

COURT FILE NUMBER 2001-13391  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT ORPHAN WELL ASSOCIATION  
DEFENDANT BOW RIVER ENERGY LTD.  
DOCUMENT **SECOND REPORT OF BDO CANADA LIMITED,  
IN ITS CAPACITY AS RECEIVER AND MANAGER OF  
BOW RIVER ENERGY LTD.**

**APRIL 19, 2021**

ADDRESS FOR  
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**SECOND REPORT OF THE RECEIVER AND MANAGER  
BDO CANADA LIMITED  
APRIL 19, 2021**

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## **INTRODUCTION**

1. On June 1, 2020, upon the application by Bow River Energy Ltd. (“**Bow River**” or the “**Company**”), an Alberta based oil and gas company with assets in Alberta and Saskatchewan, to the Court of Queen’s Bench of Alberta (the “**Court**”) pursuant to the *Companies Creditors Arrangement Act*, RSC 1985 c. C-36, as amended (the “**CCAA**”), the Honourable Madam Justice A. D. Grosse granted an initial order (the “**CCAA Initial Order**”).
2. Pursuant to the CCAA Initial Order, the Court appointed BDO Canada Limited (“**BDO**”) as monitor (the “**Monitor**”) in the CCAA proceedings (the “**CCAA Proceedings**”) and granted Bow River certain relief including but not limited to the imposition of an initial stay of proceedings (the “**Stay**”) in favour of the Company and its assets through to June 11, 2020.
3. On June 10, 2020, the Court granted an *Amended and Restated CCAA Initial Order* which included certain relief, *inter alia*:
  - a. an extension of the Stay through to July 31, 2020; and
  - b. the approval of a super-priority afforded to the Administration Charge and the Director’s Charge as against the property, assets and undertakings of the Company (the “**Assets**”) as follows:
    - i. Administration Charge (\$300,000) – first ranking; and
    - ii. Directors’ Charge (\$400,000) – second ranking.
4. On July 24, 2020, the Court granted two Orders as follows:
  - a. an Order:
    - i. further extending the Stay to October 16, 2020;
    - ii. approving a settlement agreement entered into between the Company and Husky Oil Operations Limited (the “**Husky Settlement**”); and

- iii. approving an interim financing agreement (the “**Interim Facility**”) with 2270943 Alberta Ltd. (“**227**”) and the granting of a charge against the Assets to a maximum of \$1.1 Million in relation to borrowings thereunder (the “**Interim Lender’s Charge**”) ranking immediately behind the Administration Charge; and
  - b. an Order (the “**SISP Order**”):
    - i. approving a sales and investment solicitation process (the “**SISP**”) and the engagement of Sayer Energy Advisors (“**Sayer**”) to administer same;
    - ii. approving an asset purchase and sale agreement between Bow River and 227 in respect of certain of Bow River’s assets as a stalking horse offer (the “**Stalking Horse APA**”) in conjunction with the SISP; and
    - iii. the sealing of certain materials filed in respect of the July 24<sup>th</sup> Application.
5. Bow River in cooperation with Sayer and the Monitor carried out the sales process in accordance with the SISP, which included marketing all of Bow River’s assets from July 24, 2020 until August 24, 2020.
6. As a result of Sayer's efforts, 52 parties executed confidentiality agreements and gained access to the data room and fourteen parties submitted offers by the August 24, 2020 deadline, one party submitted a late offer on the evening of August 24, 2020 that was accepted into the process.
7. In total, the SISP resulted in offers on 98% and 95% of Bow River's producing properties in Alberta and Saskatchewan respectively, but would have resulted in a number of environmental liabilities being unaddressed. No offers were received that constituted a Superior Bid (as defined in the SISP) to the Stalking Horse APA.

8. On September 10, 2020, the Company met with and presented the Alberta Energy Regulator (the “**AER**”) and the Orphan Well Association (the “**OWA**”) with a summary of the offers received for certain of the Company’s assets located in Alberta arising from the SISP, explained which offers the Company intended to pursue by way of three separate transactions including the Stalking Horse APA (the “**Alberta Proposal**”) and discussed what environmental liabilities would remain as a result. At that time, the AER raised several concerns with the Alberta Proposal including the Stalking Horse APA.
9. Subsequent to that date, there were numerous communications and discussions amongst the Company, 227, the AER and the OWA.
10. On September 21, 2020, the AER advised that it would object for various reasons to an application by Bow River seeking approval of the Stalking Horse APA.
11. On September 29, 2020, counsel for Bow River wrote to the Saskatchewan Minister of Energy and Resources (the “**MER**”) to outline the following:
  - a. the parameters of the offers received for certain of Bow River’s assets located in Saskatchewan through the SISP that the Company considered potentially viable subject to certain financial concessions being made;
  - b. the Company’s status vis a vis the AER and the OWA; and
  - c. the financial position of the Company.
12. On October 2, 2020, the Company, the AER, the OWA and the Monitor participated in a call to discuss a path forward in respect of care and custody of all of the Company’s assets located in Alberta in light of the Company being unable to move the Alberta Proposal forward and the Company’s dissipating financial position. At the conclusion of the discussion, the AER advised that it required formal notification of the Company’s intentions prior to being able to formulate its position. At that time, all parties agreed that the Company’s upcoming application to seek a short extension of the Stay through to October 30, 2020 was appropriate in the circumstances.

13. On October 6, 2020, the Court granted an Order further extending the Stay to October 30, 2020.
14. On October 13, 2020, the Saskatchewan Ministry of Justice and Attorney General wrote to the Company advising that the MER would not be able to support any potential transaction in respect of Saskatchewan assets arising from the SISP in light of the concessions required in respect of the offers not being agreeable to the SER.
15. On October 15, 2020, Bow River's counsel wrote to the AER, the OWA, the MER and Indian Oil and Gas Canada, advising of the following:
  - a. that the decision of the AER and the OWA to not support the Alberta Proposal had left the Company in a difficult situation;
  - b. the Company did not have the financial resources available to administer a further sales process or to attempt to consummate any transactions in Saskatchewan;
  - c. efforts to source alternative funding have been exhausted;
  - d. the Company would be forced to cease operations on October 29, 2020;
  - e. the Company would continue to maintain care and custody of its assets in the interim period through to October 29, 2020; and
  - f. the Company would continue to work cooperatively with the AER, the OWA and the MER in respect of a transition plan in respect of its assets.
16. On October 28, 2020, the MER made application to the Court of Queen's Bench For Saskatchewan (the "**Saskatchewan Court**") for the appointment of a receiver and manager over the Company's asset, undertakings and properties located in Saskatchewan (the "**Saskatchewan Assets**"), pursuant to which an Order was granted appointing BDO as the receiver and manager of the Saskatchewan Assets (the "**Saskatchewan Proceedings**").

17. On October 29, 2020, the Company made an application to the Court seeking the following relief:
  - a. approval to repay the outstanding balance of approximately \$264,000 due to 227 under the Interim Facility that was utilized to facilitate with the Husky Settlement. With the support of the Monitor and the agreement of the AER and the OWA, on October 29, 2020 the Court granted an Order authorizing the Company's repayment of the Interim Facility; and
  - b. the discharge of the Monitor and the termination of the CCAA proceedings upon the filing of a Certificate by the Monitor (the "**Monitor's Certificate**"). On October 29, 2020, the Court granted an Order discharging the Monitor. The Monitor executed the Monitor's Certificate on November 9, 2020.
18. On October 29, 2020, the OWA made application to the Court for the appointment of a receiver and manager over the Company's current and future asset, undertakings and properties of any kind located in Alberta (the "**Alberta Assets**"), pursuant to which an Order (the "**Alberta Receivership Order**") was granted appointing BDO as the receiver and manager of the Alberta Assets (the "**Alberta Proceedings**").
19. On November 23, 2020, the Receiver filed a report with the Court (the "**First Report**") in advance of its application seeking the Court's approval of the sales solicitation process as proposed by the Receiver in respect of the Alberta Assets (the "**SSP**") and the engagement of Sayer as its sales agent (the "**Sales Agent**") to administer the SSP.
20. On December 2, 2020, the Court granted an order approving the SSP and the engagement of Sayer as the Sales Agent (the "**SSP Order**").
21. References to (the "**Receiver**") shall collectively refer to BDO in its capacities as receiver and manager in both the Alberta Proceedings and the Saskatchewan Proceedings.

**PURPOSE**

22. The purpose of this report (the “**Second Report**”) is to provide this Honourable Court with:
- a. an update as to the status of the SSP;
  - b. an overview of the definitive agreements the Receiver has entered into arising from the SSP;
  - c. the details of a sealing order being sought in respect of the Receiver’s Confidential Supplement to the Second Report dated April 19, 2021 (the “**Confidential Supplement**”);
  - d. an updated interim Statement of Receipts and Disbursements;
  - e. details of the fees and disbursements incurred to date by the Receiver and its legal counsel; and
  - f. the Receiver’s recommendations in respect of the foregoing as appropriate.

**TERMS OF REFERENCE AND DISCLAIMER**

23. In preparing this Second Report, the Receiver has relied upon unaudited financial information, discussion with former management of the Company, discussions with former Company employees and contract staff, available books and records of the Company, information provided by the Receiver’s legal counsel and discussions with and information provided by Veracity Energy Services Inc. (“**Veracity**”), the Receiver’s operational consultant (collectively referred to as the “**Information**”). The Receiver has not performed an audit, review or otherwise attempted to verify the accuracy or completeness of the Information.



## OVERVIEW OF SALE SOLICITATION PROCESS

24. The Receiver, in conjunction with Sayer, launched the SSP in December 2020.
25. Sayer and the Receiver undertook the following pre-marketing and marketing steps in accordance with the SSP:
  - a copy of an initial information brochure (the “**Teaser Letter**”) was prepared by Sayer, along with corresponding maps and summary information for the Alberta Assets that were placed on Sayer’s website. Sayer advises that throughout the marketing process, the Teaser Letter was downloaded a total of 349 times which Sayer indicates is a high number of downloads for an offering of this nature;
  - approximately 2,100 parties, from a separate Sayer distribution list, received an electronic copy of the Teaser Letter by email on December 7, 2020 and January 6, 2021;
  - an advertisement was placed in the *BOE Report* on each of December 7, 2020 and January 6, 2021. Sayer advises that statistics from the *BOE Report* indicate that the advertisement was viewed a total of 2,621 and 2,267 times respectively;
  - an advertisement was placed in the *Daily Oil Bulletin* on each of December 7, 2020 and January 6, 2021. Sayer advises that statistics from *Daily Oil Bulletin* indicate that the advertisement was viewed a total of 560 and 468 times respectively;
  - The opportunity was posted on the Receiver’s website;
  - 60 parties executed a Confidentiality Agreement (“**CA**”), which Sayer advises is a very high number for a divestiture of this nature;
  - Those parties executing a CA were provided access to an electronic data room established by Sayer; and
  - Sayer, the Receiver and Veracity had discussions with various interested parties in respect of the opportunity throughout the period.

26. January 28, 2021 (the “**Bid Deadline**”), was established as the date for the submission of non-binding letters of intent (“**LOI’s**”). As of the Bid Deadline, the Receiver and Sayer received 30 LOI’s.
27. The Receiver and Sayer reviewed the LOI’s to determine which warranted pursuing further. The Receiver and Sayer evaluated the LOI’s based on whether there were overlapping offers, the nature of any conditional terms, remaining due diligence requirements and perceived closing risk
28. Thereafter, the Receiver, Sayer and Veracity have diligently worked with the parties who submitted LOI’s in order to clarify the terms and negotiate definitive agreements with certain parties; however, the negotiation and finalization of process has taken several weeks given that:
  - Virtually none of the LOI’s complied with all of the terms established by the SSP; and
  - There were delays in respect of finalizing due diligence requirements in light of logistical challenges caused by the COVID 19- Pandemic.
29. As summarized below, the Receiver has now entered into several definitive agreements for which the Receiver will be seeking the Court’s approval of the transactions contemplated therein.

### **PROPOSED TRANSACTIONS**

30. The SSP did not result in any *en bloc* offers for the Alberta Assets. Accordingly, the Receiver has entered into five transactions (the “**Proposed Transactions**”), each of which is subject to the approval of this Honourable Court.
31. A high-level summary of the Proposed Transactions, the identity of the counterparties (the “**Purchasers**”), and the general nature and location of the respective subject assets, is as follows:
  - Asset Purchase and Sale Agreement (“**PSA**”) with West Lake Energy Corp.– a “white map” offer for all of Bow River’s interests in the Fleeing Horse area

comprised of 76 operated wells, associated facility and pipeline licenses and one non-operated well;

- PSA with BRW Exploration Inc. – a “white map” offer for all of Bow River’s interests in the Red Lion area comprised of 131 operated wells, associated facility and pipeline licenses and seven non-operated wells;
- PSA with Axiom Oil & Gas Inc. – a “white map” offer for all of Bow River’s interests in the Black Creek area comprised of 123 operated wells, associated facility and pipeline licenses;
- PSA with Dark Warrior Resources Ltd. – certain operated interests in the Provost area associated with two operated wells; and
- Assignment Agreement with Partners Energy Development Corp. - various gross overriding royalty interests.

32. Redacted copies of the PSA’s and the Assignment Agreement (collectively, the “**Purchase Agreements**”) are attached hereto as **Appendices “A” to “E”** of this Second Report and unredacted copies of the Purchase Agreements will be provided to the Court in the Confidential Supplement.
33. The Receiver has been actively involved with Sayer in reviewing, negotiating and finalizing the terms of the Proposed Transactions. The OWA and the AER have also been consulted with by the Receiver, and/or by the respective Purchasers, where appropriate.

### **RECEIVER’S ANALYSIS OF PROPOSED TRANSACTIONS**

34. In the circumstances, the Receiver believes that the Proposed Transactions are in the best interest of all stakeholders and recommends approval of same for the following reasons:
- the Proposed Transactions were generated as a result of the SSP, which was approved by this Court pursuant to the SSP Order;
  - Sayer is regarded as a well respected sales advisor in the marketplace and has executed many engagements on behalf of receivers;

- the Alberta Assets have been widely marketed by Sayer during both the SSP and during the SISP administered during the CCAA Proceedings;
- the Receiver and Sayer have undertaken an extensive negotiation process with the Purchasers and the Receiver considers the cash proceeds to be realized from the Proposed Transactions to be the best price available;
- the AER advises that there is a total of approximately \$44.8 million of abandonment and reclamation liabilities attributable to the Alberta Assets in accordance with the Licensee Liability Rating program. In addition to cash consideration, the consummation of the Proposed Transactions will result in the Purchasers assuming responsibility for the related abandonment and reclamation cost associated with the wells, facilities, and pipelines being purchased, estimated to total approximately \$21.0 million;
- The Receiver understands that the OWA is supportive of the Proposed Transactions. If the Proposed Transactions are not approved, it is likely that associated liabilities would ultimately become the responsibility of the OWA;
- The Proposed Transactions are not subject to any material conditions other than Court approval, vesting free and clear of encumbrances excluding any permitted encumbrances, and a lack of legal barriers to consummation of the transaction, such as the AER's approval of the license transfers;
- The Receiver is of the view that the Proposed Transactions were negotiated in good faith and are commercially reasonable in the circumstances; and
- The Receiver considers that there has been no unfairness arising from the SSP.

### **SEALING ORDER**

35. The Receiver is seeking a sealing order in respect of the Confidential Supplement as it contains confidential information regarding the Proposed Transactions and the Purchase Agreement's, including the purchase prices. The Receiver is of the view that this information is commercially sensitive, and if disclosed before the Proposed Transactions close, or the SSP is completed, the Receiver's ability to remarket the respective Alberta Assets may be significantly prejudiced. As a result, the Receiver respectfully seeks the sealing of the Confidential Supplement until the discharge of the Receiver is fully effective (the "**Receiver's Discharge**").

### **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

36. Attached as **Appendix "F"** is a copy of the Receiver's Statement of Receipts and Disbursements as at April 15, 2021 (the "**Interim R&D**") indicating the Receiver maintains approximately \$3.0 million in its operational trust account.
37. The Receiver will make further application to the Court to address the distribution of any residual funds from the Alberta Proceedings in due course.

### **PROFESSIONAL FEES**

38. As reflected in **Appendix "G"**, the Receiver has, to date, rendered one account for the five month period through to March 31, 2021 in the amount of \$79,478.00, plus GST (the "**Receiver's Initial Account**") in relation to the Alberta Proceedings. A copy of the Receiver's Initial Account will be available for the Court to review upon request.
39. As summarized in **Appendix "G"**, the Receiver's legal counsel, Bennett Jones LLP ("**Bennett Jones**") has to date issued six accounts through to March 31, 2021 totalling \$19,904.64, plus GST (the "**Initial Legal Accounts**") in relation to the Alberta Proceedings. Copies of the Initial Legal Accounts are available for the Court to review.

