets located within or upon the Lands or lands pooled or unitized therewith, but only to the extent such tangible depreciable property and assets are used or are intended to be used to produce, process, gather, treat, measure, or make marketable Petroleum Substances from the Wells.
- (kkk) "**Third Party**" means any Person other than the Parties or their Representatives.

- (iii) **"Title and Operating Documents"** means all agreements, contracts, instruments and other documents that govern the ownership, operation or use of the Assets or relate to Permitted Encumbrances, including (i) the Leases and other agreements and instruments pursuant to which the Petroleum and Natural Gas Rights were issued, granted or created, (ii) permits, licenses, approvals and authorizations, (iii) operating agreements, unit agreements, production allocation agreements, trust declarations, participation agreements, joint venture agreements, farmin agreements, farmout agreements and royalty agreements, (iv) agreements that create or relate to Surface Interests, (v) agreements for the construction, ownership and/or operation of the Tangibles, (vi) trust declarations and other documents and instruments that evidence the Debtor's interests in the Assets; and (vii) trust declarations pursuant to which the Debtor holds interests in the Lands in trust for other Persons.
- (mmm) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement.
- (nnn) **"Vendor Consents"** has the meaning provided in Section 8.1.
- (ooo) **"Vendor Entity"** means the Vendor and its Representatives, and each of their respective successors and assigns.
- (ppp) **"Wells"** means only those wells set out in Part 2 of Schedule "A".

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) the headings in this Agreement are inserted for convenience of reference only and shall not affect the meaning, interpretation or construction of this Agreement;
- (b) all documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict;
- (c) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, and all amendments made thereto and in force at the date hereof;
- (d) whenever the singular or masculine or neuter is used in this Agreement, the same shall be construed as meaning plural or feminine or referring to a body politic or corporate, and *vice versa*, as the context requires;
- (e) the words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;
- (f) reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;

- (g) if any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict;
- (h) "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.3 Schedules

The following schedules are attached to and form part of this Agreement:

Schedule "A"	Land Schedule
- Part 1	Lands, Leases and Petroleum and Natural Gas Rights
- Part 2	Wells
- Part 3	Facilities
- Part 4	Acquired Pipelines
Schedule "B"	Form of General Conveyance
Schedule "C"	Form of Vendor's Officer's Certificate
Schedule "D"	Form of Purchaser's Officer's Certificate
Schedule "E"	Form of Court Approval Order

1.4 Interpretation If Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

1.5 Knowledge or Awareness

References to a Party's knowledge or awareness and similar references contained in Sections 8.1 and 8.3 mean the actual knowledge or awareness, as the case may be, of the officers of such Party who are primarily responsible for the matters in question, and does not include knowledge and awareness of any other Person or any constructive or imputed knowledge. A Party shall not have any obligation to make inquiry of any Person or the files and records of any Person or of any Government Authority in connection with any representations and warranties contained herein that are made to its knowledge, information, belief or awareness.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign, transfer, convey and set over to the Purchaser, and the Purchaser agrees to purchase and accept the Asset's from the Vendor at and for the Purchase Price.

2.2 Transfer of Assets

Provided that Closing occurs, and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

ARTICLE 3 PURCHASE PRICE AND PAYMENT

3.1 Purchase Price

- (a) The purchase price to be paid by the Purchaser to the Vendor for the Assets shall be [REDACTED] subject to adjustment only as set forth in Section 4.1 (the "Purchase Price").
- (b) The Vendor acknowledges receipt of a deposit in the amount of [REDACTED] (the "Deposit"), which shall be held in trust by the Vendor and shall be releasable in accordance with this Agreement.
- (c) If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be retained by the Vendor and credited against the Purchase Price in partial satisfaction of the Purchaser's obligation to pay the Purchase Price on or before Closing.
- (d) If Closing does not occur:
 - (i) due to the conditions precedent in favour of the Purchaser set forth in Section 9.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Deposit received by the Vendor shall be returned by the Vendor to the Purchaser, this Agreement shall thereupon terminate, and each Party shall be released from all obligations and liabilities under or in connection with this Agreement; or
 - (ii) for any reason other than the conditions precedent in favour of the Purchaser set forth in Section 9.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Vendor shall be entitled to the Deposit, the Deposit shall be forfeited to the Vendor, and the Vendor shall be entitled to terminate this.
- (e) The Purchaser and the Vendor hereby acknowledge and agree that, should Closing not occur for any reason provided in Section 3.1(d)(ii), the Vendor will suffer and incur damages that cannot be precisely calculated, and will therefore be entitled to retain the Deposit pursuant to Section 3.1(d)(ii) as liquidated damages, and not as a penalty, the Deposit being a genuine pre-estimate of the damages that will be suffered by the Vendor as contemplated by this Section 3.1(e). In addition, Purchaser shall remain liable and responsible for any damages suffered by the Vendor that exceed the amount of the Deposit.

3.2 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- | | | |
|-----|----------------------------------|---------------------------|
| (a) | to the Miscellaneous Interests | \$ [REDACTED] |
| (b) | to the Tangibles | \$ [REDACTED] |
| (c) | Petroleum and Natural Gas Rights | Balance of Purchase Price |

3.3 Closing Payment

The Purchaser shall pay to the Vendor at Closing, by certified cheque, bank draft or electronic wire transfer: (i) the Purchase Price (less the Deposit; (ii) plus or minus any adjustments pursuant to article 4 ; (iii) plus any taxes and fees (including GST) payable under Section 3.4 (the "Closing Payment").