40. The Receiver is of the opinion that the Receiver's Initial Account and the Initial Legal Accounts, (collectively referred to as the "**Initial Professional Accounts**") are appropriate and reasonable in the circumstances of the receivership proceedings, for the reasons that follow, including but not limited to:
- the Receiver has continued the operations of the Alberta Assets; and
  - the significant time and effort involved with administering the SSP.

#### **ADMINISTRATIVE STATUS UPDATE**

41. The Receiver and Sayer continue to have discussions and engage in negotiations with a few additional interested parties in respect of the SSP; however, at this time the Receiver is unable to advise as to whether any further transactions will be consummated. Notwithstanding, it is clear that not all of the Alberta Assets will be sold, in which case the Receiver anticipates responsibility for care and custody will be assumed by the AER and the OWA.
42. The Receiver, with the approval of the OWA, has entered into an agreement with Vertex Professional Services Ltd. ("**Vertex**") as its contractor to perform well, pipeline, and oil and gas site closure and reclamation work in respect of funds made available to Bow River by the Government of Alberta (the "**Government**") pursuant to the Government's Site Rehabilitation Program (the "**SRP**"). The Receiver anticipates formulating an action plan in respect of the execution of the SRP, in conjunction with Vertex and the OWA, subsequent to the closing of the Proposed Transactions.
43. In respect of the status of the Saskatchewan Proceedings, the Receiver can advise that on March 29, 2021, the Saskatchewan Court granted the following three Orders:
- a. two Sale Approval and Vesting Orders (the "**SAVO's**"), approving the sale of certain of the Saskatchewan Assets to two parties; and
  - b. a Distribution and Discharge of Receiver Order providing for, *inter alia*:
    - i. the Receiver's immediate discharge in respect of the remaining Saskatchewan Assets that were not the subject of the SAVO's;

- ii. the full discharge of the Receiver on the filing of a Receiver's Certificate with the Saskatchewan Court upon the completion of all incidental duties associated with the Saskatchewan Proceedings; and
- iii. the ultimate distribution of any residual funds available from the Saskatchewan Proceedings ("the **SK Net Proceeds**") to the MER, unless an application objecting thereto is filed with the Saskatchewan Court by April 28, 2021. The Receiver understands that an objection will be filed, in which case the Receiver's anticipates ultimately paying the SK Net Proceeds to the Saskatchewan Court pending a final determination as to the entitlement to the SK Net Proceeds by the Saskatchewan Court. At this time, the Receiver does not anticipate taking a position in respect of any potential dispute as to the entitlement to the SK Net Proceeds.

#### **RECEIVER'S ACTIVITIES**

44. The Receiver's activities in respect of the Alberta Proceedings have included, but are not limited to, the following:
  - a. engaged Veracity as its operational consultant;
  - b. continued to operate the Alberta Assets that were operating as of the Receive
  - c. issued notices to all former employees confirming the terminations and providing preliminary information in respect to their ability to advance a claim pursuant to the *Wage Earner Protection Program Act*. Veracity has arranged to engage substantially all the Bow River's former field staff on a full-time basis to continue operations and has engaged the majority of the former head office staff on an hourly basis as required;
  - d. vacated the Company's head office location in Calgary and move the books and records to a more economical location, in light of former Bow River office working remotely as a result of the COVID-19 Pandemic;
  - e. updated Bow River's emergency response numbers to include Veracity's contact information.
  - f. coordinated the renewal of insurance coverage;

- g. froze the Company's bank accounts, secured the existing funds in the accounts and arranged to establish the accounts as "for deposit only";
- h. the Receiver and Veracity have responded to and continue to address inquiries from landowners, municipalities, working interest partners and parties interested in acquiring certain of Bow River's assets;
- i. the Receiver and Veracity have had ongoing communications with the AER and the OWA in relation to the care and custody of the Alberta Assets and the Alberta Proceedings;
- j. prepared and issued the *Notice of Receiver and Manager* and *Receiver and Manager's Statement* as prescribed by the *Bankruptcy and Insolvency Act* to known creditors of Bow River; and
- k. administered the SSP.

### **RECOMMENDATIONS**

45. For the reasons set out in this Second Report, the Receiver recommends to this Honourable Court the following:
- a. approval of the Proposed Transactions;
  - b. the sealing of the Confidential Supplement until the Receiver's Discharge;
  - c. approval of the Receiver's activities as more particularly outlined in the Second Report;
  - d. approval of the Interim R&D; and
  - e. approval of the Initial Professional Accounts.



All of which is respectfully submitted this 19<sup>th</sup> day of April 2021.

BDO Canada Limited  
in its capacity as Receiver and Manager of Bow River Energy Ltd.  
and not in its personal or corporate capacity



Per:

\_\_\_\_\_  
Marc Kelly  
Senior Vice President

# **APPENDIX “A”**

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER  
OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD. AND  
NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

**- and -**

**WEST LAKE ENERGY CORP.**

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**ASSET PURCHASE AND SALE AGREEMENT**

**April 15, 2021**

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## AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE dated as of April 15, 2021,

BETWEEN:

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Bow River Energy Ltd. ("**Bow River**" or the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

**WEST LAKE ENERGY CORP.**, a Corporation existing under the laws of Alberta (herein referred to as the "**Purchaser**")

WHEREAS:

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- B. the Purchaser, subject to Court Approval, has agreed to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets, on the terms and conditions set forth herein.

**NOW THEREFORE**, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
  - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to Wells, Tangibles and Facilities which were abandoned or

decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

- (b) "**Accounting Firm**" has the meaning ascribed to that term in Section 13.1(d);
- (c) "**Accounts Receivable**" means all trade and other accounts receivable, notes receivable, unbilled accounts and other debts due or accruing due to the Vendor and/or the Debtor in relation to the Assets;
- (d) "**AER**" means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;
- (e) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;
- (f) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;
- (g) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;
- (h) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and vesting all of the Vendor's Interest in and to the Assets to the Purchaser free and clear of all Claims, Encumbrances (other than Permitted Encumbrances) and interests, such order to be substantially in the form attached hereto as Schedule B together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;
- (i) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests, but specifically excluding the Excluded Assets;



- (j) **"Assumed Contracts"** means, other than contracts which are Excluded Assets:
- (i) the contracts referenced in subsection (i) of the definition of Miscellaneous Interests; and
  - (ii) and (ii) any other contract, agreement, commitment, understanding, arrangement, license or lease entered into by the Vendor or the Debtor (whether oral or written) or affecting or related to the Assets or the Assumed Liabilities or by which either the Vendor or the Debtor are bound or by which any property of the Debtor is subject to an Encumbrance;

which contracts shall be assigned by the Vendor in its own right or for and on behalf of the Debtor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;

- (k) **"Assumed Liabilities"** means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets, including:
- (i) all Environmental Liabilities and Abandonment and Reclamation Obligations;
  - (ii) any Losses and Liabilities of the Vendor and/or the Debtor accruing on or after the Closing Date;
  - (iii) and the Cure Costs in respect of, Assumed Contracts accruing on or after the Closing Date;
- (l) **"Business Day"** means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (m) **"Cash and Cash Equivalents"** means cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by the Debtor or the Vendor for and on behalf of the Debtor;
- (n) **"Claim"** means any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against any Vendor, any of their respective Affiliates and their respective Representatives, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature;
- (o) **"Closing"** means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other

transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

- (p) "**Closing Date**" means the date on which Closing occurs, being the later of May 1, 2021, or the Business Day following the issuance of the Approval and Vesting Order by the Court, or such other date as the Parties may agree in writing; provided, however, that the Closing Date shall not be later than the Outside Date;
- (q) "**Confidentiality Agreement**" means the confidentiality agreement between Vendor and Purchaser dated December 7, 2020;
- (r) "**Consequential Damages**" has the meaning ascribed to that term in Section 15.5;
- (s) "**Court**" means the Court of Queen's Bench of Alberta, Judicial Centre of Calgary;
- (t) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Assets, and such Approval and Vesting Order having become a Final Order;
- (u) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of the Vendor's or the Debtor' monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws;
- (v) "**Debtor**" means, Bow River Energy Ltd.;
- (w) "**Deposit**" has the meaning ascribed to that term in Section 3.3(a)(i);
- (x) "**Due Diligence Information**" means all information made available (by the Vendor, the Debtor or otherwise) for the Purchaser's review in paper or electronic form in relation to the Debtor, its Affiliates and/or the Assets;
- (y) "**Effective Date**" means 12:01 a.m. on May 1, 2021;
- (z) "**Encumbrances**" means all mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein;
- (aa) "**Environment**" means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);

- (bb) "**Environmental Laws**" means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;
- (cc) "**Environmental Liabilities**" means all past, present and future Losses and Liabilities, Claims and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:
- (i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
  - (ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
  - (iii) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;
  - (iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
  - (v) the protection, reclamation, remediation or restoration of the Environment;
- that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;
- (dd) "**Escrow Release Date**" has the meaning ascribed to that term in Section 3.3(d);
- (ee) "**Excluded Assets**" has the meaning set forth in Section 2.6;
- (ff) "**Facilities**" means the Vendor's Interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, including those facilities and pipelines identified in Part 2 of Schedule A;
- (gg) "**Final Statement of Adjustments**" has the meaning ascribed to that term in Section 13.1(b);

- (hh) "**Final Order**" means an order of the Court that has not been vacated, stayed, set aside, amended, reversed, annulled or modified, as to which no appeal or application for leave to appeal therefrom has been filed and the applicable appeal period with respect thereto shall have expired without the filing of any appeal or application for leave to appeal, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of with no further right of appeal and all opportunities for rehearing, reargument, petition for certiorari and appeal being exhausted or having expired without any appeal, motion or petition having been filed and remaining pending, any requests for rehearing have been denied, and no order having been entered and remaining pending staying, enjoining, setting aside, annulling, reversing, remanding, or superseding the same, and all conditions to effectiveness prescribed therein or otherwise by Applicable Law or order having been satisfied;
- (ii) "**General Conveyance, Assignment and Assumption Agreement**" means an agreement providing for the assignment by the Vendor of the Vendor's Interest in and to the Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule C, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule C;
- (jj) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the AER;
- (kk) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;
- (ll) "**Hazardous Substances**" means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (mm) "**Lands**" means the lands set out and described in Part 1 of Schedule A, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations), but excluding the Excluded Assets;
- (nn) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (oo) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;

- (pp) **"Licence Transfers"** means the transfer from the Vendor and/or the Debtor to the Purchaser of any permits, approvals, licences and authorizations granted by the AER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells, Tangibles or the Facilities, as applicable.
- (qq) **"LMR"** means the licensee liability rating program and the license transfer process as set forth by the AER under AER's Directive 006, 011, 068 and Bulletin 2016-21 and related AER regulations, guidelines, directives, information letters, programs and policies, as the same may be amended, supplemented or replaced from time to time;
- (rr) **"LTAs"** has the meaning set forth in Section 2.3(a);
- (ss) **"Losses and Liabilities"** means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (tt) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
  - (i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
  - (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
  - (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;
  - (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
  - (v) all records, books, documents, licences, environmental reports, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical

matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and

- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

but excluding the Excluded Assets and provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor or the Debtor to an assignee;

- (uu) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);
- (vv) "**Objection Date**" has the meaning ascribed to that term in Section 13.1(c);
- (ww) "**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);
- (xx) "**Outside Date**" means August 30, 2021 or such other date as the Parties may agree;
- (yy) "**Outstanding ROFR Assets**" has the meaning set forth in Section 10.3(e)(ii);
- (zz) "**Outstanding ROFRs**" has the meaning set forth in Section 10.3(e);
- (aaa) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;
- (bbb) "**Permitted Encumbrances**" means:
  - (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
  - (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
  - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
  - (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil

pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;

- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
  - (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement that can be terminated on thirty one (31) day notice or less;
  - (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
  - (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
  - (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
  - (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
  - (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
  - (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
  - (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;
- (ccc) **"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;
- (ddd) **"Petroleum and Natural Gas Rights"** means the Vendor's Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), but excluding the Excluded Assets;

- (eee) **"Petroleum Substances"** means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (fff) **"Prime Rate"** means an annual rate of interest equal to the annual rate of interest announced from time to time by the main branch of the Royal Bank of Canada in Calgary, Alberta, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans provided that such rate shall be determined on the last day of each month and applied to the next succeeding month;
- (ggg) **"Purchase Price"** has the meaning ascribed to that term in Section 3.1;
- (hhh) **"Purchaser"** has the meaning ascribed to that term in the preamble hereto;
- (iii) **"Receivership Order"** means the order of the Court dated June 8, 2020, pursuant to which the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (jjj) **"Receivership Proceedings"** means the court proceedings brought in the Court pursuant to Court Action No. 2001-13391, pursuant to which the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (kkk) **"Representative"** means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;
- (lll) **"ROFR"** means a right of first refusal, right of first offer or other pre-emptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;
- (mmm) **"ROFR Disclosure Letter"** means the letter delivered by the Vendor to the Purchaser concurrent with the execution of this Agreement identifying any applicable ROFRs;
- (nnn) **"Specific Conveyances"** means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor's Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or the Debtor, as applicable, with respect to the Assets (excluding the Licence Transfers);
- (ooo) **"Surplus Equipment"** means those Assets identified as such in Part 2 of Schedule E hereto, which, if sold by the Vendor to a Third Party prior to Closing, shall constitute Excluded Assets, and if unsold by the Vendor prior to Closing, shall constitute Assets;
- (ppp) **"Tangibles"** means the Vendor's Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process,



gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them, but excluding the Excluded Assets;

- (qqq) "**Third Party**" means any Person who is not a Party or an Affiliate of a Party;
- (rrr) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor or any of the Debtor for which the Purchaser has indemnified the Vendor and the Debtor or is otherwise responsible pursuant to this Agreement;
- (sss) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;
- (ttt) "**Transaction**" means the transaction for the purchase and sale of the Vendor's Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;
- (uuu) "**Transfer Taxes**" means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST; and which, for certainty, shall not include freehold mineral taxes;
- (vvv) "**Bow River Security Arrangements**" has the meaning ascribed to that term in Section 2.8;
- (www) "**Vendor**" has the meaning ascribed to that term in the preamble hereto;
- (xxx) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property;
- (yyy) "**Vendor's Solicitors**" means the law firm of Bennett Jones LLP, or such other firm or firms of solicitors as are retained or engaged by the Vendor from time to time and notice of which is provided to the Purchaser; and
- (zzz) "**Wells**" means the Vendor's Interest in and to the wells listed 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) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (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) 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.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

## 1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A	Assets Listing
	Part 1 – Lands
	Part 2 – Wells, Facilities and Tangibles

Schedule B	Form of Approval and Vesting Order
Schedule C	Form of General Conveyance
Schedule D	Form of Bring-Down Certificate
Schedule E	Excluded Assets Part 1 – Excluded Assets Part 2 – Surplus Equipment
Schedule F	Bow River Security Arrangements

#### **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.

### **ARTICLE 2 PURCHASE AND SALE**

#### **2.1 Agreement of Purchase and Sale**

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Vendor's Interest in and to the Assets.

#### **2.2 Transfer of Property and Assumption of Liabilities**

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable.

#### **2.3 AER License Transfers**

- (a) Promptly following Closing, the Vendor shall electronically submit applications to the AER for the Licence Transfers ("LTAs"), and, in each case, will provide a screen shot or other evidence indicating such submission to the Purchaser, and in addition the Vendor shall provide any information and documentation along with such LTAs to the AER which are required to be provided by the transferor in connection with the foregoing. The Purchaser shall accept or ratify such LTAs without delay, provided that, if the Purchaser in good faith determines or believes that any of the LTAs are not complete and accurate, or the AER refuses to process any such LTAs because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate LTAs as soon as practicable and, thereafter, the Vendor shall promptly re-submit such LTAs and the Purchaser shall accept or ratify such re-submitted LTAs without delay. Each Party shall be responsible for its own costs relating to LTAs hereunder. The Purchaser shall

provide any information and documentation in respect of such LTAs to the AER which are required to be provided by the transferee in connection with the foregoing. Following submission of the LTAs, each of the Parties shall use reasonable commercial efforts to obtain the AER's approval of the LTAs and registration of the License Transfers, subject to the specific requirements of this Section 2.3, including Section 2.3(c) hereof.

- (b) If the AER denies any of the LTAs because of misdescription or other minor deficiencies contained therein, the Vendor shall, within two Business Days of such denial, correct the LTA(s) and amend and re-submit the LTA(s), and the Purchaser shall accept or ratify such re-submitted LTAs without delay.
- (c) If, for any reason, the AER requires the Purchaser to make a deposit, furnish any other form of security, provide any undertakings, information or other documentation or to take any action as a condition of or a prerequisite for the approval of any of the LTAs, then immediately after receiving notice of such requirements and at its sole cost, the Purchaser shall make such deposits, furnish such security, provide such undertakings, information or other documentation and/or take such action, as the case may be; *provided, however*, notwithstanding anything else herein contained in this Agreement, that the amount of any such deposit or other security shall be acceptable to the Purchaser, acting reasonably.
- (d) If the Purchaser fails to make a deposit or furnish security it is required to make or furnish under Section 2.3(c) within 10 days of the Purchaser's receipt of notification from the applicable Governmental Authority or the Vendor that such deposit or security is required, the Vendor shall have the right to make such deposit or furnish such security. In such event, the Purchaser shall (as applicable) reimburse the amount of such deposit or the costs of such security to the Vendor plus interest thereon at the Prime Rate plus three percent (3%) from the date such deposit or security is made or furnished by the Vendor until such reimbursement is made and, in the case of security, cause the security to be returned to the Vendor as soon as possible and indemnify the Vendor for the amount and costs of any draws on the security plus interest thereon at the Prime Rate from the date such draw is made until such indemnification is made. In addition to all other rights to enforce such reimbursement otherwise available to the Vendor, it shall have the right to set-off the amount of such reimbursement or indemnification (including interest) against other monies due to the Purchaser pursuant to this Agreement.
- (e) The Purchaser shall on a timely and continuing basis keep the Vendor fully apprised and informed regarding all communications the Purchaser may have with the AER in connection with the Transaction, including all communications respecting LTAs, and without limiting the generality of the foregoing the Purchaser shall provide copies to the Vendor of all related correspondence from the Purchaser to the AER, and the Purchaser shall request that the AER provide copies to the Vendor of all related correspondence from the AER to the Purchaser.
- (f) Promptly following Closing, the Purchaser shall request that the AER grant the Purchaser a discretionary waiver from the requirements of the AER's Bulletin 2016-21 with respect to the LTAs. The Vendor shall provide any information and documentation to the AER as may reasonably be required to be provided by them in connection with such discretionary waiver request made by the Purchaser.

## 2.4 Specific Conveyances

- (a) The Parties shall cooperate in the preparation of the Specific Conveyances. A reasonable time following its receipt of the Title Documents from Vendor, Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or the Debtor or of which the Vendor or the Debtor gain possession or control prior to Closing.
- (c) Notwithstanding Sections 2.4(a) and 2.4(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by Alberta Energy shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Closing.

## 2.5 Post-Closing Maintenance of Assets

- (a) Following Closing, if and to the extent that Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of Vendor's and/or the Debtor's interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:
  - (i) each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Vendor shall be responsible for and shall pay all such Cure Costs which relate to the period prior to the Effective Date and the Purchaser shall be responsible for and shall pay all such Cure Costs which relate to the period commencing on and following the Effective Date. All such Cure Costs shall be paid directly to the applicable counterparty on the date which the AER provides its approval of the LTAs;
  - (ii) the Vendor and/or the applicable Debtor shall hold the rights, entitlements, benefits, remedies, duties and obligations in respect of the applicable Assets in trust for the exclusive benefit of the Purchaser as bare trustee and agent;
  - (iii) the Vendor will, at the request and expense and under the direction of the Purchaser, in the name of the Vendor and/or the applicable Debtor or otherwise as the Purchaser shall reasonably specify, take all such reasonable actions and do all such reasonable things as shall, in the reasonable opinion of the Purchaser, be necessary or desirable in order that the rights, entitlements, benefits, remedies, duties and obligations of the applicable Debtor in respect of any applicable

Assets may be enjoyed, received or performed, as the case may be, in accordance with the terms of the Title Documents and Assumed Contracts, including that all monies receivable under any Title Documents and Assumed Contracts may be received by the Purchaser and that all rights and licenses under any Title Documents and Assumed Contracts may be exercised by the Purchaser;

- (iv) to the extent permitted by any applicable Assumed Contract:
    - (A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Closing under such Assumed Contract, on behalf of the Vendor and/or any applicable Debtor, until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser; and
    - (B) the Vendor shall, or shall cause the applicable Debtor to, use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates;
  - (v) neither the Vendor nor the Debtor shall have any liability as a consequence of the Vendor or any applicable Debtor taking any action or causing anything to be done under this Section 2.5(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor, the Debtor and their respective Representatives against, all costs and expenses reasonably incurred by the Vendor, the Debtor, their Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.5(a); and
  - (vi) the Vendor shall cause the applicable Debtor to maintain their existence, and continue to be licensed, registered or otherwise qualified and authorized to conduct its affairs and carry on business as is necessary to fulfill its obligations as set out in this Section 2.5(a) until the later of: (i) the earlier of the expiry or assignment to the Purchaser of the last applicable Assumed Contract, and (ii) the AER having approved the LTAs and registered the License Transfers; *provided, however*, that the obligations of the Vendor and any applicable Debtor under this Section 2.5(a) shall expire and terminate and cease to be in effect on the Outside Date.
  - (vii) Nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.
- (b) Both before and after Closing, each of the Parties shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall subject to Sections 2.3(c) and 2.5(a)(i), be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and

all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties under the Assumed Contracts or Applicable Laws to permit the transfer of the Assets, including the Assumed Contracts, to the Purchaser.

- (c) The Parties agree and acknowledge that if the Court date for seeking approval of the Approval and Vesting Order occurs later than May 1, 2021, and on such later date the Court grants its approval of the Approval and Vesting Order, Closing shall be deemed to have occurred as of May 1, 2021 for all purposes under this Agreement.

## 2.6 Assumed Liabilities

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

## 2.7 Excluded Assets

Nothing contained herein or in any agreements, instruments, or other documents to be delivered at the Closing shall be deemed to sell, transfer, assign, convey or deliver the Excluded Assets to the Purchaser or any Affiliate of the Purchaser, and the Vendor and the Debtor, as applicable, shall retain all right, title, and interest to, in, and under the Excluded Assets, and neither the Purchaser nor any Affiliate of the Purchaser shall have any liability therefor. "**Excluded Assets**" shall mean the Vendor's Interest in any and all assets (whether tangible or intangible), properties, contracts or rights of the Vendor and/or the Debtor which are not specifically included in the Assets including, for greater certainty, the following assets (whether tangible or intangible), properties and rights of the Vendor and the Debtor, as applicable:

- (a) the Bow River Security Arrangements;
- (b) any Accounts Receivable and any Cash and Cash Equivalents; and
- (c) any assets listed in Schedule E (which are not Surplus Equipment comprising Assets).

To the extent any Title Documents or Assumed Contracts apply to both Assets and Excluded Assets, such Title Document or Assumed Contract, as applicable, shall be assigned and transferred to Purchaser and Purchaser shall, following such assignment and transfer, hold the Title Document or Assumed Contract, as applicable, as bare trustee of Vendor and/or the Debtor (or their assignee) to the extent applicable to any Excluded Assets.

## 2.8 Bow River Security Arrangements

The Purchaser acknowledges that the necessary security, deposits, letters of credit, guarantees or other financial assurances as set forth in Schedule F (collectively the "**Bow River Security Arrangements**") have been provided by the Vendor and/or by the Debtor to secure the payment and/or performance of certain of the Vendor's and/or the Debtor' obligations under the Title Documents. The Purchaser acknowledges that neither the Vendor nor any Debtor has any duty to maintain any Bow River Security Arrangements after the Closing. To the extent the Vendor and/or the Debtor have any obligations pursuant to any Bow River Security Arrangement or have pledged or otherwise provided any property that secures any such Bow River Security Arrangement, the Purchaser shall take such commercially reasonable actions, at or prior to Closing, as are necessary to cause such obligations arising

under the Bow River Security Arrangements (and the Bow River Security Arrangements) to be released and terminated, and any of the Vendor's or the Debtor' property pledged or otherwise provided to secure such Bow River Security Arrangements returned to the Vendor or the applicable Debtor, in each case concurrent with the Closing.

### ARTICLE 3 PURCHASE PRICE

#### 3.1 Purchase Price

The consideration payable by the Purchaser for the Assets shall be the sum of \$ [REDACTED] (collectively, the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with 3.3(b), and shall be subject to adjustment as provided for in this Agreement. The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

#### 3.2 Allocation of Purchase Price

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

- (a) to the Petroleum and Natural Gas Rights, 80%;
- (b) to the Tangibles, 20% less \$10.00; and
- (c) to the Miscellaneous Interests, \$10.00.

#### 3.3 Deposit and Satisfaction of Purchase Price

- (a) The Parties acknowledge that:
  - (i) on the date hereof, the Purchaser paid the sum of [REDACTED] (the "**Deposit**") to the Vendor;
  - (ii) the Deposit has been delivered to and shall be held in trust by the Vendor; and
  - (iii) the Deposit shall be held and administered by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Closing, the Purchase Price shall be paid and satisfied as follows:
  - (i) as to the amount of the Deposit, the Vendor shall retain the amount of the Deposit and apply such amount against the amount of the Purchase Price; and
  - (ii) as to the balance of the Purchase Price, along with any additional amounts owing in respect of applicable GST, the Purchaser shall pay to the Vendor such amount by electronic wire transfer;

and release of the Purchase Price shall be subject to the provisions of Section 3.3(d).

- (c) If this Agreement is terminated prior to Closing:



- (i) (A) pursuant to Section 14.1(a) by mutual agreement of the Parties; or (B) pursuant to Sections 14.1(b) or 14.1(c) by the Purchaser; then the Deposit shall be returned to the Purchaser; or
- (ii) for any other reason other than as contemplated pursuant to Section 3.3(c)(i), the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 14.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit, constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

- (d) Upon Closing, the Vendor shall hold the Purchase Price, including the Deposit, in escrow pending the approval of the LTAs by the AER (the date on which such approval is received being the "**Escrow Release Date**"). Upon receipt of the AER's approval of the LTAs, the full amount of the Purchase Price, including the Deposit, shall be released to the Vendor; *provided, however*, that if the LTAs are not approved by the AER on or prior to the Outside Date, the Transaction will be deemed for all purposes to have terminated *ab initio* with the Closing not to have occurred and the Purchase Price, including the Deposit, shall be released from escrow and delivered as follows:
  - (i) the Vendor shall promptly return the Purchase Price, less the Deposit, to the Purchaser; and
  - (ii) the Vendor shall be entitled to retain the Deposit;

and all monies collected by the Vendor in respect of the Assets under this Agreement, including for greater certainty under Section 2.5, shall be retained by the Vendor for its account.

- (e) In the event that the LTAs are not approved by the AER by the Outside Date and the Vendor it entitled to retain the Deposit, the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of the LTAs not being approved and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of the LTAs not being approved. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

## **ARTICLE 4 TRANSFER TAXES**

### **4.1 Transfer Taxes**

The Parties agree that:

- (a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Assets; and
- (b) the Purchaser shall indemnify the Vendor, the Debtor and their respective Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor, the Debtor or their respective Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

## ARTICLE 5 REPRESENTATIONS AND WARRANTIES

### 5.1 Vendor's Representations

The Vendor hereby represents and warrants to the Purchaser that:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order;
- (b) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Vendor of the Transaction;
- (c) it is not a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who is a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) (or a partnership that is not a "Canadian partnership" within the meaning of such term under the *Income Tax Act* (Canada));
- (d) subject to Court Approval being obtained, this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (e) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and
- (f) with respect to the GST imposed under the GST Legislation, the following Debtor are registered under the GST Legislation and will continue to be registered at the Closing

Date in accordance with the provisions of the GST Legislation and their respective GST registration numbers are:

**Debtor**  
BOW RIVER ENERGY LTD.

**GST Registration Number**  
828997114RT0002

## 5.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;
- (d) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (e) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (h) as of the date of submission of the LTAs the Purchaser will not have a LMR in respect of its assets and interests located in the Province of Alberta that is less than 1.0;

- (i) with respect to the GST imposed under the GST Legislation, the Purchaser is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is 737448522RT0001;
- (j) the Purchaser is a "Canadian" within the meaning of the *Investment Canada Act* (Canada);
- (k) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto;
- (l) the Purchaser is not aware of any fact or circumstance that would prevent or delay the Licence Transfers or the approval of the LTAs as contemplated hereunder other than Purchaser's LMR is less than 2.0; and
- (m) subject to Section 2.3(c) of this Agreement, the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

### **5.3 Enforcement of Representations and Warranties**

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 5 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of 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.
- (c) The Parties expressly acknowledge and agree that the provisions of this Section 5.3 and the limit on each Party's liability set out in this Section 5.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

**ARTICLE 6**  
**"AS IS, WHERE IS" AND NO ADDITIONAL**  
**REPRESENTATIONS AND WARRANTIES**

**6.1 Due Diligence Acknowledgement**

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;
- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;
- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:
  - (i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;
  - (ii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;
  - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;
  - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;
  - (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;
  - (vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to

disclose to the Purchaser, any information known to it relating to the Assets except as may be required by any Applicable Law; and

- (vii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

## **6.2 "As Is, Where Is", No Additional Representations**

- (a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an "as is, where is" and "without recourse" basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, the Debtor, their respective Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:
  - (i) the title and interest of the Vendor or the Debtor in and to the Assets;
  - (ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transactions;
  - (iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
  - (iv) the income to be derived from the Assets, if any;
  - (v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
  - (vi) the rates of production of Petroleum Substances from the Lands;
  - (vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles or any personal property);
  - (viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
  - (ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);

- (x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;
  - (xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement;
  - (xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;
  - (xiii) the manner, quality, state of repair or lack of repair of the Assets;
  - (xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Assets or any structures or improvements situated thereon;
  - (xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;
  - (xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;
  - (xvii) the nature and quantum of the Assumed Liabilities; or
  - (xviii) any other matter with respect to the Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 6 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.
- (c) 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 common law, tort, contractual and statutory rights and remedies) against the Vendor, the Debtor, their respective Affiliates and their respective Representatives in respect of the Assets and any representations or statements made 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). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

**ARTICLE 7  
RISK AND COSTS AND INSURANCE**

**7.1 Risk and Costs**

The Assets will be at the sole risk and responsibility of the Vendor and the Debtor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

**7.2 Insurance**

Any property, liability and other insurance maintained by the Vendor and/or the Debtor in relation to the Assets shall not be transferred at Closing, but shall remain the responsibility of the Vendor and the Debtor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

**ARTICLE 8  
INDEMNIFICATION**

**8.1 Indemnification Given by Purchaser**

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives related to or in connection with the Assets and the Assumed Liabilities, whether arising or accruing on or after the Closing Date, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets during the period following the Closing Date; (ii) all Losses and Liabilities arising or accruing on or after the Closing Date under any Assumed Contract as contemplated in Section 2.5, excluding any and all Cure Costs which have accrued prior to the Effective Date; and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor and the Debtor pursuant to this Agreement, including pursuant to Section 9.2. The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely pursuant to Section 15.3.

**8.2 Third Party Claims**

- (a) If any of the Vendor, the Debtor, their respective Affiliates or any of their respective Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, the Debtor, their respective Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and



Liabilities that has been or may be sustained by the Vendor, the Debtor, their respective Affiliates or their respective Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.

- (b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor or the applicable Debtor(s), respectively, not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 8.2(b), then the Vendor shall, or shall cause the Debtor, their respective Affiliates and/or their respective Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 8.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, the Debtor, their respective Affiliates and/or their Representatives with respect to such Third Party Claim.

### **8.3 Failure to Give Timely Notice**

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

#### **8.4 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.

#### **8.5 Third Party Beneficiary**

The Vendor's Representatives and the Vendor's Affiliates, the Debtor, their respective Affiliates and all of their respective Representatives are intended third party beneficiaries of this Article 8 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 8 or that are reasonably necessary to give further effect thereto.

### **ARTICLE 9 ENVIRONMENTAL MATTERS**

#### **9.1 Acknowledgements Regarding Environmental Condition**

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, any of the Debtor, or any of their respective Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

#### **9.2 Assumption of Environmental Liabilities**

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor and the Debtor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Closing Date, and hereby releases the Vendor, the Debtor, their respective Affiliates and their respective Representatives from any claims the Purchaser may have against the Vendor or the Debtor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and

Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Tangibles.