3.4 Taxes and Fees

- (a) The Purchase Price does not include GST. At Closing, the Purchaser shall pay to the Vendor an amount equal to the statutory rate of GST on the portion of the Purchase Price allocated to Tangibles and Miscellaneous Interests pursuant to Section 3.2 and on the amount attributable to any other Assets or expenses to which GST may apply. The Purchaser shall be liable for the payment and remittance of any additional amount of GST payable in respect of the purchase of the Assets pursuant hereto, including any interest, penalties, or any other costs payable in respect of such additional GST, and shall indemnify and save harmless the Vendor in respect thereof. The GST Registration Number of the Vendor is 805424454 RT0001. The GST Registration Number of the Purchaser is •.
- (b) The Purchaser shall also be liable for and shall pay any and all transfer taxes, federal or provincial sales taxes and all other taxes, duties or other similar charges properly payable upon and in connection with the conveyance and transfer of the Assets by the Vendor to the Purchaser and the Purchaser shall be responsible for all recording charges and registration fees payable in connection therewith.

ARTICLE 4 ADJUSTMENTS

4.1 Adjustments

- (a) All costs and revenues accruing, payable, paid, received or receivable in respect of the Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time on the Effective Date, on and subject to the following:
- (i) except as otherwise provided in this Section 4.1, costs and revenues shall accrue in accordance with GAAP;

- (ii) all such costs and revenues accruing up to the Effective Time on the Effective Date shall be for the Vendor's account and all costs and revenues accruing after the Effective Time on the Effective Date shall be for the Purchaser's account;
 - (iii) all costs of whatever nature pertaining to work performed or goods or services provided with respect to the Assets prior to the Effective Time on the Effective Date shall be borne by the Vendor, notwithstanding that such costs may be payable in whole or in part after the Effective Time on the Effective Date and all costs of whatever nature pertaining to work performed or goods or services provided with respect to the Assets after the Effective Time on the Effective Date shall be borne by the Purchaser;
 - (iv) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a *per diem* basis as of the Effective Time on the Effective Date; and
 - (v) there shall not be any adjustment on account of municipal property or income taxes.
- (b) The effective time and date for income tax purposes shall be the Effective Time on the Effective Date.
 - (c) Notwithstanding the foregoing, the Vendor shall not be required to provide a credit at Closing for any benefits accruing to the Purchaser after the Effective Time on the Effective Date but not actually received by the Vendor at least three (3) Business Days prior to the Closing, but shall include all such amounts in the Final Statement of Adjustments.
 - (d) All adjustments to be made pursuant to this Section 4.1 shall be allocated to the Petroleum and Natural Gas Rights.

4.2 **Statement of Adjustments**

- (a) The Vendor shall carry out a final accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made for the Transaction (the "**Final Statement of Adjustments**"). The Final Statement of Adjustments shall be binding and conclusive on the Parties.
- (b) Nothing in this Agreement shall restrict or otherwise interfere with the audit rights which the Vendor may have under any of the agreements pertaining to the Assets for the period prior to the Effective Time on the Effective Date, it being the intention of the Parties that any adjustments occurring as a result of the exercise of such audit rights by the Vendor shall be for the account of the Vendor. For the purposes hereof, the expression "audit rights" shall include the right to include an audit or to participate in or receive the benefits from such an audit.

ARTICLE 5 CLOSING

5.1 Closing

The Closing of the Transaction shall take place at the Place of Closing or such other place as the Parties may agree on the later of:

- (a) the second Business Day following the day Court Approval is obtained; or
 - (b) on such other Business Day as the Parties may agree in writing
- (the "Closing Date").

5.2 Escrow

- (a) The Closing Deliveries will be delivered and held in escrow until all of the AER Licenses have been transferred to and registered in the name of Purchaser.
- (b) The Escrow Agent shall maintain possession of the Closing Deliveries and shall not release any of the Closing Deliveries to either Party until all AER Licenses have been transferred to and registered in the name of Purchaser.
- (c) If the escrow conditions set forth in Section 5.2(a) are not satisfied by August 31, 2015, then, unless Purchaser agrees in writing to waive the foregoing requirements, Closing will be deemed to have not occurred, the Escrow Agent will return all Closing Deliveries to the Party who made such Closing Deliveries and this Agreement will be deemed to have terminated and the Parties will be released from liability or obligation hereunder except as provided in Section 13.2.

ARTICLE 6 INTERIM PROVISIONS

6.1 Restrictions on Conduct of Business

The Vendor shall not, between the date of this Agreement and the Closing Date, without the written consent of the Purchaser, which consent will not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure out of the ordinary course of business with respect to the Assets, of which the Debtor's share is in excess of Twenty Five Thousand Dollars (\$25,000.00), except in the case of an emergency or as may be reasonably necessary to protect or ensure life and safety or to preserve the Assets or title to the Assets (including Lease rental payments) or in respect of amounts which the Vendor may be committed to expend or be deemed to authorize for expenditure without its consent;
- (b) other than in the ordinary course of business, materially amend or terminate any agreement or instrument relating to the Assets or enter into any new agreement or commitment relating to the Assets, except as may be reasonably necessary to protect or ensure life and safety or to preserve the Assets or title to the Assets;
- (c) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same in

a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;

- (d) sell, encumber or otherwise dispose of any of the Assets or any interest therein except the sale of materials and supplies no longer required in connection with the Assets, and excepting sales of Petroleum Substances in the ordinary course of business.
- (e) exercise any right or option of the Debtor relative to or arising as a result of the ownership of the Assets.

6.2 Following Closing

- (a) Following Closing, Vendor shall hold title to the Assets (other than the Discharged Interests) in trust for Purchaser, as bare legal trustee, until all necessary notifications, registrations and other steps required to transfer such title to Purchaser have been completed and, in furtherance thereof:
 - (i) the Vendor shall forward all statements, notices and other information received by it pursuant to Title and Operating Document to Purchaser promptly following its receipt thereof; and
 - (ii) the Vendor shall forward to other parties to the Title and Operating Documents such notices and elections pursuant to such Title and Operating Documents as Purchaser may reasonably request;

provided that the Vendor shall not be required to initiate or conduct Operations in relation to the Assets.

- (b) Purchaser shall indemnify and save and hold harmless the Vendor Entity from and against all Losses and Liabilities arising as a consequence of the provisions of this Section 6.2, except to the extent caused by the gross negligence or wilful misconduct of the Vendor Entity. Acts or omissions taken by the Vendor Entity on the instructions of, or with the approval or concurrence of Purchaser shall not constitute gross negligence or wilful misconduct.