## **ARTICLE 10 COVENANTS**

### **10.1 Court Filings**

- (a) From and after the date of execution of this Agreement and until the Closing Date, the Vendor shall use commercially reasonable efforts to deliver to the Purchaser copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that relate, in whole or in part, to this Agreement, or to the Purchaser or its Representatives, that are to be filed by the Vendor in connection with the Court Approval in advance of their filing, before the filing of such papers, and shall provide the Purchaser with a reasonable opportunity to review and comment thereon.
- (b) The Vendor shall act reasonably and in good faith in considering any comments provided by the Purchaser to such papers; *provided, however* that, subject in each case to the foregoing good faith obligations of the Vendor, the Vendor shall have no obligation to accept and incorporate the Purchaser's comments to such papers and neither the Vendor's inadvertent failure to comply with this Section 10.1, nor the Vendor's failure to comply with this Section 10.1 due to emergency circumstances, shall constitute a breach under this Agreement.

### **10.2 Conduct of Business Until License Transfers**

- (a) Except: (A) as expressly provided in this Agreement; (B) with the prior written consent of the Purchaser (not to be unreasonably withheld, conditioned or delayed); (C) as necessary or advisable in connection with the Receivership Proceedings; or (D) as otherwise provided in the Approval and Vesting Order or any other order of the Court in connection with the Receivership Proceedings; following the date hereof and prior to the AER's approval of the LTAs, to the extent reasonably practicable having regard to the Receivership Proceedings, the Vendor shall use commercially reasonable efforts to:
  - (i) cause the Assets to be maintained, in accordance with good industry practice, and in material compliance with all Applicable Laws, the directions of Governmental Authorities and the terms and conditions of the Assumed Contracts;
  - (ii) not sell, pledge, assign, lease, license, or cause, permit, or suffer the imposition of any Encumbrance (other than Permitted Encumbrances) on, or otherwise dispose of, any of the Assets, except in the ordinary course of normal day-to-day operations of the Assets, consistent with past practices;
  - (iii) not authorize or agree, in writing or otherwise, to take any of the actions in respect of the foregoing.
- (b) Until the AER's approval of the LTAs, the Vendor shall provide the Purchaser with all access to the Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Closing in accordance herewith.

- (c) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 10.2 will be subject to the Assumed Contracts and all of the Vendor's and the Debtor' site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:
  - (i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, the Debtor, their respective Affiliates or their respective Representatives may suffer, sustain, pay or incur; and
  - (ii) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 10.2.

### 10.3 ROFRs

- (a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. Promptly following the identification of Assets which are the subject of ROFRs, the Purchaser shall provide the Vendor with its bona fide allocation of the amount of the Purchase Price attributable to each of such Assets which are subject to a ROFR.
- (b) The Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of Purchaser's allocation of the Purchase Price attributable thereto pursuant to Section 10.3(a). The Vendor shall utilize the Purchaser's allocation of the Purchase Price attributable to the Assets subject to ROFRs for purposes of preparing and issuing the ROFR notices. The Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.
- (c) If any such Third Party elects to exercise such a ROFR, then:
  - (i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;
  - (ii) such Assets shall not be conveyed to the Purchaser; and
  - (iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to a ROFR shall be deemed to form part of the Excluded Assets, and the Purchase Price shall be reduced by the amount of the Purchase price allocated to such ROFR in the event of the exercise of any such ROFR by a Third Party.
- (d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser

agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.

- (e) Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Closing Date (such ROFRs being referred to as "**Outstanding ROFRs**"). In such case, the following procedures shall apply:
  - (i) the Parties shall proceed with Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);
  - (ii) the Purchaser shall have (as of the Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the "**Outstanding ROFR Assets**");
  - (iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of Section 10.3(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, *mutatis mutandis*; and
  - (iv) if after Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Closing Date.

#### **10.4 Document Review**

Prior to Closing, Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

#### **10.5 Municipal Taxes**

In making its application for approval of the Approval and Vesting Order by the Court, the Vendor shall include all claims for municipal tax arrears as claims which are to be vested off of title to the Assets; *provided, however*, if the Vendor is not successful in having such municipal taxes vested off title, the Purchaser shall only be responsible for all municipal taxes relating to the 2021 calendar year.

## **ARTICLE 11 CONDITIONS**

### **11.1 Mutual Conditions**

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order and the Approval and Vesting Order shall be a Final Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

### **11.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 5.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time, and the Vendor shall have delivered to the Purchaser a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement;
- (c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 12.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

### **11.3 Conditions for the Benefit of the Vendor**

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 5.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time, and the Purchaser shall have delivered to the Vendor a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 12.3; and
- (d) the Vendor has not lost its ability to convey the Assets due to an order of the Court.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

#### **11.4 Satisfaction of Conditions**

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 11.1, 11.2 and 11.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

### **ARTICLE 12 CLOSING**

#### **12.1 Closing Date and Place of Closing**

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

#### **12.2 Deliveries on Closing by the Vendor**

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Closing Date:

- (a) a copy of the Approval and Vesting Order issued by the Court;
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor;
- (c) all documents listed in Section 12.3 which contemplate execution by the Vendor;
- (d) the certificate of the Vendor referred to in Section 11.2(a);
- (e) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement; and

- (f) confirmation that the Vendor has funds to pay the Cure Costs payable to the applicable counterparty, as set forth in Section 2.5 of this Agreement, with evidence of payment to be provided within 2 days of approval by the AER of the LTAs.

### **12.3 Deliveries on Closing by the Purchaser**

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Closing Date:

- (a) payment of all Transfer Taxes payable on Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser;
- (c) a joinder, duly executed by the Purchaser, whereby the Purchaser agrees and acknowledges to be bound by, and to observe (and to cause its Representatives to observe) all covenants and restrictions of the recipient party as provided for in the Confidentiality Agreement as if the Purchaser were an original signatory thereto;
- (d) all documents listed in Section 12.2 which contemplate execution by the Purchaser;
- (e) the certificate of the Purchaser referred to in Section 11.3(a); and
- (f) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement;
- (g) confirmation that the Purchaser has funds to pay the Cure Costs payable to the applicable counterparty, as set forth in Section 2.5 of this Agreement, with evidence of payment to be provided within 2 days of approval by the AER of the LTAs.

## **ARTICLE 13 ADJUSTMENTS**

### **13.1 Adjustments**

- (a) The Parties will adjust and apportion expenditures and revenues of every kind and nature accruing, payable or paid, receivable or received, in respect of the Assets, including proceeds from the sale of Petroleum Substances (calculated in accordance with the applicable Title Documents), as at the Effective Date, including but not limited to the following:
  - (i) the following expenditures shall be apportioned between the Vendor and the Purchaser on a per diem basis as at the Effective Date:
    - (A) surface and mineral rentals and any similar payments made by the Vendor to preserve any leases or surface rights; and
    - (B) freehold mineral taxes, property taxes and levies;



- (ii) advances, cash calls and deposits made by the Vendor for operations pertaining to the Assets prior to the Effective Date standing to the credit of the Vendor at the Effective Date will be a credit in favour of the Vendor and will be transferred to, and be for the benefit of, the Purchaser;
- (iii) expenditures relating to the Assets which have been authorized prior to the Closing Date in accordance with Section 10.2, shall be adjusted on the basis of the date upon which the work was performed or the goods were supplied;
- (iv) all Petroleum Substances in inventory which have been produced from the Lands at the Effective Date, do not comprise part of the Assets and remain the property of the Vendor and the proceeds from the sale thereof shall accrue and belong to the Vendor;
- (v) the Vendor is entitled to the revenues and benefits from the ownership of the Excluded Assets whenever incurred or accrued and is responsible for and will pay for all expenditures pertaining to the ownership, operation and development of the Excluded Assets, and all liabilities associated therewith, whenever incurred or accrued;
- (vi) the Vendor is entitled to the revenues and benefits from the ownership of the Assets incurred and/or accrued prior to the Effective Date including royalty tax credits and incentives and the benefit of audit queries for any period prior to the Effective Date when resolved and is responsible for and will pay for the expenditures pertaining to the ownership of the Assets incurred and or accrued prior to the Effective Date including expenditures arising from joint venture audits, thirteenth month adjustments on equalizations pertaining to a period preceding the Effective Date;
- (vii) the Purchaser is entitled to the revenues and benefits from the ownership of the Assets incurred and/or accrued from and after the Effective Date including royalty tax credits and incentives and the benefit of audit queries for any period subsequent to the Effective Date and is responsible for and will pay for the expenditures pertaining to the ownership of the Assets incurred and/or accrued from and after the Effective Date, provided that no adjustment shall be made in respect of liabilities accrued in respect of the Excluded Assets or joint venture audits, thirteenth month adjustments or equalizations pertaining to the Assets that are made at any time in respect of any period preceding the Effective Date;
- (viii) Petroleum Substances attributable to the Assets which were beyond the wellhead, but not sold, as of the Effective Date and any right to receive royalty payments in respect thereof shall be retained by the Vendor and the Vendor shall be responsible without adjustment hereunder, for all royalties, taxes, costs, fees and payments in respect thereof;
- (ix) Cure costs shall be paid in accordance with section 2.5; and
- (x) no adjustment shall be made on account of taxes calculated by reference to or assessed based on income or capital that are payable by Vendor or Purchaser.

- (b) No later than ninety (90) Days following the Escrow Release Date, the Vendor shall prepare and deliver to the Purchaser a statement that shall set forth a written statement of adjustments to be made in accordance with this Agreement (the "**Final Statement of Adjustments**"), and the Vendor will make available to Representatives of the Purchaser all information reasonably necessary for the Purchaser to confirm the calculations in the statement. The Final Statement of Adjustments shall be based on the Vendor's good faith estimate of the applicable costs and expenses.
- (c) The Purchaser shall provide, or cause to be provided, to the Vendor and its Affiliates full access to the relevant records to aid in the preparation of such statement. The Vendor shall provide to the Purchaser the right to review the Final Statement of Adjustments. If the Purchaser is of the opinion that any change is required to be made to the Final Statement of Adjustments as prepared by the Vendor, it shall, on or before that date which is ten (10) Business Days after the delivery of the Final Statement of Adjustments by the Vendor to the Purchaser (the "**Objection Date**"), give written notice to the Vendor of any such proposed change, including the reason for such change. If the Purchaser does not notify the Vendor of any proposed change on or before the Objection Date, then the Purchaser shall be deemed to have accepted the Final Statement of Adjustments as of the Objection Date.
- (d) If the Purchaser gives written notice to the Vendor of any proposed change to the Final Statement of Adjustments on or before the Objection Date, and if the proposed change is disputed by the Vendor and the Parties fail to resolve the dispute within thirty (30) days after the Objection Date, then an independent accounting firm shall immediately be engaged by the Parties (the "**Accounting Firm**") to resolve forthwith the dispute and such Accounting Firm shall be requested to render its decision without qualifications, other than the usual qualifications relating to engagements of this nature, within fourteen (14) days after the dispute is referred to it. The decision of Accounting Firm shall be final and binding upon the Vendor and the Purchaser and shall not be subject to appeal by either such Party. The fees and expenses of the Accounting Firm shall be borne solely by the Purchaser.
- (e) Upon agreement with respect to all matters in dispute, or upon a decision of the Accounting Firm with respect thereto, such amendments shall be made to the Final Statement of Adjustments as may be necessary to reflect such agreement or such decision, as the case may be. The net amount will then be remitted by the Party who in the net result is obliged to make payment by no later than five (5) Business Days after such agreement or decision.
- (f) If the Vendor or its Affiliates receives any revenues pertaining to the Assets after the Escrow Release Date which accrue after the Effective Date, the Vendor shall pay such revenues to the Purchaser within ten (10) Business Days following receipt of such revenues. If the Purchaser or its Affiliates receive after Escrow Release any proceeds or other revenues to which the Vendor is entitled under this Section 13.1, the Purchaser shall fully disclose, account for and promptly remit the same to the Vendor.

## **ARTICLE 14 TERMINATION**

### **14.1 Grounds for Termination**

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

- (a) by the written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;
- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement; or the Cure Costs have not been paid before Closing by the Vendor in accordance with Clause 2.5(a)(i) of this Agreement;
- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or
- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

### **14.2 Effect of Termination**

Notwithstanding any termination of this Agreement as permitted under Section 14.1, or as otherwise provided for in this Agreement, the provisions of Sections 3.3 (Deposit), 15.1 (Public Announcements), 15.4 (Governing Law), 15.5 (Consequential Damages), 15.11 (Costs and Expenses) and 15.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

## ARTICLE 15 GENERAL

### 15.1 Public Announcements

- (a) Subject to Section 15.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) Notwithstanding Section 15.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:
  - (i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;
  - (ii) the Vendor may forward a copy of this Agreement and all related documentation to the Orphan Well Association and its Representatives, agents, legal counsel and financial advisors, and may further advise such Persons of the existence and nature of any discussions and negotiations in relation thereto or in relation to the Transaction; provided that the Orphan Well Association and its Representatives agree in advance to be bound by any confidentiality undertakings or similar confidentiality requirements reasonably requested by the Vendor; and
  - (iii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approvals and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

### 15.2 Dissolution of Debtor

Subject to the Vendor's obligations in Section 2.5, the Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of any of the Debtor subsequent to the Closing Date, or otherwise cause or allow any of the Debtor to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in its sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing.

### 15.3 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this

Agreement, the obligations and covenants of the Parties set out in Section 2.3 (AER Licence Transfers), Section 2.5 (Assignment of Assumed Contracts and Third Party Consents), Section 2.4 (Specific Conveyances), Section 3.3(d) (Escrow and Release of Purchase Price), Section 5.3 (Enforcement of Representations and Warranties), Section 10.3 (ROFRs) and Article 4 (Transfer Taxes), Article 6 ("As Is, Where Is" and No Additional Representations and Warranties), Article 8 (Indemnification), Article 9 (Environmental Matters), Article 13 (Adjustments) and Article 15 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

#### **15.4 Governing Law**

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.
- (b) Notwithstanding Section 15.4(a), any and all documents or orders that may be filed, made or entered in the Receivership Proceedings, and the rights and obligations of the Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 15.13 shall be deemed effective service of process on such Party.

#### **15.5 Consequential Damages**

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 8 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, the Debtor, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

#### **15.6 Further Assurances**

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### **15.7 Assignment**

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

### **15.8 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. 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.

### **15.9 Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

### **15.10 Time of the Essence**

Time is of the essence in this Agreement.

### **15.11 Costs and Expenses**

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

### **15.12 Entire Agreement**

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

### 15.13 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) in the case of the Vendor:

BDO Canada Limited  
#110, 5800 – 2nd Street SW  
Calgary, Alberta T2H 0H2

Attention: Marc Kelly  
Email: makelly@bdo.ca

With a copy to the Vendor's Solicitors:

Bennett Jones LLP  
4500, 855 - 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Keely Cameron  
Email: Cameronk@bennettjones.com

- (b) In the case of the Purchaser:

West Lake Energy Corp.  
700, 600 3<sup>rd</sup> Avenue S.W.  
Calgary, AB T2P 0Z5

Attention: Vice President, Land  
Email: ghowe@westlakeenergy.ca / landadmin@westlakeenergy.ca

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. **Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.**

### 15.14 Enurement

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

### **15.15 Third Party Beneficiaries**

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, the Debtor, their respective Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives, its Affiliates and their respective Representatives and the Debtor, their respective Affiliates and their respective Representatives.