ARTICLE 7 ACCESS TO INFORMATION AND RECORDS

7.1 Technical and Operating Information

The Vendor shall, upon request and subject to contractual restrictions relating to disclosure, make available all technical data relating to the Assets (including drilling reports, well files and production records, but excluding data and information which are subject to confidentiality restrictions prohibiting their disclosure) as are in the possession of the Vendor or the Debtor for such inspection as the Purchaser reasonably requires in connection herewith.

7.2 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any abatement or reduction in the Purchase Price as a result of, arising from or in connection with any deficiency or allegation of deficiency in

respect of the Assets, including, without limitation, any environmental liability or deficiency or title deficiency, whether identified in connection with the Purchaser's right to information as provided by Section 7.1 or otherwise.

7.3 Access to Records

The Vendor may, at its sole expense, for a period of two (2) years after Closing, obtain from the Purchaser copies or photocopies of any Title and Operating Documents, correspondence, documents or reports which were delivered to the Purchaser at Closing and which the Vendor requires to the extent the Purchaser is in possession or control thereof.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

8.1 Vendor's Representations and Warranties

Except to the extent otherwise disclosed in the Data Room Information, to the Purchaser in writing prior to the date of this Agreement, or in any Schedule to this Agreement, the Vendor hereby represents and warrants to the Purchaser that:

- (a) it has been appointed by the Court as receiver of the Assets and such appointment is valid and subsists;
- (b) it has good right, full power and absolute authority to sell, assign, transfer, convey and set over the interest of the Debtor in and to the Assets, subject to the terms and conditions of the Receivership Order and the Court Approval;
- (c) it has not previously sold, assigned transferred, conveyed set over or granted an Encumbrance in the Assets (other than pursuant to the receiver certificates issued from time to time by Vendor, each of which shall be released and discharged at Closing);
- (d) It is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

8.2 No Additional Representations and Warranties by the Vendor

- (a) Notwithstanding anything to the contrary in this Agreement, the Vendor makes no representations or warranties except as expressly set forth in Section 8.1 and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and shall not be liable for any representation or warranty express or implied, of any kind, at law or in equity, which may have been made or alleged to be made in any instrument or document relative hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, in connection with the Assets or in relation to the Transaction. For greater certainty, the Vendor does not make any representation or warranty, express or implied, of any kind, at law or in equity, with respect to:
 - (i) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor, the Sale Agent, the Financial

Advisor or any of their Representatives, or by the Debtor or its Representatives, in connection with the Assets;

- (ii) the quality, quantity or recoverability of any Petroleum Substances with or under the Lands;
- (iii) the value of the Assets or any estimates of prices or future cash flows arising from the sale of any Petroleum Substances produced from or allocated to the Assets or the Lands or any estimates of other revenues or expenses attributable to the Assets;
- (iv) the availability or continued availability of facilities, services or markets for the processing, transportation or sale of any Petroleum Substances;
- (v) the quality, condition, fitness, suitability, serviceability or merchantability of any of the Tangibles; or
- (vi) the title of the Debtor to the Assets.

The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Assets and it has not relied on advice from the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, with respect to the matters specifically enumerated in the immediately preceding paragraphs in connection with the purchase of the Assets pursuant hereto. The Purchaser further acknowledges and agrees that it is acquiring the Assets on an "as is, where is" basis. The Purchaser acknowledges and agrees that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Purchaser has had a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as such access could reasonably be provided) and that the Purchaser is not relying upon any representation or warranty of the Vendor, the Sale Agent, the Financial Advisor or any of their Representatives, or by the Debtor or its Representatives, as to the condition, environmental or otherwise, of the Assets, except as expressly contained in Section 8.1 of this Agreement.

- (b) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all equitable, common law, tort, contractual and statutory rights and remedies) against the Vendor, any Vendor Entity, the Sale Agent, the Financial Advisor or any of their Representatives, or the Debtor or its Representatives, in respect of the Assets or the Transaction or any representations or statements made, direct or indirect, express or implied, or information or data furnished to the Purchaser or its Representatives, in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

8.3 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is and at the Closing Date shall continue to be a valid and subsisting corporation under the laws of its jurisdiction of registration and is authorized to carry on business in the jurisdiction where the Assets are located;
- (b) except for the Court Approval, it has taken all action and has full power and authority to enter into this Agreement and the other documents and agreements executed and delivered hereunder and it has taken all necessary action to consummate the Transaction and to perform its obligations hereunder and the other documents and agreements executed and delivered hereunder;
- (c) provided the Court Approval is obtained, this Agreement has been, and all documents and agreements to be executed and delivered by it at Closing pursuant to this Agreement shall be, duly executed and delivered by it, and upon execution by the Vendor and it, this Agreement constitutes, and all documents and agreements required to be executed and delivered by it at Closing will constitute legal, valid and binding obligations of it enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditor's rights generally and the discretionary nature of equitable remedies and defences;
- (d) to its knowledge after due inquiry, and provided that Court Approval is obtained, no authorization or approval or other action by, and no notice to or filing with, any Government Authority exercising jurisdiction over the Assets is required by it or on its behalf for the due execution and delivery of this Agreement;
- (e) provided the Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;
- (f) it has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Transaction for which the Vendor or the Debtor shall have any obligations or liability;
- (g) it has not received notice of any Claims in existence, contemplated, pending or threatened against it seeking to prevent the consummation of the Transaction;
- (h) it is acquiring the Assets in its capacity as a principal and is not purchasing the Assets for the purpose of resale or distribution to a Third Party;
- (i) it has sufficient funds available to it to enable it to pay in full the Purchase Price to the Vendor as herein provided and otherwise to fully perform its obligations under this Agreement; and
- (j) to the Purchaser's knowledge, having made due enquiry, no Insider of the Purchaser is also an Insider of the Vendor or the Debtor.

8.4 Enforcement of Representations and Warranties

- (a) Notwithstanding anything to the contrary herein expressed or implied and notwithstanding the Closing or deliveries of covenants and/or representations and warranties in any other agreements at Closing or prior or subsequent thereto, the representations and warranties set forth in Sections 8.1 and 8.3 hereof shall survive Closing for the benefit of the Purchaser and the Vendor respectively, provided that no Claim in respect of such representations and warranties shall be made or be enforceable unless written notice of such Claim is given by the claimant to the other Parties within twelve (12) months of the Closing Date. Effective on the expiry of such twelve (12) month period, each Party hereby releases and forever discharges the other Parties from any breach of any representations and warranties set forth in Sections 8.1 and 8.3 hereof except in respect of those Claims in which notice has been given in accordance with this Section 8.4. No Claim shall be made a Party in respect of the representations and warranties in this Agreement made by the other Parties except pursuant to and in accordance with this Section 8.4.
- (b) There shall not be any merger of any covenant, representation or warranty in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.
- (c) The representations and warranties of the Vendor and the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Purchaser or the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

ARTICLE 9 CONDITIONS PRECEDENT TO CLOSING

9.1 Vendor's Closing Conditions

The obligation of the Vendor to complete the sale of the Assets pursuant to this Agreement is subject to the satisfaction at or prior to the Closing Date of the following conditions precedent:

- (a) **Representations and Warranties True:** all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects on the Closing Date, and the Vendor shall have received a certificate from an officer of the Purchaser substantially in the form attached hereto as Schedule "D" dated as of the Closing Date;
- (b) **Purchaser's Obligations:** the Purchaser shall have, in all material respects, timely performed and satisfied all obligations required by this Agreement to be performed and satisfied by the Purchaser on or prior to the Closing Date;
- (c) **Payment:** the Purchaser shall have tendered the Closing Payment to the Vendor in the manner provided in this Agreement;
- (d) **Conveyance Documents:** the Purchaser shall have executed and delivered to the Vendor all Conveyance Documents required under Section 11.1(a) and the General Conveyance;

- (e) **No Injunction:** there will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction;
- (f) **Restrictions:** all necessary governmental and other regulatory approvals to the sale of the Assets that are required prior to Closing shall have been obtained without conditions;
- (g) **Court Approval:** the Court Approval shall have been obtained; and
- (h) **AER Approval:** the AER will have confirmed that it will accept and process the transfer to Purchaser of all AER Licenses subject only to the payment by Purchaser to the AER of security deposits relating to Purchaser's licensee liability rating in respect of the AER Licenses and not that of the Debtor.

The foregoing conditions shall be for the benefit of the Vendor and may, without prejudice to any of the rights of the Vendor hereunder excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived, be waived by it in writing, in whole or in part, at any time, provided that the Vendor is not entitled to waive the Court Approval condition contained in Section 9.1(g). The Vendor shall proceed diligently and in good faith and use all reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions in case any of the said conditions shall not be complied with, or waived by the Vendor, at or before the Closing Date, the Vendor may terminate this Agreement by written notice to the Purchaser.

9.2 Purchaser's Closing Conditions

The obligation of the Purchaser to complete the purchase of the Assets pursuant to this Agreement is subject to the satisfaction, at or prior to the Closing Date, of the following conditions precedent:

- (a) **Representations and Warranties True:** all representations and warranties of the Vendor contained in this Agreement shall be true in all material respects on the Closing Date, and the Purchaser shall have received a certificate from an officer of the Vendor substantially in the form attached hereto as Schedule "C" dated as of the Closing Date;
- (b) **Vendor's Obligations:** the Vendor shall have, in all material respects, timely performed and satisfied all obligations required by this Agreement to be performed and satisfied by the Vendor on or prior to the Closing Date;
- (c) **Conveyance Documents:** the Vendor shall have executed and delivered to the Purchaser all Conveyance Documents required under Section 11.1(a) and the General Conveyance;
- (d) **Restrictions:** all necessary governmental and other regulatory approvals to the sale of the Assets that are required prior to Closing shall have been obtained without conditions;
- (e) **No Injunction:** there will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction;

- (f) **AER Approval:** Purchaser shall have received confirmation from the AER, in a form satisfactory to Purchaser acting reasonably, that the AER will accept and process the transfer to Purchaser of all AER Licenses subject only to the payment by Purchaser to the AER of security deposits relating to Purchaser's licensee liability rating in respect of the AER Licenses and not that of the Debtor; and
- (g) **Court Approval:** the Court Approval shall have been obtained.

The foregoing conditions shall be for the benefit of the Purchaser and may, without prejudice to any of the rights of the Purchaser hereunder (excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived), be waived by it by notice to the Vendor in writing, in whole or in part, at any time, provided that the Purchaser is not entitled to waive the Court Approval condition contained in Section 9.2(g). The Purchaser shall proceed diligently and in good faith and use all reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions. In case any of the said conditions shall not be complied with, or waived by the Purchaser at or before the Closing Date, the Purchaser may terminate this Agreement by written notice to the Vendor.

9.3 Parties to Exercise Diligence and Good Faith with respect to Conditions

Each Party covenants to the other that it will proceed diligently, honestly, and in good faith, and use commercially reasonable efforts with respect to all matters within its reasonable control to satisfy its respective conditions in Sections 9.1 and 9.2.

ARTICLE 10 CLOSING DELIVERIES

10.1 Vendor Closing Deliveries

At Closing, the Vendor shall table the following:

- (a) a certified copy of the Court Approval;
- (b) a copy of the Interim Statement of Adjustments;
- (c) a certificate of the Vendor substantially in the form attached hereto as 0 dated as of the Closing Date;
- (d) a receipt for the Closing Payment;
- (e) the General Conveyance, fully executed by the Vendor; and
- (f) the Conveyance Documents, to the extent prepared on or by the Closing Date in accordance with Section 11.1(a).