### **15.16 Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

### **15.17 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

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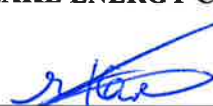


**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per:   
Name: Marc Kelly  
Title: Senior Vice President

**WEST LAKE ENERGY CORP**

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

Per: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE A**

### **ASSETS**

Purchaser will acquire the entirety of the lands, leases, mineral and rights in the Fleeing Horse property including the Wells, Facilities, Pipelines listed herein, excluding the Excluded Assets herein

### **LANDS**

See Fleeing Horse Mineral Property Report dated April 9, 2021 at 4:05pm  
attached to this Schedule "A" in its entirety

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00633 A	LSE TYPE: FH PET LSE DATE: 1998 Sep 01 EFF DATE: 1998 Sep 01 EXP DATE: 2000 Aug 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M LSDS 12, 13 SEC 01 (SW 01 - PETROLEUM TO BASE MANNVILLE HAS REVERTED BACK TO HRRC) PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR OIL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00682 A	LSE TYPE: CR PNG CR: 0404100064 LSE DATE: 2004 Oct 14 EFF DATE: 2004 Oct 14 EXP DATE: 2009 Oct 13 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M NW 2 TWP 039 RGE 02 W4M SW 2 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00640 A	LSE TYPE: CR PNG CR: 39773A LSE DATE: 1975 May 15 EFF DATE: 1975 May 15 EXP DATE: 1985 May 14 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 9, 15, 16 SEC 02 PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		
M00640 B	LSE TYPE: CR PNG CR: 39773A LSE DATE: 1975 May 15 EFF DATE: 1975 May 15 EXP DATE: 1985 May 14 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 9, 15, 16 SEC 02 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%  NONCONV GOR GAS 15.0% BASED ON 33.34% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00325 A General 0000 No ROFR Applies OPER: BOWRIVER  ROYALTY LINKS C00325 A General 0000	

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
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No ROFR Applies

M00706 A	LSE TYPE: CR PNG CR: 0418020138 LSE DATE: 2018 Feb 08 EFF DATE: 2018 Feb 08 EXP DATE: 2023 Feb 07 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 02 W4M LSD 10 SEC 02 ALL PNG FROM TOP SURFACE TO BASE BASEMENT	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00634 A	LSE TYPE: FH PET LSE DATE: 1998 Sep 01 EFF DATE: 1998 Sep 01 EXP DATE: 2000 Aug 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M NW SEC 3, LSD 9.15.16 SEC 3 (LSD 10 SEC 3 HAS REVERTED BACK TO HRRC) ALL PETROLEUM FROM TOP SURFACE TO BASE CUMMINGS (PETROLEUM BELOW BASE CUMMINGS TO BASE MANNVILLE HAS REVERTED BACK TO HRRC)	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00709 A	LSE TYPE: FH PET LSE DATE: 2018 May 28 EFF DATE: 2018 May 28 EXP DATE: 2019 May 27 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M LSD 10 SEC 3 PETROLEUM FROM TOP CUMMINGS TO BASE CUMMINGS	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR OIL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00703 A	LSE TYPE: CR PNG CR: 0412090089 LSE DATE: 2012 Sep 06 EFF DATE: 2012 Sep 06 EXP DATE: 2017 Sep 05 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 2 W4M: N 4 PNG FROM TOP MANNVILLE_GROUP TO BASE MANNVILLE_GROUP EXCL PNG FROM TOP SPARKY TO BASE SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EXT CODE: 15					
M00703 B	LSE TYPE: CR PNG CR: 0412090089 LSE DATE: 2012 Sep 06 EFF DATE: 2012 Sep 06 EXP DATE: 2017 Sep 05 INT TYPE: NI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 2 W4M: N 4 PNG FROM TOP SPARKY TO BASE SPARKY			CUR INT OPER CONT C00355 A ROFR Bypassed OPER: BOWRIVER	
M00704 A	LSE TYPE: CR PNG CR: 0416010132 LSE DATE: 2016 Jan 28 EFF DATE: 2016 Jan 28 EXP DATE: 2021 Jan 27 INT TYPE: WI MNRL INT: 100.0	TWP 39 RGE 2 W4M: N & SW & LSD 7 & 8 SEC 10 ALL PNG EXCL PNG IN SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00704 B	LSE TYPE: CR PNG CR: 0416010132 LSE DATE: 2016 Jan 28 EFF DATE: 2016 Jan 28 EXP DATE: 2021 Jan 27 INT TYPE: WI MNRL INT: 100.0	TWP 39 RGE 2 W4M: LSD 1 & 2 SEC 10 PNG BELOW BASE MANNVILLE_GROI	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00704 C	LSE TYPE: CR PNG CR: 0416010132 LSE DATE: 2016 Jan 28 EFF DATE: 2016 Jan 28 EXP DATE: 2021 Jan 27 INT TYPE: NI MNRL INT: 100.0	TWP 39 RGE 2 W4M: N & SW & LSD 7 & 8 SEC 10 PNG IN SPARKY (SPARKY DEFINED FROM 720.3 TO 733.8 M MD ON THE NEUTRON-DENSITY LOG OF THE 00/08-10-039-02W4/00 WELL)				

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00642 A	LSE TYPE: CR PNG CR: 0494090344 LSE DATE: 1994 Sep 08 EFF DATE: 1994 Sep 08 EXP DATE: 1999 Sep 07 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 1, 2 SEC 10 PNG TO BASE MANNVILLE_GROUP EXCLUDING PNG IN SPARKY (AS DEFINED BELOW) (THE SPARKY AS DEFINED AS THE INTERVAL FROM 720.3 TO 733.8 METERS MEASURED DEPTH ON THE NEUTRON DENSITY LOG OF THE 100/08-10-039-02W4/00 WELL)	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		
M00642 B	LSE TYPE: CR PNG CR: 0494090344 LSE DATE: 1994 Sep 08 EFF DATE: 1994 Sep 08 EXP DATE: 1999 Sep 07 INT TYPE: NI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 1, 2 SEC 10 PNG FROM TOP SPARKY TO BASE SPARKY (AS DEFINED BELOW) (THE SPARKY AS DEFINED AS THE INTERVAL FROM 720.3 TO 733.8 METERS MEASURED DEPTH ON THE NEUTRON-DENSITY LOG OF THE 100/08-10-039-02W4/00)			CUR INT OPER CONT C00353 A ROFR Bypassed OPER: BOWRIVER	
M00697 A	LSE TYPE: CR PNG CR: 0415060147 LSE DATE: 2015 Jun 25 EFF DATE: 2015 Jun 25 EXP DATE: 2020 Jun 24 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 02 W4M LSD 1 SEC 11 PNG FROM TOP CUMMINGS TO BASE DINA (AS DEFINED BELOW) (TOP CUMMINGS TO BASE DINA INTERVAL IS BASED ON THE LOG AT 1-10-039-02W4. THE TOP OF THE CUMMINGS ZONE IS DEFINED BY THE TWO COALS FOUND BETWEEN 761.7 MD AND 766.6 MD ON THE NEUTRON LOG. THE BASE OF THE DINA CAN BE DEFINED AT 8922.4m MD IN THE	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00352 A ROFR Bypassed OPER: BOWRIVER	

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
		12-03-039-02W4 LOG).				
M00590 A	LSE TYPE: CR PNG CR: 0493100306 LSE DATE: 1993 Oct 28 EFF DATE: 1993 Oct 28 EXP DATE: 1998 Oct 27 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 2, 3, 4, 6 SEC 11 PNG TO BASE MANNVILLE_GROUP EXCL PNG FROM TOP SPARKY TO BASE SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00590 B	LSE TYPE: CR PNG CR: 0493100306 LSE DATE: 1993 Oct 28 EFF DATE: 1993 Oct 28 EXP DATE: 1998 Oct 27 INT TYPE: NI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 2, 3, 4, 6 SEC 11 PNG FROM TOP SPARKY TO BASE SPARKY			CUR INT OPER CONT C00354 A ROFR Bypassed OPER: BOWRIVER	
M00610 A	LSE TYPE: CR PNG CR: 0491100331 LSE DATE: 1991 Oct 31 EFF DATE: 1991 Oct 31 EXP DATE: 1996 Oct 30 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 5 SEC 12 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%	ROYALTY LINKS C00312 A CAPL 1990	
				SLIDING SCALE ALL S/S 23.8365 (MIN 5.0 MAX 15.0 ) GAS 15.0% (MIN 50% c/mcf) OTHER 15% BASED ON 100.0% PDBY BOWRIVER 100.0%	No ROFR Applies	
M00610 B	LSE TYPE: CR PNG CR: 0491100331 LSE DATE: 1991 Oct 31	TWP 039 RGE 02 W4M LSD 4 SEC 12 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S 23.8365 (MIN 5.0 MAX 15.0 )	ROYALTY LINKS C00312 A	

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EFF DATE: 1991 Oct 31 EXP DATE: 1996 Oct 30 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 18 EXT DATE: 2021 Oct 01			GAS 15.0% (MIN 50% c/mcf) OTHER 15% BASED ON 100.0% PDBY BOWRIVER 100.0%	CAPL 1990 No ROFR Applies	
M00579 A	LSE TYPE: CR PNG CR: 0490080232 LSE DATE: 1990 Aug 23 EFF DATE: 1990 Aug 23 EXP DATE: 1995 Aug 22 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 9, 10, 16 SEC 14 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00582 A	LSE TYPE: CR PNG CR: 0492120073 LSE DATE: 1992 Dec 03 EFF DATE: 1992 Dec 03 EXP DATE: 1997 Dec 02 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M E 26 PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00582 B	LSE TYPE: CR PNG CR: 0492120073 LSE DATE: 1992 Dec 03 EFF DATE: 1992 Dec 03 EXP DATE: 1997 Dec 02 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 02 W4M E 26 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	NONCONV ORR GAS 12.5% BASED ON 50.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00326 A CAPL 1990 No ROFR Applies OPER: BOWRIVER	ROYALTY LINKS



**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EXT CODE: 15			BASED ON 100.0% PDBY BOWRIVER 100.0%	C00326 A CAPL 1990 No ROFR Applies	
M00693 A	LSE TYPE: FH NG LSE DATE: 2008 Jul 28 EFF DATE: 2008 Jul 28 EXP DATE: 2010 Jul 27 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M W 26 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	NONCONV ORR GAS 12.5% BASED ON 50.0% PDBY BOWRIVER 100.0%  NONCONV LOR GAS 10.0% BASED ON 100.0% PDBY BOWRIVER 100.0%  NONCONV GOR GAS 4.704% BASED ON 100.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00326 B CAPL 1990 No ROFR Applies OPER: BOWRIVER  ROYALTY LINKS C00326 B CAPL 1990 No ROFR Applies C00326 B CAPL 1990 No ROFR Applies	

## WELLS

<b>Property</b>	<b>UWI</b>	<b>Licence No.</b>	<b>Vendor's Interest</b>
Fleeing Horse	100/05-01-039-02W4	0236900	100%
Fleeing Horse	100/12-01-039-02W4	0227427	100%
Fleeing Horse	100/13-01-039-02W4	0218721	100%
Fleeing Horse	102/13-01-039-02W4	0224457	100%
Fleeing Horse	100/05-02-039-02W4	0400386	100%
Fleeing Horse	100/09-02-039-02W4	0208523	100%
Fleeing Horse	102/09-02-039-02W4	0209249	100%
Fleeing Horse	103/09-02-039-02W4	0211113	100%
Fleeing Horse	104/09-02-039-02W4	0211110	100%
Fleeing Horse	100/10-02-039-02W4	0400477	100%
Fleeing Horse	102/10-02-039-02W4	0497680	100%
Fleeing Horse	100/13-02-039-02W4	0402784	100%
Fleeing Horse	100/15-02-039-02W4	0226096	100%
Fleeing Horse	102/15-02-039-02W4	0226143	100%
Fleeing Horse	103/15-02-039-02W4	0226144	100%
Fleeing Horse	100/16-02-039-02W4	0203743	100%
Fleeing Horse	102/16-02-039-02W4	0208509	100%
Fleeing Horse	103/16-02-039-02W4	0208525	100%
Fleeing Horse	104/16-02-039-02W4	0211107	100%
Fleeing Horse	105/16-02-039-02W4	0211108	100%
Fleeing Horse	106/16-02-039-02W4	0211109	100%
Fleeing Horse	107/16-02-039-02W4	0224458	100%
Fleeing Horse	108/16-02-039-02W4	0255126	100%
Fleeing Horse	100/09-03-039-02W4	0255704	100%

Fleeing Horse	103/09-03-039-02W4	0403145	100%
Fleeing Horse	100/13-03-039-02W4	0495392	100%
Fleeing Horse	100/14-03-039-02W4	0225254	100%
Fleeing Horse	100/15-03-039-02W4	0225253	100%
Fleeing Horse	103/15-03-039-02W4	0254740	100%
Fleeing Horse	104/15-03-039-02W4	0402936	100%
Fleeing Horse	100/16-03-039-02W4	0258720	100%
Fleeing Horse	102/14-04-039-02W4	0489605	100%
Fleeing Horse	100/01-10-039-02W4	0224374	100%
Fleeing Horse	100/02-10-039-02W4	0227493	100%
Fleeing Horse	102/02-10-039-02W4	0235555	100%
Fleeing Horse	103/02-10-039-02W4	0242435	100%
Fleeing Horse	104/02-10-039-02W4	0242436	100%
Fleeing Horse	100/01-11-039-02W4	0208418	100%
Fleeing Horse	102/02-11-039-02W4	0211439	100%
Fleeing Horse	100/03-11-039-02W4	0223589	100%
Fleeing Horse	102/03-11-039-02W4	0223679	100%
Fleeing Horse	103/03-11-039-02W4	0224843	100%
Fleeing Horse	104/03-11-039-02W4	0224504	100%
Fleeing Horse	105/03-11-039-02W4	0486661	100%
Fleeing Horse	107/03-11-039-02W4	0495394	100%
Fleeing Horse	100/04-11-039-02W4	0216518	100%
Fleeing Horse	102/04-11-039-02W4	0221869	100%
Fleeing Horse	103/04-11-039-02W4	0224294	100%
Fleeing Horse	105/04-11-039-02W4	0495393	100%
Fleeing Horse	100/06-11-039-02W4	0224094	100%
Fleeing Horse	102/07-11-039-02W4	0215615	100%

Fleeing Horse	100/03-12-039-02W4	0194425	100%
Fleeing Horse	100/04-12-039-02W4	0192174	100%
Fleeing Horse	102/04-12-039-02W4	0192175	100%
Fleeing Horse	103/04-12-039-02W4	0194424	100%
Fleeing Horse	104/04-12-039-02W4	0194356	100%
Fleeing Horse	105/04-12-039-02W4	0239319	100%
Fleeing Horse	100/05-12-039-02W4	0187077	100%
Fleeing Horse	103/05-12-039-02W4	0192173	100%
Fleeing Horse	100/09-14-039-02W4	0166540	100%
Fleeing Horse	102/09-14-039-02W4	0166568	100%
Fleeing Horse	103/09-14-039-02W4	0179086	100%
Fleeing Horse	104/09-14-039-02W4	0181307	100%
Fleeing Horse	100/10-14-039-02W4	0122594	100%
Fleeing Horse	103/10-14-039-02W4	0180750	100%
Fleeing Horse	100/16-14-039-02W4	0153276	100%
Fleeing Horse	102/16-14-039-02W4	0159001	100%
Fleeing Horse	105/16-14-039-02W4	0176474	100%
Fleeing Horse	1B0/16-14-039-02W4	0155880	100%
Fleeing Horse	102/06-12-039-02W4	0270776	100%
Fleeing Horse	102/07-26-039-02W4	0159006	100%
Fleeing Horse	100/08-26-039-02W4	0159005	100%
Fleeing Horse	103/08-26-039-02W4	0207864	100%
Fleeing Horse	100/09-26-039-02W4	0156003	100%
Fleeing Horse	102/09-26-039-02W4	0211655	100%
Fleeing Horse	100/10-26-039-02W4	0159003	100%

### Facilities

<b>Property</b>	<b>Location</b>	<b>Licence No.</b>	<b>Vendor's Interest</b>
Fleeing Horse	09-03-039-02W4	F26091	100%
Fleeing Horse	16-03-039-02W4	F26248	100%
Fleeing Horse	04-11-039-02W4	F38066	100%
Fleeing Horse	09-02-039-02W4	F6784	100%
Fleeing Horse	05-12-039-02W4	F6800	100%
Fleeing Horse	16-14-039-02W4	F38065	100%
Fleeing Horse	16-14-039-02W4	F6813	100%

### Pipelines

<b>Property</b>	<b>From</b>	<b>To</b>	<b>Licence No.</b>	<b>Line No.</b>	<b>Vendor's Interest</b>
Fleeing Horse	13-14-39-02 W4M	10-14-39-02 W4M	23312	1	100%
Fleeing Horse	16-14-39-02 W4M	10-14-39-02 W4M	23312	2	100%
Fleeing Horse	05-12-39-02 W4M	03-12-39-02 W4M	23312	3	100%
Fleeing Horse	05-12-39-02 W4M	13-01-39-02 W4M	23312	4	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	23312	5	100%
Fleeing Horse	05-12-39-02 W4M	05-12-39-02 W4M	23312	6	100%
Fleeing Horse	05-12-39-02 W4M	16-14-39-02 W4M	23312	7	100%
Fleeing Horse	05-12-39-02 W4M	01-11-39-02 W4M	23312	8	100%
Fleeing Horse	05-12-39-02 W4M	03-12-39-02 W4M	23312	9	100%
Fleeing Horse	16-14-39-02 W4M	10-14-39-02 W4M	23312	10	100%
Fleeing Horse	10-14-39-02 W4M	16-14-39-02 W4M	23312	11	100%
Fleeing Horse	06-14-39-02 W4M	13-14-39-02 W4M	23316	1	100%
Fleeing Horse	14-14-39-02 W4M	13-14-39-02 W4M	23316	2	100%

Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	3	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	4	100%
Fleeing Horse	15-14-39-02 W4M	16-14-39-02 W4M	27442	9	100%
Fleeing Horse	15-14-39-02 W4M	16-14-39-02 W4M	27442	10	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	11	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	12	100%
Fleeing Horse	05-12-39-02 W4M	16-14-39-02 W4M	27442	13	100%
Fleeing Horse	04-12-39-02 W4M	05-12-39-02 W4M	27442	15	100%
Fleeing Horse	04-12-39-02 W4M	05-12-39-02 W4M	27442	16	100%
Fleeing Horse	04-12-39-02 W4M	04-12-39-02 W4M	27442	17	100%
Fleeing Horse	04-12-39-02 W4M	04-12-39-02 W4M	27442	18	100%
Fleeing Horse	01-11-39-02 W4M	04-12-39-02 W4M	27442	19	100%
Fleeing Horse	01-11-39-02 W4M	04-12-39-02 W4M	27442	20	100%
Fleeing Horse	01-11-39-02 W4M	01-11-39-02 W4M	27442	21	100%
Fleeing Horse	01-11-39-02 W4M	01-11-39-02 W4M	27442	22	100%
Fleeing Horse	07-11-39-02 W4M	05-12-39-02 W4M	27442	23	100%
Fleeing Horse	07-11-39-02 W4M	05-12-39-02 W4M	27442	24	100%
Fleeing Horse	04-11-39-02 W4M	07-11-39-02 W4M	27442	25	100%
Fleeing Horse	13-01-39-02 W4M	04-12-39-02 W4M	27442	26	100%
Fleeing Horse	13-01-39-02 W4M	04-12-39-02 W4M	27442	27	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	27442	28	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	27442	29	100%
Fleeing Horse	14-03-39-02 W4M	16-03-39-02 W4M	27442	30	100%
Fleeing Horse	14-03-39-02 W4M	16-03-39-02 W4M	27442	31	100%
Fleeing Horse	07-26-39-02 W4M	10-26-39-02 W4M	27442	32	100%
Fleeing Horse	10-26-39-02 W4M	10-26-39-02 W4M	27442	33	100%
Fleeing Horse	10-26-39-02 W4M	16-14-39-02 W4M	27442	34	100%

Fleeing Horse	10-26-39-02 W4M	16-14-39-02 W4M	27442	35	100%
Fleeing Horse	10-14-39-02 W4M	10-14-39-02 W4M	27442	37	100%
Fleeing Horse	05-32-38-01 W4M	05-12-39-02 W4M	27442	38	100%
Fleeing Horse	10-14-39-02 W4M	16-14-39-02 W4M	27442	39	100%
Fleeing Horse	05-02-39-02 W4M	09-03-39-02 W4M	27442	40	100%
Fleeing Horse	13-02-39-02 W4M	04-11-39-02 W4M	27442	41	100%
Fleeing Horse	13-02-39-02 W4M	04-11-39-02 W4M	27442	42	100%
Fleeing Horse	16-03-39-02 W4M	16-03-39-02 W4M	27442	43	100%
Fleeing Horse	16-03-39-02 W4M	01-10-39-02 W4M	27442	44	100%
Fleeing Horse	16-03-39-02 W4M	01-10-39-02 W4M	27442	45	100%
Fleeing Horse	15-17-39-01 W4M	13-01-39-02 W4M	30884	1	100%
Fleeing Horse	13-01-39-02 W4M	09-02-39-02 W4M	31356	1	100%
Fleeing Horse	09-02-39-02 W4M	13-01-39-02 W4M	31357	1	100%
Fleeing Horse	16-02-39-02 W4M	13-01-39-02 W4M	31357	2	100%
Fleeing Horse	09-02-39-02 W4M	16-02-39-02 W4M	31357	3	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	5	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	6	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	7	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	8	100%
Fleeing Horse	16-02-39-02 W4M	13-01-39-02 W4M	31357	9	100%
Fleeing Horse	10-02-39-02 W4M	09-02-39-02 W4M	31357	10	100%
Fleeing Horse	05-12-39-02 W4M	07-11-39-02 W4M	32321	1	100%
Fleeing Horse	07-11-39-02 W4M	04-11-39-02 W4M	32321	2	100%
Fleeing Horse	13-01-39-02 W4M	05-12-39-02 W4M	32847	1	100%
Fleeing Horse	13-01-39-02 W4M	05-12-39-02 W4M	32847	2	100%
Fleeing Horse	15-03-39-02 W4M	15-03-39-02 W4M	37908	1	100%
Fleeing Horse	15-03-39-02 W4M	15-03-39-02 W4M	37908	2	100%

Fleeing Horse	09-03-39-02 W4M	16-03-39-02 W4M	37908	3	100%
Fleeing Horse	09-03-39-02 W4M	16-03-39-02 W4M	37908	4	100%
Fleeing Horse	16-02-39-02 W4M	16-02-39-02 W4M	37908	5	100%
Fleeing Horse	02-10-39-02 W4M	01-10-39-02 W4M	51333	1	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	51333	2	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	51333	3	100%
Fleeing Horse	15-32-38-01 W4M	05-12-39-02 W4M	52057	6	100%



**SCHEDULE B**

**Form of Approval and Vesting Order**

(attached)

CLERK'S STAMP

COURT FILE NUMBER 2001-13391

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **APPROVAL AND VESTING ORDER**  
(Sale by Receiver of certain assets to West Lake Energy Corp.)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Keely Cameron  
Telephone No.: 403-298-3324  
Fax No.: 403-265-7219  
Client File No.: 068775.0005

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 26, 2021

**NAME OF JUDGE WHO MADE THIS ORDER:** Justice R.A. Neufeld

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** of BDO Canada Limited, solely in its capacity as Court-appointed receiver and manager ("**Receiver**") of the current and future assets, undertakings and properties of the Respondent (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and West Lake Energy Corp. (the "**Purchaser**") dated April 16, 2021, (the "**Sale Agreement**") and appended to the Confidential Supplement dated April 19, 2021 (the "**Confidential Supplement**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement as the Assets (the "**Purchased Assets**") but excluding all of the Debtor's other assets and interests;

**AND UPON HAVING READ** the Receivership Order dated October 29, 2020 (the "**Receivership Order**"), the Second Report of the Receiver dated April 19, 2021, and the Confidential Supplement; **AND UPON** hearing counsel for the Receiver and any other interested parties that may be present; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application; **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action;

**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 TRANSACTION**

2. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

### **VESTING OF PROPERTY**

3. Subject only to approval by the AER of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed at **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have

attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta);
- (d) any linear or non-linear municipal tax claims under the *Municipal Government Act*, or otherwise;
- (e) any outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
- (f) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")).

For greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

- (i) cancel existing Certificates of Title for those lands and premises municipally or legally described as "Land Title Lands" in Schedule B (the "**Lands**");
  - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee);
  - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and
  - (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- (b) Alberta Energy ("**Energy Ministry**") shall and is hereby authorized, requested and directed to forthwith:
- (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and
  - (ii) transfer all Crown leases conveyed under the Sale Agreement standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances; and
- (c) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, other than any required approval by the AER referenced in paragraph 3 above.
7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims excluding Permitted Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) 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, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

#### **MISCELLANEOUS MATTERS**

14. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtor; and

(d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

15. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
17. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website, and service on any other person is hereby dispensed with.



18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of Queen's  
Bench of Alberta

**Schedule "A"**

**FORM OF RECEIVER'S CERTIFICATE**

CLERK'S STAMP

COURT FILE NUMBER	2001-13391
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ORPHAN WELL ASSOCIATION
RESPONDENT	BOW RIVER ENERGY LTD.
DOCUMENT	<b><u>RECEIVER'S CERTIFICATE</u></b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<b>BENNETT JONES LLP</b> Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7  Attention: Keely Cameron Telephone No.: 403-298-3324 Fax No.: 403-265-7219 Client File No.: 068775.0005

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice D.L. Shelley of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**"), dated October 29, 2020, BDO Canada Limited was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Court dated ●, 2021 (the "**Vesting Order**"), the Court approved the Transaction (as defined in the Vesting Order) between the Receiver and West Lake Energy Corp. (the "**Purchaser**") dated as of ●, 2021 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of Bow River's right, title and interest in and to the Purchased Assets (as defined in the Vesting Order), 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 (as defined in the Sale Agreement) for the Purchased Assets; (ii) that the conditions to closing as set out in 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 (or its nominee) has paid and the Receiver has received the Purchase Price (as defined in the Sale Agreement) for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver to the Purchaser at [TIME] on [DATE].

**BDO CANADA LIMITED in its capacity as Receiver of the undertaking, property and assets of Bow River Energy Ltd., and not in its personal capacity.**

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

Name:

Title:

**Schedule "B"**

**List of Purchased Assets**

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein).

**Purchaser will acquire the entirety of the lands, leases, mineral and rights in the Fleeing Horse property including the Wells, Facilities, Pipelines listed herein, excluding the Excluded Assets herein**

**Lands**

See Fleeing Horse Mineral Property Report dated April 9, 2021 at 4:05pm

attached to this Schedule "A" in its entirety

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00633 A	LSE TYPE: FH PET LSE DATE: 1998 Sep 01 EFF DATE: 1998 Sep 01 EXP DATE: 2000 Aug 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M LSDS 12, 13 SEC 01 (SW 01 - PETROLEUM TO BASE MANNVILLE HAS REVERTED BACK TO HRRC) PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR OIL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00682 A	LSE TYPE: CR PNG CR: 0404100064 LSE DATE: 2004 Oct 14 EFF DATE: 2004 Oct 14 EXP DATE: 2009 Oct 13 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M NW 2 TWP 039 RGE 02 W4M SW 2 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00640 A	LSE TYPE: CR PNG CR: 39773A LSE DATE: 1975 May 15 EFF DATE: 1975 May 15 EXP DATE: 1985 May 14 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 9, 15, 16 SEC 02 PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		
M00640 B	LSE TYPE: CR PNG CR: 39773A LSE DATE: 1975 May 15 EFF DATE: 1975 May 15 EXP DATE: 1985 May 14 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 9, 15, 16 SEC 02 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%  NONCONV GOR GAS 15.0% BASED ON 33.34% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00325 A General 0000 No ROFR Applies OPER: BOWRIVER  ROYALTY LINKS C00325 A General 0000	

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
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No ROFR Applies

M00706 A	LSE TYPE: CR PNG CR: 0418020138 LSE DATE: 2018 Feb 08 EFF DATE: 2018 Feb 08 EXP DATE: 2023 Feb 07 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 02 W4M LSD 10 SEC 02 ALL PNG FROM TOP SURFACE TO BASE BASEMENT	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00634 A	LSE TYPE: FH PET LSE DATE: 1998 Sep 01 EFF DATE: 1998 Sep 01 EXP DATE: 2000 Aug 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M NW SEC 3, LSD 9.15.16 SEC 3 (LSD 10 SEC 3 HAS REVERTED BACK TO HRRC) ALL PETROLEUM FROM TOP SURFACE TO BASE CUMMINGS (PETROLEUM BELOW BASE CUMMINGS TO BASE MANNVILLE HAS REVERTED BACK TO HRRC)	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00709 A	LSE TYPE: FH PET LSE DATE: 2018 May 28 EFF DATE: 2018 May 28 EXP DATE: 2019 May 27 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M LSD 10 SEC 3 PETROLEUM FROM TOP CUMMINGS TO BASE CUMMINGS	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR OIL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00703 A	LSE TYPE: CR PNG CR: 0412090089 LSE DATE: 2012 Sep 06 EFF DATE: 2012 Sep 06 EXP DATE: 2017 Sep 05 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 2 W4M: N 4 PNG FROM TOP MANNVILLE_GROUP TO BASE MANNVILLE_GROUP EXCL PNG FROM TOP SPARKY TO BASE SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
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EXT CODE: 15

M00703 B	LSE TYPE: CR PNG CR: 0412090089 LSE DATE: 2012 Sep 06 EFF DATE: 2012 Sep 06 EXP DATE: 2017 Sep 05 INT TYPE: NI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 2 W4M: N 4 PNG FROM TOP SPARKY TO BASE SPARKY			CUR INT OPER CONT C00355 A ROFR Bypassed OPER: BOWRIVER
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M00704 A	LSE TYPE: CR PNG CR: 0416010132 LSE DATE: 2016 Jan 28 EFF DATE: 2016 Jan 28 EXP DATE: 2021 Jan 27 INT TYPE: WI MNRL INT: 100.0	TWP 39 RGE 2 W4M: N & SW & LSD 7 & 8 SEC 10 ALL PNG EXCL PNG IN SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%
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M00704 B	LSE TYPE: CR PNG CR: 0416010132 LSE DATE: 2016 Jan 28 EFF DATE: 2016 Jan 28 EXP DATE: 2021 Jan 27 INT TYPE: WI MNRL INT: 100.0	TWP 39 RGE 2 W4M: LSD 1 & 2 SEC 10 PNG BELOW BASE MANNVILLE_GROI	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%
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M00704 C	LSE TYPE: CR PNG CR: 0416010132 LSE DATE: 2016 Jan 28 EFF DATE: 2016 Jan 28 EXP DATE: 2021 Jan 27 INT TYPE: NI MNRL INT: 100.0	TWP 39 RGE 2 W4M: N & SW & LSD 7 & 8 SEC 10 PNG IN SPARKY (SPARKY DEFINED FROM 720.3 TO 733.8 M MD ON THE NEUTRON-DENSITY LOG OF THE 00/08-10-039-02W4/00 WELL)		
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**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00642 A	LSE TYPE: CR PNG CR: 0494090344 LSE DATE: 1994 Sep 08 EFF DATE: 1994 Sep 08 EXP DATE: 1999 Sep 07 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 1, 2 SEC 10 PNG TO BASE MANNVILLE_GROUP EXCLUDING PNG IN SPARKY (AS DEFINED BELOW) (THE SPARKY AS DEFINED AS THE INTERVAL FROM 720.3 TO 733.8 METERS MEASURED DEPTH ON THE NEUTRON DENSITY LOG OF THE 100/08-10-039-02W4/00 WELL)	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		
M00642 B	LSE TYPE: CR PNG CR: 0494090344 LSE DATE: 1994 Sep 08 EFF DATE: 1994 Sep 08 EXP DATE: 1999 Sep 07 INT TYPE: NI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 1, 2 SEC 10 PNG FROM TOP SPARKY TO BASE SPARKY (AS DEFINED BELOW) (THE SPARKY AS DEFINED AS THE INTERVAL FROM 720.3 TO 733.8 METERS MEASURED DEPTH ON THE NEUTRON-DENSITY LOG OF THE 100/08-10-039-02W4/00)			CUR INT OPER CONT C00353 A ROFR Bypassed OPER: BOWRIVER	
M00697 A	LSE TYPE: CR PNG CR: 0415060147 LSE DATE: 2015 Jun 25 EFF DATE: 2015 Jun 25 EXP DATE: 2020 Jun 24 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 02 W4M LSD 1 SEC 11 PNG FROM TOP CUMMINGS TO BASE DINA (AS DEFINED BELOW) (TOP CUMMINGS TO BASE DINA INTERVAL IS BASED ON THE LOG AT 1-10-039-02W4. THE TOP OF THE CUMMINGS ZONE IS DEFINED BY THE TWO COALS FOUND BETWEEN 761.7 MD AND 766.6 MD ON THE NEUTRON LOG. THE BASE OF THE DINA CAN BE DEFINED AT 8922.4m MD IN THE	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00352 A ROFR Bypassed OPER: BOWRIVER	



**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
		12-03-039-02W4 LOG).				
M00590 A	LSE TYPE: CR PNG CR: 0493100306 LSE DATE: 1993 Oct 28 EFF DATE: 1993 Oct 28 EXP DATE: 1998 Oct 27 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 2, 3, 4, 6 SEC 11 PNG TO BASE MANNVILLE_GROUP EXCL PNG FROM TOP SPARKY TO BASE SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00590 B	LSE TYPE: CR PNG CR: 0493100306 LSE DATE: 1993 Oct 28 EFF DATE: 1993 Oct 28 EXP DATE: 1998 Oct 27 INT TYPE: NI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 2, 3, 4, 6 SEC 11 PNG FROM TOP SPARKY TO BASE SPARKY			CUR INT OPER CONT C00354 A ROFR Bypassed OPER: BOWRIVER	
M00610 A	LSE TYPE: CR PNG CR: 0491100331 LSE DATE: 1991 Oct 31 EFF DATE: 1991 Oct 31 EXP DATE: 1996 Oct 30 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 5 SEC 12 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%	ROYALTY LINKS C00312 A CAPL 1990	
				SLIDING SCALE ALL S/S 23.8365 (MIN 5.0 MAX 15.0 ) GAS 15.0% (MIN 50% c/mcf) OTHER 15% BASED ON 100.0% PDBY BOWRIVER 100.0%	No ROFR Applies	
M00610 B	LSE TYPE: CR PNG CR: 0491100331 LSE DATE: 1991 Oct 31	TWP 039 RGE 02 W4M LSD 4 SEC 12 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S 23.8365 (MIN 5.0 MAX 15.0 )	ROYALTY LINKS C00312 A	