10.2 Purchaser's Closing Deliveries

At Closing, Purchaser shall table the following:

- (a) the Closing Payment;
- (b) a certificate of a senior officer of Purchaser substantially in the form attached hereto as 0 dated as of the Closing Date; and

- (c) the General Conveyance, fully executed by Purchaser.

10.3 Deliveries

Vendor shall deliver or cause to be delivered to Purchaser within five (5) Business Days following Closing, the original copies of the Title and Operating Documents and any other agreements and documents in its possession related to the Assets and the original copies of contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests which are now in the possession of Vendor. Notwithstanding the foregoing, if and to the extent such contracts, agreements, records, books, documents, licenses, reports and data also pertain to interests other than the Assets, at Vendor's expense, photocopies or other copies may be provided to Purchaser in lieu of original copies.

ARTICLE 11 CONVEYANCES AND TRANSFER

11.1 Conveyances

- (a) The Vendor shall provide at the Closing Date the Conveyance Documents, but no such documents shall require the Vendor to assume or incur any obligation, or to provide any representation or warranty, beyond that contained in this Agreement. The Purchaser shall execute and promptly return to the Vendor at least one copy of each such document and shall use all reasonable efforts to obtain timely execution and return of such documents by Third Parties wherever required. Notwithstanding the foregoing, the Parties agree that any assignments in the form of electronic transfers, including the AER License transfers, shall be completed and submitted at Closing.
- (b) The Vendor shall promptly register in the applicable registry all registrable transfers and conveyances of its interests in the Assets and the Vendor shall make application to all applicable Government Authorities to change the recorded name of the licensee of the Wells and Tangibles. All costs incurred in registering any transfers and conveyances inclusive of well license transfers, and all costs of registering any further assurances required to convey the Assets, shall be borne by the Purchaser.

11.2 License and Authorization Transfers

- (a) At least five (5) Business Days prior to the Closing Date, the Purchaser shall communicate with the relevant Government Authority to determine all conditions and deposits which the relevant Government Authority will require in order for the relevant Government Authority to approve the transfer by the Vendor to the Purchaser of any and all AER Licenses, and shall advise the Vendor in writing of such conditions and required deposits. In such case, forthwith after Closing, the Purchaser shall satisfy the deposit requirements of the relevant Government Authority in order to approve any of those license and authorization transfers to the Purchaser. The Purchaser further covenants to comply with all conditions imposed by the relevant Government Authority in respect of such transfers.

- (b) Prior to Closing, the Vendor shall have prepared and, at Closing, will electronically submit an application to the relevant Government Authority for the transfer of any Wells and any Tangibles held in the name of the Debtor and the Purchaser shall promptly accept and concur to such electronic transfer.
- (c) Should the relevant Government Authority deny any license transfer because of misdescription or other minor deficiencies in the application, the Vendor shall, within two (2) Business Days, correct the application and amend and re-submit an application for the license transfers and the Purchaser shall electronically ratify and sign such application.
- (d) After Closing, whether or not the Purchaser requested prior determination of the relevant Government Authority transfer conditions under Section 11.2, if for any reason the relevant Government Authority requires a Party to make a deposit in order to approve the license or authorization transfer, such Party shall and covenants to immediately make such deposit.
- (e) If the required Party fails to make a deposit it is required to make under Section 11.2(d) within ten (10) days of such Party's receipt of notification from the relevant Government Authority that such deposit is required, the other Party shall have the right, but not the obligation, to make such deposit. In such event, the required Party shall reimburse such other Party for the amount of such deposit plus interest thereon at the Prime Rate plus two percent (2%) per annum from the date such other Party paid the deposit until such reimbursement is made. In addition to all other rights to enforce such reimbursement otherwise available to the Party making payment as set out above, it shall have the right to set off the amount of such reimbursement (including interest) against other monies due to the required Party.
- (f) Each Party hereby appoints the other Party as its agent with regard to the payment referred to in Section 11.2(e), it being agreed however that the appointed Party shall not have any obligation to make such security deposits on behalf of the appointing Party.

ARTICLE 12 LIABILITIES AND INDEMNITIES

12.1 General Indemnity

If Closing occurs, the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:

- (a) assume, perform, pay, discharge and be liable to the Vendor for; and
- (b) as a separate covenant, save and hold harmless and indemnify the Vendor and each other Vendor Entity from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time on the Effective Date and which relate to the Assets or the terms and conditions of the Title and Operating Documents, including but not limited to all Losses and Liabilities attributable to the operation, ownership, use, construction or maintenance of the

Assets arising or accruing on or after the Effective Time on the Effective Date. The Purchaser's indemnity obligation set forth in this Section 13.1 shall survive the Closing Date indefinitely.

12.2 Environmental Indemnity

- (a) The Purchaser acknowledges that it:
- (i) is familiar with the condition of the Assets, including the past and present use of the Assets, and it has been provided with the right and the opportunity to conduct due diligence investigations with respect to existing or potential Environmental Liabilities pertaining to the Assets; and
 - (ii) is not relying upon any representation or warranty of the Vendor as to the condition, environmental or otherwise, of the Assets.
- (b) The Purchaser agrees that once Closing has occurred the Vendor shall have no liability whatsoever for any Environmental Liabilities. In this regard, once Closing has occurred, the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:
- (i) be solely liable and responsible for all of the Vendor's Losses and Liabilities; and
 - (ii) as a separate covenant, indemnify, save and hold the Vendor and each other Vendor Entity harmless from and against all Losses and Liabilities that may be brought against or which they or any one of them may suffer, sustain, pay or incur;

as a result of any act, omission, matter or thing related to any Environmental Liabilities arising, however and whenever arising or occurring, and the Purchaser shall assume, perform, pay and discharge all Environmental Liabilities. This liability and indemnity shall apply without limit and without regard to cause or causes, including the negligence, whether sole, concurrent, gross, active, passive, primary or secondary, or the wilful or wanton misconduct of the Vendor or the Purchaser or any other person or otherwise. The Purchaser acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or any Vendor Entity under the common law or statute pertaining to any Environmental Liabilities, including the right to name the Vendor or any Vendor Entity as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's indemnity obligation set forth in this Section 12.2(b) shall survive the Closing Date indefinitely.

12.3 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

12.4 Holding of Indemnities

The Vendor will hold the indemnities contained in Sections 12.1 and 12.2 in trust on behalf of all of the other Vendor Entities and may enforce the same on their behalf.

ARTICLE 13 TERMINATION

13.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing;

- (a) by mutual written agreement of the Vendor and the Purchaser;
- (b) by either the Vendor or the Purchaser pursuant to the provisions of Articles 9.1 or 9.2, as applicable;
- (c) by either the Vendor or the Purchaser if Closing has not occurred on or before October 31, 2015; or
- (d) in accordance with Section 5.2(c).

13.2 Effect of Termination

If this Agreement is terminated by the Vendor or the Purchaser as permitted under Section 13.1, then article 12, article 14 and Section 19.2 shall remain in full force and effect following any such permitted termination.

ARTICLE 14 CONFIDENTIALITY, PUBLIC ANNOUNCEMENTS AND SIGNS

14.1 Confidentiality

- (a) Each Party agrees to keep in strict confidence:
 - (i) subject to Section 14.2, all information regarding the terms of this Agreement; and
 - (ii) any information exchanged or received in connection with:
 - A. the performance of due diligence by the Purchaser prior to or after the date hereof (including due diligence conducted under or in connection with the Offer to Purchase); or
 - B. negotiation or drafting of this Agreement,

provided that a Party shall be entitled to disclose all information as may be required or desirable in connection with obtaining the Court Approval. If this Agreement is terminated, each Party upon request will promptly return to the other Party all documents, contracts, records or other information received by it that disclose or embody confidential information of the other Party.

- (b) The Parties agree that the Confidentiality Agreement shall terminate concurrent with the execution and delivery of this Agreement by the Parties, and that the terms and

conditions of this Article 15 shall thereafter govern the Parties with respect to their confidentiality obligations.

14.2 Public Announcements

- (a) If a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the transactions contemplated herein, the disclosing Party shall provide the other Parties with an advance copy of any such press release or other public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and advise of any comments they may have with respect thereto.
- (b) Notwithstanding Section 14.1 or 14.2(a), a Party may release or provide information about the Transaction insofar as is required by Applicable Laws (including as may be required to obtain Court Approval) or stock exchange requirements applicable to the disclosing Party or its Affiliates; provided that such disclosing Party shall make reasonable commercial efforts to provide the other Parties with the details of the nature and substance of such required disclosure as soon as practicable end in any event prior to such disclosure. A Party may provide information about the Transaction to a bank or other financial institution to obtain financing on any required consent of the bank or other financial lender of such Party or any of its Affiliates. A Party may also disclose such information pertaining to this Agreement, including the identity of the Parties, insofar as is required to enable such Party to fulfil its obligations under this Agreement, including obtaining any approvals or consents to the Transaction required from Governmental Authorities (including Court Approval) or Third Parties.

14.3 Signs

Within sixty (60) days following the Closing Date, the Purchaser shall remove the names of the Vendor, the Debtor and their Affiliates and predecessors from all signs located at or near the Wells or any Tangibles. If the Purchaser fails to comply with the foregoing, the Vendor shall have the right, at its discretion, to remove its name as aforesaid and the Purchaser shall be responsible for and shall reimburse such Vendor for all reasonable costs incurred by such Vendor in so doing.

ARTICLE 15 GOVERNING LAW AND DISPUTE RESOLUTION

15.1 Governing Law

This Agreement shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with the laws in effect in the Province of Alberta and to the laws of Canada applicable therein.

15.2 Resolution of Disputes

- (a) Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court, and waives any defences it might have regarding jurisdiction in any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a Party, or for recognition or enforcement of any judgment in respect thereof, and each Party hereto hereby

irrevocably and unconditionally agrees that all Claims in respect of any such action or proceeding may be heard and determined by the Court.

- (b) Each Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a Party in any court of competent jurisdiction in the Province of Alberta. Each of the Parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

ARTICLE 16 NOTICES

16.1 Service of Notices

Any Communication must be in writing and either delivered personally or by courier, sent by prepaid registered mail or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid.

Any Communication must be sent to the intended recipient at its address as follows:

the Purchaser:

Head First Energy Inc.
118 Springbluff Blvd S.W.,
Calgary, Ab
T3H 4V3

Attention: Russ Graham
Email: rgraham@headfirstenergy.com

the Vendor:

Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity
700, 850 – 2nd Street SW
Calgary, Alberta T2P 0R8

Attention: Jeff Keeble, Senior Vice President
Email: jkeeble@deloitte.ca

With a copy to:

900, 717 – 7th Avenue S.W.
Calgary, AB
T2P 0Z3

Attention: Christopher Gillanders
Email: cgillanders@sekureenergy.com

or at any other address as any Party may at any time advise the other by Communication given or made in accordance with this Section 16.1. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given or made and received on the next Business Day. Any Communication sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be delivered personally or by courier or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission. Any Communication transmitted by facsimile, e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the Communication is transmitted on a day which is not a Business Day or after 5:00 pm (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day..

ARTICLE 17 PERSONAL INFORMATION

17.1 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained by the Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates or as otherwise permitted or authorized by Applicable Law. The Purchaser's obligations set forth in this Section 17.1 shall survive the Closing Date indefinitely.

ARTICLE 18 ASSIGNMENT

18.1 Assignment

- (a) Neither Party may assign their interest in or under this Agreement or to the Assets without the prior written consent of the other Party, which consent may be withheld in such other Party's sole and unfettered discretion.
- (b) No assignment, transfer, or other disposition of this Agreement or the Assets or any portion of the Assets shall relieve the Purchaser from its obligations to the Vendor herein. The Vendor shall have the option to claim performance or payment of the obligations from the Purchaser or the assignee or transferee, and to bring proceedings in the event of default against either or all of them, provided that nothing herein shall entitle the Vendor to receive duplicate performance or payment of the same obligation.