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EFF DATE: 1991 Oct 31 EXP DATE: 1996 Oct 30 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 18 EXT DATE: 2021 Oct 01			GAS 15.0% (MIN 50% c/mcf) OTHER 15% BASED ON 100.0% PDBY BOWRIVER 100.0%	CAPL 1990 No ROFR Applies	
M00579 A	LSE TYPE: CR PNG CR: 0490080232 LSE DATE: 1990 Aug 23 EFF DATE: 1990 Aug 23 EXP DATE: 1995 Aug 22 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M LSD 9, 10, 16 SEC 14 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00582 A	LSE TYPE: CR PNG CR: 0492120073 LSE DATE: 1992 Dec 03 EFF DATE: 1992 Dec 03 EXP DATE: 1997 Dec 02 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 039 RGE 02 W4M E 26 PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00582 B	LSE TYPE: CR PNG CR: 0492120073 LSE DATE: 1992 Dec 03 EFF DATE: 1992 Dec 03 EXP DATE: 1997 Dec 02 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 02 W4M E 26 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	NONCONV ORR GAS 12.5% BASED ON 50.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00326 A CAPL 1990 No ROFR Applies OPER: BOWRIVER	ROYALTY LINKS

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - West Lake PSA Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EXT CODE: 15			BASED ON 100.0% PDBY BOWRIVER 100.0%	C00326 A CAPL 1990 No ROFR Applies	
M00693 A	LSE TYPE: FH NG LSE DATE: 2008 Jul 28 EFF DATE: 2008 Jul 28 EXP DATE: 2010 Jul 27 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 039 RGE 02 W4M W 26  NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	NONCONV ORR GAS 12.5% BASED ON 50.0% PDBY BOWRIVER 100.0%  NONCONV LOR GAS 10.0% BASED ON 100.0% PDBY BOWRIVER 100.0%  NONCONV GOR GAS 4.704% BASED ON 100.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00326 B CAPL 1990 No ROFR Applies OPER: BOWRIVER  ROYALTY LINKS C00326 B CAPL 1990 No ROFR Applies C00326 B CAPL 1990 No ROFR Applies	

**Wells**

<b>Property</b>	<b>UWI</b>	<b>Licence No.</b>	<b>Vendor's Interest</b>
Fleeing Horse	100/05-01-039-02W4	0236900	100%
Fleeing Horse	100/12-01-039-02W4	0227427	100%
Fleeing Horse	100/13-01-039-02W4	0218721	100%
Fleeing Horse	102/13-01-039-02W4	0224457	100%
Fleeing Horse	100/05-02-039-02W4	0400386	100%
Fleeing Horse	100/09-02-039-02W4	0208523	100%
Fleeing Horse	102/09-02-039-02W4	0209249	100%
Fleeing Horse	103/09-02-039-02W4	0211113	100%
Fleeing Horse	104/09-02-039-02W4	0211110	100%
Fleeing Horse	100/10-02-039-02W4	0400477	100%
Fleeing Horse	102/10-02-039-02W4	0497680	100%
Fleeing Horse	100/13-02-039-02W4	0402784	100%
Fleeing Horse	100/15-02-039-02W4	0226096	100%
Fleeing Horse	102/15-02-039-02W4	0226143	100%
Fleeing Horse	103/15-02-039-02W4	0226144	100%
Fleeing Horse	100/16-02-039-02W4	0203743	100%
Fleeing Horse	102/16-02-039-02W4	0208509	100%
Fleeing Horse	103/16-02-039-02W4	0208525	100%
Fleeing Horse	104/16-02-039-02W4	0211107	100%
Fleeing Horse	105/16-02-039-02W4	0211108	100%
Fleeing Horse	106/16-02-039-02W4	0211109	100%

Fleeing Horse	107/16-02-039-02W4	0224458	100%
Fleeing Horse	108/16-02-039-02W4	0255126	100%
Fleeing Horse	100/09-03-039-02W4	0255704	100%
Fleeing Horse	103/09-03-039-02W4	0403145	100%
Fleeing Horse	100/13-03-039-02W4	0495392	100%
Fleeing Horse	100/14-03-039-02W4	0225254	100%
Fleeing Horse	100/15-03-039-02W4	0225253	100%
Fleeing Horse	103/15-03-039-02W4	0254740	100%
Fleeing Horse	104/15-03-039-02W4	0402936	100%
Fleeing Horse	100/16-03-039-02W4	0258720	100%
Fleeing Horse	102/14-04-039-02W4	0489605	100%
Fleeing Horse	100/01-10-039-02W4	0224374	100%
Fleeing Horse	100/02-10-039-02W4	0227493	100%
Fleeing Horse	102/02-10-039-02W4	0235555	100%
Fleeing Horse	103/02-10-039-02W4	0242435	100%
Fleeing Horse	104/02-10-039-02W4	0242436	100%
Fleeing Horse	100/01-11-039-02W4	0208418	100%
Fleeing Horse	102/02-11-039-02W4	0211439	100%
Fleeing Horse	100/03-11-039-02W4	0223589	100%
Fleeing Horse	102/03-11-039-02W4	0223679	100%
Fleeing Horse	103/03-11-039-02W4	0224843	100%
Fleeing Horse	104/03-11-039-02W4	0224504	100%
Fleeing Horse	105/03-11-039-02W4	0486661	100%
Fleeing Horse	107/03-11-039-02W4	0495394	100%

Fleeing Horse	100/04-11-039-02W4	0216518	100%
Fleeing Horse	102/04-11-039-02W4	0221869	100%
Fleeing Horse	103/04-11-039-02W4	0224294	100%
Fleeing Horse	105/04-11-039-02W4	0495393	100%
Fleeing Horse	100/06-11-039-02W4	0224094	100%
Fleeing Horse	102/07-11-039-02W4	0215615	100%
Fleeing Horse	100/03-12-039-02W4	0194425	100%
Fleeing Horse	100/04-12-039-02W4	0192174	100%
Fleeing Horse	102/04-12-039-02W4	0192175	100%
Fleeing Horse	103/04-12-039-02W4	0194424	100%
Fleeing Horse	104/04-12-039-02W4	0194356	100%
Fleeing Horse	105/04-12-039-02W4	0239319	100%
Fleeing Horse	100/05-12-039-02W4	0187077	100%
Fleeing Horse	103/05-12-039-02W4	0192173	100%
Fleeing Horse	100/09-14-039-02W4	0166540	100%
Fleeing Horse	102/09-14-039-02W4	0166568	100%
Fleeing Horse	103/09-14-039-02W4	0179086	100%
Fleeing Horse	104/09-14-039-02W4	0181307	100%
Fleeing Horse	100/10-14-039-02W4	0122594	100%
Fleeing Horse	103/10-14-039-02W4	0180750	100%
Fleeing Horse	100/16-14-039-02W4	0153276	100%
Fleeing Horse	102/16-14-039-02W4	0159001	100%
Fleeing Horse	105/16-14-039-02W4	0176474	100%
Fleeing Horse	1B0/16-14-039-02W4	0155880	100%

Fleeing Horse	102/06-12-039-02W4	0270776	100%
Fleeing Horse	102/07-26-039-02W4	0159006	100%
Fleeing Horse	100/08-26-039-02W4	0159005	100%
Fleeing Horse	103/08-26-039-02W4	0207864	100%
Fleeing Horse	100/09-26-039-02W4	0156003	100%
Fleeing Horse	102/09-26-039-02W4	0211655	100%
Fleeing Horse	100/10-26-039-02W4	0159003	100%

**Facilities**

<b>Property</b>	<b>Location</b>	<b>Licence No.</b>	<b>Vendor's Interest</b>
Fleeing Horse	09-03-039-02W4	F26091	100%
Fleeing Horse	16-03-039-02W4	F26248	100%
Fleeing Horse	04-11-039-02W4	F38066	100%
Fleeing Horse	09-02-039-02W4	F6784	100%
Fleeing Horse	05-12-039-02W4	F6800	100%
Fleeing Horse	16-14-039-02W4	F38065	100%
Fleeing Horse	16-14-039-02W4	F6813	100%

**Pipelines**

<b>Property</b>	<b>From</b>	<b>To</b>	<b>Licence No.</b>	<b>Line No.</b>	<b>Vendor's Interest</b>
Fleeing Horse	13-14-39-02	10-14-39-02 W4M	23312	1	100%

	W4M				
Fleeing Horse	16-14-39-02 W4M	10-14-39-02 W4M	23312	2	100%
Fleeing Horse	05-12-39-02 W4M	03-12-39-02 W4M	23312	3	100%
Fleeing Horse	05-12-39-02 W4M	13-01-39-02 W4M	23312	4	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	23312	5	100%
Fleeing Horse	05-12-39-02 W4M	05-12-39-02 W4M	23312	6	100%
Fleeing Horse	05-12-39-02 W4M	16-14-39-02 W4M	23312	7	100%
Fleeing Horse	05-12-39-02 W4M	01-11-39-02 W4M	23312	8	100%
Fleeing Horse	05-12-39-02 W4M	03-12-39-02 W4M	23312	9	100%
Fleeing Horse	16-14-39-02 W4M	10-14-39-02 W4M	23312	10	100%
Fleeing Horse	10-14-39-02 W4M	16-14-39-02 W4M	23312	11	100%
Fleeing Horse	06-14-39-02 W4M	13-14-39-02 W4M	23316	1	100%
Fleeing Horse	14-14-39-02 W4M	13-14-39-02 W4M	23316	2	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	3	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	4	100%
Fleeing Horse	15-14-39-02 W4M	16-14-39-02 W4M	27442	9	100%



Fleeing Horse	15-14-39-02 W4M	16-14-39-02 W4M	27442	10	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	11	100%
Fleeing Horse	16-14-39-02 W4M	16-14-39-02 W4M	27442	12	100%
Fleeing Horse	05-12-39-02 W4M	16-14-39-02 W4M	27442	13	100%
Fleeing Horse	04-12-39-02 W4M	05-12-39-02 W4M	27442	15	100%
Fleeing Horse	04-12-39-02 W4M	05-12-39-02 W4M	27442	16	100%
Fleeing Horse	04-12-39-02 W4M	04-12-39-02 W4M	27442	17	100%
Fleeing Horse	04-12-39-02 W4M	04-12-39-02 W4M	27442	18	100%
Fleeing Horse	01-11-39-02 W4M	04-12-39-02 W4M	27442	19	100%
Fleeing Horse	01-11-39-02 W4M	04-12-39-02 W4M	27442	20	100%
Fleeing Horse	01-11-39-02 W4M	01-11-39-02 W4M	27442	21	100%
Fleeing Horse	01-11-39-02 W4M	01-11-39-02 W4M	27442	22	100%
Fleeing Horse	07-11-39-02 W4M	05-12-39-02 W4M	27442	23	100%
Fleeing Horse	07-11-39-02 W4M	05-12-39-02 W4M	27442	24	100%
Fleeing Horse	04-11-39-02 W4M	07-11-39-02 W4M	27442	25	100%
Fleeing Horse	13-01-39-02 W4M	04-12-39-02 W4M	27442	26	100%

Fleeing Horse	13-01-39-02 W4M	04-12-39-02 W4M	27442	27	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	27442	28	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	27442	29	100%
Fleeing Horse	14-03-39-02 W4M	16-03-39-02 W4M	27442	30	100%
Fleeing Horse	14-03-39-02 W4M	16-03-39-02 W4M	27442	31	100%
Fleeing Horse	07-26-39-02 W4M	10-26-39-02 W4M	27442	32	100%
Fleeing Horse	10-26-39-02 W4M	10-26-39-02 W4M	27442	33	100%
Fleeing Horse	10-26-39-02 W4M	16-14-39-02 W4M	27442	34	100%
Fleeing Horse	10-26-39-02 W4M	16-14-39-02 W4M	27442	35	100%
Fleeing Horse	10-14-39-02 W4M	10-14-39-02 W4M	27442	37	100%
Fleeing Horse	05-32-38-01 W4M	05-12-39-02 W4M	27442	38	100%
Fleeing Horse	10-14-39-02 W4M	16-14-39-02 W4M	27442	39	100%
Fleeing Horse	05-02-39-02 W4M	09-03-39-02 W4M	27442	40	100%
Fleeing Horse	13-02-39-02 W4M	04-11-39-02 W4M	27442	41	100%
Fleeing Horse	13-02-39-02 W4M	04-11-39-02 W4M	27442	42	100%
Fleeing Horse	16-03-39-02 W4M	16-03-39-02 W4M	27442	43	100%

Fleeing Horse	16-03-39-02 W4M	01-10-39-02 W4M	27442	44	100%
Fleeing Horse	16-03-39-02 W4M	01-10-39-02 W4M	27442	45	100%
Fleeing Horse	15-17-39-01 W4M	13-01-39-02 W4M	30884	1	100%
Fleeing Horse	13-01-39-02 W4M	09-02-39-02 W4M	31356	1	100%
Fleeing Horse	09-02-39-02 W4M	13-01-39-02 W4M	31357	1	100%
Fleeing Horse	16-02-39-02 W4M	13-01-39-02 W4M	31357	2	100%
Fleeing Horse	09-02-39-02 W4M	16-02-39-02 W4M	31357	3	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	5	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	6	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	7	100%
Fleeing Horse	13-01-39-02 W4M	13-01-39-02 W4M	31357	8	100%
Fleeing Horse	16-02-39-02 W4M	13-01-39-02 W4M	31357	9	100%
Fleeing Horse	10-02-39-02 W4M	09-02-39-02 W4M	31357	10	100%
Fleeing Horse	05-12-39-02 W4M	07-11-39-02 W4M	32321	1	100%
Fleeing Horse	07-11-39-02 W4M	04-11-39-02 W4M	32321	2	100%
Fleeing Horse	13-01-39-02 W4M	05-12-39-02 W4M	32847	1	100%

Fleeing Horse	13-01-39-02 W4M	05-12-39-02 W4M	32847	2	100%
Fleeing Horse	15-03-39-02 W4M	15-03-39-02 W4M	37908	1	100%
Fleeing Horse	15-03-39-02 W4M	15-03-39-02 W4M	37908	2	100%
Fleeing Horse	09-03-39-02 W4M	16-03-39-02 W4M	37908	3	100%
Fleeing Horse	09-03-39-02 W4M	16-03-39-02 W4M	37908	4	100%
Fleeing Horse	16-02-39-02 W4M	16-02-39-02 W4M	37908	5	100%
Fleeing Horse	02-10-39-02 W4M	01-10-39-02 W4M	51333	1	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	51333	2	100%
Fleeing Horse	01-10-39-02 W4M	04-11-39-02 W4M	51333	3	100%
Fleeing Horse	15-32-38-01 W4M	05-12-39-02 W4M	52057	6	100%

**EXCLUDED ASSETS**

**All wellbores, pipelines, facilities and other tangibles outside of Twp 39 Rge 2 W4M except:**

**Pipeline Licence 30884 Segment 1**

**Pipeline Licence 52057 Segment 6**

**Schedule "C"**

**Claims**

## Schedule "D"

### Permitted Encumbrances

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement, provided that such agreements can be terminated on less than 1 month's notice;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;

- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;

provided that in no circumstance shall any amounts owing by the Debtor to a Governmental Authority prior to the Closing Date in respect of taxes on linear or non linear property (as defined in the Municipal Government Act (Alberta)) be a Permitted Encumbrance.

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## SCHEDULE C

### Form of General Conveyance, Assignment and Assumption Agreement

#### GENERAL CONVEYANCE, ASSIGNMENT, AND ASSUMPTION AGREEMENT

**THIS** General Conveyance, Assignment, and Assumption Agreement (this "**Agreement**") is made as of the [•] day of [•], [•].

#### AMONG:

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of **BOW RIVER ENERGY LTD.**, and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

[•], a corporation existing under the laws of the Province of Alberta (the "**Purchaser**")

#### RECITALS:

- A. In accordance with the terms of that certain Asset Purchase and Sale Agreement dated as of [•], by and between the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell, assign, and transfer the Assets to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor;
- B. the Purchaser has agreed to assume the Assumed Liabilities; and
- C. this Agreement is delivered pursuant to the Purchase Agreement.

**NOW THEREFORE**, for good and valuable consideration now paid by the Purchaser to the Vendor pursuant to the Purchase Agreement (the receipt and sufficiency of which is hereby acknowledged by the Vendor) the parties hereto agree as follows:

#### 1. Definitions

All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Purchase Agreement.

#### 2. Certain Rules of Interpretation

- (i) In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (ii) The division of this Agreement into Sections and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.