ARTICLE 19 MISCELLANEOUS

19.1 Remedies Cumulative

No failure on the part of any Party to exercise any right or remedy will operate as a waiver thereof. A Party will not be precluded from exercising any right available to it at law, equity or by statute because of its exercise of any single or partial right, and a Party may exercise any such remedies independently or in combination.

19.2 Costs

Except as otherwise specified in this Agreement, each Party shall pay its respective costs incurred in connection with the preparation, negotiation and execution of this Agreement and the consummation of the Transaction.

19.3 No Waiver

No waiver by any Party of any breach of any of the terms, conditions, representations or warranties in this Agreement shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

19.4 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and the Parties agree and confirm that this Agreement cancels and supersedes any prior understandings and agreements between the Parties hereto with respect to the subject matter hereof. No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties.

19.5 Further Assurances

From time to time, as and when reasonably requested by the other Party, a Party shall execute and deliver or cause to be executed and delivered all such documents and instruments and shall take or cause to be taken all such further or other actions to implement or give effect to the Transaction, provided such documents, instruments or actions are consistent with the provisions of this Agreement. All such further documents, instruments or actions shall be delivered or taken at no additional consideration other than reimbursement of any expenses reasonably incurred by the Party providing such further documents or instruments or performing such further acts, by the Party at whose request such documents or instruments were delivered or acts performed.

19.6 Time of the Essence

Time shall be of the essence in this Agreement.

19.7 Enurement

This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective heirs, executors, successors and permitted assigns.

19.8 Severability

In the case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

2.27 No Third Party Beneficiaries

Except as expressly provided in Section 8.2, the Parties do not intend, nor will any Section of this Agreement be interpreted to create, any obligation to, or benefit from, any Person other than a Party.

[the remainder of this page intentionally left blank]

19.9 Counterpart Execution

This Agreement may be executed in counterpart and all executed counterparts together shall constitute one agreement. This Agreement shall not be binding upon any Party unless and until executed by all Parties. Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by such party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity

HEAD FIRST ENERGY INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Per: _____
Name:
Title:

[This is the execution page to the Asset Purchase and Sale Agreement dated August 12, 2015 between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, and Head First Energy Inc., a corporation incorporated pursuant to the laws of Alberta.]

SCHEDULE "A"

Attached to and made a part of that Asset Purchase and Sale Agreement dated August 12, 2015

Part 1 - Lands, Leases and Petroleum and Natural Gas Rights

See attached
Mineral Property
Report – 239 pages

Part 2 - Wells

Well Location	Status	Working Int.	ERCB License #
See mineral property report			

Part 3 – Facilities

Facilities	Type	Location	ERCB Facility #
N/A			

Part 4 – Acquired Pipelines

Pipelines	ERCB Approval #	Line #	Status
N/A			

SCHEDULE "B"

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

GENERAL CONVEYANCE

This General Conveyance made this • day of •, 2015.

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity ("**Vendor**")

- and -

HEAD FIRST ENERGY INC., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Purchaser**")

WHEREAS the Vendor has agreed to sell and convey the Debtor's entire right, title, estate and interest in the Assets to the Purchaser and the Purchaser has agreed to purchase and accept all of the Debtor's rights, title, estate and interest in and to the Assets.

THE PARTIES AGREE AS FOLLOWS:

1. Definitions

In this General Conveyance, including the recitals, "Agreement" means the Asset Purchase and Sale Agreement dated August 12, 2015 between the Vendor and the Purchaser and, in addition, the definitions provided for in the Agreement are adopted in this General Conveyance.

2. Conveyance

The Vendor, for the consideration provided for in the Agreement, the receipt and sufficiency of which is acknowledged by the Vendor, hereby sells, assigns, transfers and conveys the entire right, title, benefit and interest of the Debtor in and to the Assets to the Purchaser, its successors and assigns, and the Purchaser purchases and accepts such interests from the Vendor, TO HAVE AND TO HOLD the same absolutely, subject to the terms of the Agreement, the Permitted Encumbrances and compliance with the terms of the Leases and all other Title and Operating Documents.

3. Effective Time

This General Conveyance and the transfer of title to and possession of the Debtor's interest in and to the Assets will, subject to the terms of the Agreement, be effective as of the Closing Date.

4. Subordinate Document

This General Conveyance is executed and delivered by the Parties pursuant to the Agreement for the purposes of the provisions of the Agreement, and the terms hereof shall be read on conjunction

with the terms of the Agreement. If there is a conflict between the provisions of the Agreement and this General Conveyance, the provisions of the Agreement shall prevail to the extent of the conflict.

5. Enurement

This General Conveyance enures to the benefit of and is binding; upon the Parties and their respective successors and permitted assigns.

6. Further Assurances

Each Party shall, after the date of this General Conveyance, at the request of the other Party and without further consideration, do all further acts and execute and deliver all further documents which are reasonably required to perform and carry out the terms of this General Conveyance.

7. Governing Law

This General Conveyance will be governed by and construed in accordance with the laws of the Province of Alberta.

IN WITNESS WHEREOF the Parties have duly executed this General Conveyance.

DELOITTE RESTRUCTURING INC., in its capacity as court appointed receiver of the property and assets of Sekur Energy Management Corp., and not in its personal capacity

HEAD FIRST ENERGY INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Per: _____
Name:
Title:

SCHEDULE "C" - VENDOR'S OFFICER'S CERTIFICATE

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

VENDOR'S OFFICER'S CERTIFICATE

Re: Section 9.2(a) of the Asset Purchase and Sale Agreement ("**Agreement**") dated August 12, 2015, between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, as the Vendor and • as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **Jeff Keeble, Senior Vice-President**, hereby certify that:

1. Each of the representations and warranties of the Vendor contained in Section 8.1 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Vendor, pursuant to Section 9.1 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Vendor and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Purchaser is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate the • day of •, 2015.

Name:
Title:

SCHEDULE "D" - PURCHASER'S OFFICER'S CERTIFICATE

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

Re: Section 9.1(a) of the Asset Purchase and Sale Agreement ("**Agreement**") dated August 12, 2015, between Deloitte Restructuring Inc., in its capacity as court appointed receiver of certain property and assets of Sekur Energy Management Corp., and not in its personal capacity, as the Vendor and • as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **Russ Graham, President**, hereby certify that:

1. Each of the representations and warranties of the Purchaser contained in Section 8.3 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Purchaser, pursuant to Section 9.2 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Purchaser and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Vendor is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate the • day of •, 2015.

Name:

Title:

SCHEDULE "E" - FORM OF COURT ORDER

Attached to and made part of that Asset Purchase and Sale Agreement dated August 12, 2015.

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY
OF CANADA, IN ITS CAPACITY AS
COLLATERAL AGENT FOR
GUGGENHEIM CORPORATE FUNDING,
LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

APPROVAL AND VESTING ORDER
(Sale by Receiver)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 – 7 Avenue SW
Calgary, Alberta T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 695-3558
File No. A128622

Attention: Tom Cumming / Jeff Oliver

DATE ON WHICH ORDER WAS PRONOUNCED: August 12, 2015

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice Horner

UPON THE APPLICATION by Deloitte Restructuring Inc., in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the undertaking, property and assets of Sekur Energy Management Corp. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase and sale agreement (the “**Sale Agreement**”) between the Receiver and Head First Energy Inc. (the “**Purchaser**”) made as of August 12, 2015, which Sale Agreement is appended in redacted form as Exhibit “●” to the Affidavit of Christopher Gillanders, sworn and filed August 6, 2015 in the within proceedings (the “**Initial Affidavit**”), and in unredacted form as Exhibit “A” to the Confidential Affidavit of Christopher Gillanders, sworn and filed August 6, 2015 in the within proceedings (the “**Initial Confidential**

Affidavit”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Purchased Assets (as defined below);

AND UPON HAVING READ the Receivership Order dated August 12, 2015 (the “**Receivership Order**”), the Pre-Filing Report of the Receiver dated August 6, 2015 (the “**Pre-Filing Report**”), the Initial Affidavit, the Initial Confidential Affidavit and the Affidavit of Service of Richard Comstock; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, [Names of other parties appearing], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTIONS

2. The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3. Upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form set out in **Schedule “A”** hereto (the “**Receiver’s Certificate**”), all of the Debtor’s right, title and interest in and to the property and assets of the Debtor described as the “**Assets**” in the Sale Agreement and listed on **Schedule “B”** hereto (collectively, the “**Purchased Assets**”) shall vest absolutely in the name of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
 - (c) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances (as defined in the Sale Agreement); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. The Receiver is hereby authorized to execute for and on behalf of the Debtor all conveyances, assignments, transfers, novations, notices of assignment and other documents necessary or desirable in order to convey, assign and transfer title to the Purchased Assets to the Purchaser and to novate the Purchaser into any contracts, licenses, permits, approvals or authorizations included in the Purchased Assets.
5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
6. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
7. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.

8. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
9. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
10. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser.
11. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
12. Notwithstanding:
 - (a) The pendency of these proceedings;
 - (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) Any assignment in bankruptcy made in respect of the Debtor

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

14. 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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
15. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
16. Service of this Order on any party not attending this application is hereby dispensed with.

J.C.C.Q.B.A.

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY OF
CANADA, IN ITS CAPACITY AS
COLLATERAL AGENT FOR GUGGENHEIM
CORPORATE FUNDING, LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

RECEIVER'S CERTIFICATE

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 – 7 Avenue SW
Calgary, Alberta T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 695-3558
File No. A128622

Attention: Tom Cumming / Jeffrey Oliver

RECITALS

- A. Pursuant to an Order of the Honourable Madam Justice Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated August 12, 2015, Deloitte Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Sekur Energy Management Corp. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated August 12, 2015, the Court approved the asset purchase and sale agreement made as of August 12, 2015 (the "**Sale Agreement**") between the Receiver and Head First Energy Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the

conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

Deloitte Restructuring Inc., in its capacity as Receiver and Manager of the undertaking, property and assets of Sekur Energy Management Corp., and not in its personal capacity

Per:

Name:

Title:

Schedule "B"**Description of Purchased Assets**

The Purchased Assets consist of the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests, as such terms are defined in the Sale Agreement, including the following:


[ADD ADDITIONAL DETAILS FROM MINERAL PROPERTY REPORT SUFFICIENT FOR IDENTIFICATION AND REGISTRATION PURPOSES.]

THIS IS EXHIBIT "N"
to the Affidavit of

Christopher Gillanders

Sworn before me this 7

Day of August, 2015


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

Gillian Scarlett
Barrister and Solicitor

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

COMPUTERSHARE TRUST COMPANY OF CANADA, IN ITS
CAPACITY AS COLLATERAL AGENT FOR GUGGENHEIM
CORPORATE FUNDING, LLC

DEFENDANT

SEKUR ENERGY MANAGEMENT CORP.

DOCUMENT

CONSENT TO ACT AS RECEIVER

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

Gowling Lafleur Henderson LLP
1600, 421 – 7th Avenue S.W.
Calgary, AB T2P 4K9

Telephone (403) 298-1818
Facsimile (403) 263-9193

File No. A128622

Attention: Tom Cumming / Jeffrey Oliver

TAKE NOTICE THAT Deloitte Restructuring Inc., with an office at 700 Bankers Court, 850 – 2nd Street SW, Calgary, Alberta, T2P 0R8, being a corporation qualified to do so, hereby consents to act as receiver and manager over the property, assets and undertakings of Sekur Energy Management Corp. under and pursuant to the provisions of s. 13(2) of the *Judicature Act*, R.S.A. 2000, c J-3 and s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

DATED at Calgary, Alberta, this 6th day of August, 2015.

Deloitte Restructuring Inc.

Per: 

Name: Jeff Keeble, CA, CIRP, CBV
Partner, Restructuring Services