- (iii) The terms "hereof," "hereunder," and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- (iv) Unless something in the subject matter or context is inconsistent therewith, references herein to "Sections" are to sections of this Agreement.
- (v) The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

### **3. Conveyance**

The Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, accepts and receives from the Vendor, upon the terms and subject to the conditions of the Purchase Agreement, the Vendor's Interest in and to the Assets, free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable, with effect as of the Closing on the date hereof, to have and to hold the Assets and all such right, title, interest, property, claim, and demand unto and to the use of the Purchaser.

### **4. Assumption of Assumed Liabilities**

Effective as of the Closing on the date hereof, the Purchaser hereby assumes and agrees to pay, perform, and discharge, when due, the Assumed Liabilities.

### **5. Further Assurances**

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### **6. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

### **7. Entire Agreement**

This Agreement, the Purchase Agreement, and the documents referred to therein and contemplated thereby constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement, the Purchase Agreement, the Confidentiality Agreement and the documents referred to therein and contemplated thereby.

**8. Successors and Assigns**

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

**9. Counterparts**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

**10. Amendments**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party. Any amendment effected in accordance with this Section 10 will be binding upon the Parties and their respective successors and permitted assigns.

**11. Paramountcy**

This Agreement is delivered pursuant to, and is subject to, all of the terms and conditions contained in the Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

**12. Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

**[Signature Page Follows.]**

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_  
Name:  
Title:

•

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE D**

**Form of Bring-Down Certificate**

**TO:** [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")]

**RE:** Agreement of Purchase and Sale dated [●] between the Vendor and the Purchaser (the "Agreement")

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "**Certificate**").

I, [Name], [Position] of [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")] hereby certify that as of the date of this Certificate:

1. The undersigned is personally familiar, in [his][her] capacity as an officer of [Vendor][Purchaser], with the matters hereinafter mentioned.
2. Each of the covenants, representations and warranties of the [Vendor][Purchaser] contained in Section [5.1 / 5.2] of the Agreement were true and correct in all material respects when made and are true and correct in all material respects as of the Closing Date.
3. All obligations of [Vendor][Purchaser] contained in the Agreement to be performed prior to or at Closing have been timely performed in all material respects.
4. This Certificate is made for and on behalf of the [Vendor][Purchaser] and is binding upon it, and I am not incurring, and will not incur, any personal liability whatsoever with respect to it.
5. This Certificate is made with full knowledge that the [Vendor][Purchaser] is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, [●].

[Name of Vendor/Purchaser]

Per: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE E**

### **Excluded Assets**

All wellbores, pipelines, facilities and other tangibles outside of Twp 39 Rge 2 W4M except:

Pipeline Licence 30884 Segment 1

Pipeline Licence 52057 Segment 6

**SCHEDULE F**

**Bow River Security Arrangements**

Nil

# **APPENDIX “B”**

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER  
OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD. AND  
NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

**- and -**

**BRW PETROLEUM CORP.**

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**ASSET PURCHASE AND SALE AGREEMENT**

**April 15, 2021**

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## AGREEMENT OF PURCHASE AND SALE

**THIS AGREEMENT OF PURCHASE AND SALE** dated as of April 15, 2021,

**BETWEEN:**

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Bow River Energy Ltd. ("**Bow River**" or the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

**BRW Petroleum Corp.**, a corporation existing under the laws of Alberta (herein referred to as the "**Purchaser**")

**WHEREAS:**

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- B. the Purchaser, subject to Court Approval, has agreed to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets, on the terms and conditions set forth herein.

**NOW THEREFORE**, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
  - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or

decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

- (b) "**Accounts Receivable**" means all trade and other accounts receivable, notes receivable, unbilled accounts and other debts due or accruing due to the Vendor and/or the Debtor in relation to the Assets;
- (c) "**AER**" means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;
- (d) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;
- (e) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;
- (f) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;
- (g) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and vesting all of the Vendor's Interest in and to the Assets in the Purchaser free and clear of all Claims, Encumbrances (other than Permitted Encumbrances) and interests, such order to be substantially in the form attached hereto as Schedule B together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;
- (h) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests, but specifically excluding the Excluded Assets;
- (i) "**Assumed Contracts**" means, other than contracts which are Excluded Assets:

- (i) the contracts referenced in subsection (i) of the definition of Miscellaneous Interests; and
- (ii) and (ii) any other contract, agreement, commitment, understanding, arrangement, license or lease entered into by the Vendor or the Debtor (whether oral or written) or affecting or related to the Assets or the Assumed Liabilities or by which either the Vendor or the Debtor are bound or by which any property of the Debtor is subject to an Encumbrance;

which contracts shall be assigned by the Vendor in its own right or for and on behalf of the Debtor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;

- (j) "**Assumed Liabilities**" means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets, including:
  - (i) all Environmental Liabilities and Abandonment and Reclamation Obligations;
  - (ii) any Losses and Liabilities of the Vendor and/or the Debtor incurred or accruing after the Closing Date; and
  - (iii) and the Cure Costs in respect of, Assumed Contracts accruing on or after the Closing Date;
- (k) "**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (l) "**Cash and Cash Equivalents**" means cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by the Debtor or the Vendor for and on behalf of the Debtor;
- (m) "**Claim**" means any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against any Vendor, any of their respective Affiliates and their respective Representatives, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature;
- (n) "**Closing**" means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with

such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

- (o) "**Closing Date**" means the date on which Closing occurs, being the later of **April 30, 2021**, or the date which is two Business Days following the date upon which all conditions in Sections 11.1, 11.2 and 11.3 have been satisfied or waived, or such other date as the Parties may agree in writing; provided, however, that the Closing Date shall not be later than the Outside Date;
- (p) "**Confidentiality Agreement**" means the confidentiality agreement between Vendor and Purchaser dated August 19, 2020;
- (q) "**Consequential Damages**" has the meaning ascribed to that term in Section 14.5;
- (r) "**Court**" means the Court of Queen's Bench of Alberta, Judicial Centre of Calgary;
- (s) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Assets, and such Approval and Vesting Order having become a Final Order;
- (t) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of the Vendor's or the Debtor' monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws;
- (u) "**Debtor**" means, Bow River Energy Ltd.;
- (v) "**Deposit**" has the meaning ascribed to that term in Section 3.3(a)(i);
- (w) "**Due Diligence Information**" means all information made available (by the Vendor, the Debtor or otherwise) for the Purchaser's review in paper or electronic form in relation to the Debtor, its Affiliates and/or the Assets;
- (x) "**Encumbrances**" means all mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein;
- (y) "**Environment**" means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);

- (z) **"Environmental Laws"** means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;
- (aa) **"Environmental Liabilities"** means all past, present and future Losses and Liabilities, Claims and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:
- (i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
  - (ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
  - (iii) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;
  - (iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
  - (v) the protection, reclamation, remediation or restoration of the Environment;
- that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;
- (bb) **"Excluded Assets"** has the meaning set forth in Section 2.6;
- (cc) **"Facilities"** means the Vendor's Interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, including those facilities and pipelines identified in Part 2 of Schedule A;
- (dd) **"Final Order"** means an order of the Court that has not been vacated, stayed, set aside, amended, reversed, annulled or modified, as to which no appeal or application for leave to appeal therefrom has been filed and the applicable appeal period with respect thereto shall have expired without the filing of any appeal or application for leave to appeal, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all)

such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of with no further right of appeal and all opportunities for rehearing, reargument, petition for certiorari and appeal being exhausted or having expired without any appeal, motion or petition having been filed and remaining pending, any requests for rehearing have been denied, and no order having been entered and remaining pending staying, enjoining, setting aside, annulling, reversing, remanding, or superseding the same, and all conditions to effectiveness prescribed therein or otherwise by Applicable Law or order having been satisfied;

- (ee) "**General Conveyance, Assignment and Assumption Agreement**" means an agreement providing for the assignment by the Vendor of the Vendor's Interest in and to the Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule C, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule C;
- (ff) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the AER;
- (gg) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;
- (hh) "**Hazardous Substances**" means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (ii) "**Lands**" means the lands set out and described in Part 1 of Schedule A, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations), but excluding the Excluded Assets;
- (jj) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (kk) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (ll) "**Licence Transfers**" means the transfer from the Vendor and/or the Debtor to the Purchaser of any permits, approvals, licences and authorizations granted by the AER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells or the Facilities, as applicable.



- (mm) "**LMR**" means the licensee liability rating program and the license transfer process as set forth by the AER under AER's Directive 006, 011, 068 and Bulletin 2016-21 and related AER regulations, guidelines, directives, information letters, programs and policies, as the same may be amended, supplemented or replaced from time to time;
- (nn) "**LTAs**" has the meaning set forth in Section 2.3(a);
- (oo) "**Losses and Liabilities**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (pp) "**Miscellaneous Interests**" means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
  - (i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
  - (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
  - (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;
  - (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
  - (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing

information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and

- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

but excluding the Excluded Assets and provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor or the Debtor to an assignee;

- (qq) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);
- (rr) "**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);
- (ss) "**Outside Date**" means **July 5, 2021** or such other date as the Parties may agree;
- (tt) "**Outstanding ROFR Assets**" has the meaning set forth in Section 10.3(e)(ii);
- (uu) "**Outstanding ROFRs**" has the meaning set forth in Section 10.3(e);
- (vv) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;
- (ww) "**Permitted Encumbrances**" means:
  - (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
  - (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
  - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
  - (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
  - (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;

- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;
- (xx) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;
- (yy) "**Petroleum and Natural Gas Rights**" means the Vendor's Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), but excluding the Excluded Assets;
- (zz) "**Petroleum Substances**" means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (aaa) "**Prime Rate**" means an annual rate of interest equal to the annual rate of interest announced from time to time by the main branch of the Royal Bank of Canada in Calgary, Alberta, as a reference rate then in effect for determining interest rates on

Canadian dollar commercial loans provided that such rate shall be determined on the last day of each month and applied to the next succeeding month;

- (bbb) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;
- (ccc) "**Purchaser**" has the meaning ascribed to that term in the preamble hereto;
- (ddd) "**Purchaser's Solicitors**" means McLeod Law LLP;
- (eee) "**Receivership Order**" means the order of the Court dated June 8, 2020, pursuant to which the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (fff) "**Receivership Proceedings**" means the court proceedings brought in the Court pursuant to Court Action No. 2001-13391, pursuant to which the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (ggg) "**Representative**" means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;
- (hhh) "**ROFR**" means a right of first refusal, right of first offer or other pre-emptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;
- (iii) "**ROFR Disclosure Letter**" means the letter delivered by the Vendor to the Purchaser concurrent with the execution of this Agreement identifying any applicable ROFRs;
- (jjj) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor's Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or the Debtor, as applicable, with respect to the Assets (excluding the Licence Transfers);
- (kkk) "**Surplus Equipment**" means those Assets identified as such in Part 2 of Schedule E hereto, which, if sold by the Vendor to a Third Party prior to Closing, shall constitute Excluded Assets, and if unsold by the Vendor prior to Closing, shall constitute Assets;<sup>1</sup>
- (lll) "**Tangibles**" means the Vendor's Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them, but excluding the Excluded Assets;
- (mmm) "**Third Party**" means any Person who is not a Party or an Affiliate of a Party;

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<sup>1</sup> Note to Purchaser: To be determined if applicable.

- (nnn) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor or any of the Debtor for which the Purchaser has indemnified the Vendor and the Debtor or is otherwise responsible pursuant to this Agreement;
- (ooo) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;
- (ppp) "**Transaction**" means the transaction for the purchase and sale of the Vendor's Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;
- (qqq) "**Transfer Taxes**" means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST; and which, for certainty, shall not include freehold mineral taxes;
- (rrr) "**Bow River Security Arrangements**" has the meaning ascribed to that term in Section 2.8;
- (sss) "**Vendor**" has the meaning ascribed to that term in the preamble hereto;
- (ttt) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property;
- (uuu) "**Vendor's Solicitors**" means the law firm of Bennett Jones LLP, or such other firm or firms of solicitors as are retained or engaged by the Vendor from time to time and notice of which is provided to the Purchaser; and
- (vvv) "**Wells**" means the Vendor's Interest in and to the wells listed 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) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.

- (c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (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) 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.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

### 1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A	Assets Listing Part 1 – Lands Part 2 – Wells, Facilities and Tangibles
Schedule B	Form of Approval and Vesting Order
Schedule C	Form of General Conveyance
Schedule D	Form of Bring-Down Certificate
Schedule E	Excluded Assets Part 1 – Excluded Assets Part 2 – Surplus Equipment
Schedule F	Bow River Security Arrangements

#### **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.

### **ARTICLE 2 PURCHASE AND SALE**

#### **2.1 Agreement of Purchase and Sale**

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Vendor's Interest in and to the Assets.

#### **2.2 Transfer of Property and Assumption of Liabilities**

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable.

#### **2.3 AER License Transfers**

- (a) [Promptly following the granting by the Court of the Approval and Vesting Order]<sup>2</sup>, the Vendor shall electronically submit applications to the AER for the Licence Transfers ("LTAs"), and, in each case, will provide a screen shot or other evidence indicating such submission to the Purchaser, and in addition the Vendor shall provide any information and documentation along with such LTAs to the AER which are required to be provided by the transferor in connection with the foregoing. The Purchaser shall accept or ratify such LTAs without delay, provided that, if the Purchaser in good faith determines or believes that any of the LTAs are not complete and accurate, or the AER refuses to process any such LTAs because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate LTAs as soon as practicable and, thereafter, the Vendor shall promptly re-submit such LTAs and the Purchaser shall accept or ratify such re-submitted LTAs without delay. Each Party shall be responsible for its own costs relating to LTAs hereunder. The Purchaser shall provide any information and documentation in respect of such LTAs to the AER which are required to be provided by the transferee in connection with the foregoing. Following submission of the LTAs, each of the Parties shall use reasonable commercial efforts to obtain the AER's approval of the LTAs and registration of the License Transfers, subject to the specific requirements of this Sections 2.3.

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<sup>2</sup> Note to Purchaser: Timing for submission of LTAs to be confirmed depending on transaction-specific factors, including asset package and whether other AER steps are required.

- (b) If the AER denies any of the LTAs because of misdescription or other minor deficiencies contained therein, the Vendor shall, within two Business Days of such denial, correct the LTA(s) and amend and re-submit the LTA(s), and the Purchaser shall accept or ratify such re-submitted LTAs without delay.
- (c) If, for any reason, the AER requires the Purchaser to make a deposit, furnish any other form of security, provide any undertakings, information or other documentation or to take any action as a condition of or a prerequisite for the approval of any of the LTAs, then immediately after receiving notice of such requirements and at its sole cost, the Purchaser shall make such deposits, furnish such security, provide such undertakings, information or other documentation and/or take such action, as the case may be.
- (d) If the Purchaser fails to make a deposit or furnish security it is required to make or furnish under Section 2.3(c) within 10 days of the Purchaser's receipt of notification from the applicable Governmental Authority or the Vendor that such deposit or security is required, the Vendor shall have the right to make such deposit or furnish such security. In such event, the Purchaser shall (as applicable) reimburse the amount of such deposit or the costs of such security to the Vendor plus interest thereon at the Prime Rate plus three percent (3%) from the date such deposit or security is made or furnished by the Vendor until such reimbursement is made and, in the case of security, cause the security to be returned to the Vendor as soon as possible and indemnify the Vendor for the amount and costs of any draws on the security plus interest thereon at the Prime Rate from the date such draw is made until such indemnification is made. In addition to all other rights to enforce such reimbursement otherwise available to the Vendor, it shall have the right to set-off the amount of such reimbursement or indemnification (including interest) against other monies due to the Purchaser pursuant to this Agreement.
- (e) The Purchaser shall on a timely and continuing basis keep the Vendor fully apprised and informed regarding all communications the Purchaser may have with the AER in connection with the Transaction, including all communications respecting LTAs, and without limiting the generality of the foregoing the Purchaser shall provide copies to the Vendor of all related correspondence from the Purchaser to the AER, and the Purchaser shall request that the AER provide copies to the Vendor of all related correspondence from the AER to the Purchaser.

## **2.4 Specific Conveyances**

- (a) The Parties shall cooperate in the preparation of the Specific Conveyances. A reasonable time following its receipt of the Title Documents from Vendor, Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising



Miscellaneous Interests which are now in the possession or control of the Vendor or the Debtor or of which the Vendor or the Debtor gain possession or control prior to Closing.

- (c) Notwithstanding Sections 2.4(a) and 2.4(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by Alberta Energy shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Closing.

## **2.5 Post-Closing Maintenance of Assets**

- (a) Following Closing, if and to the extent that Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of Vendor's and/or the Debtor's interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:
  - (i) each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Debtor or the Vendor, as applicable, shall be responsible for and shall pay all such Cure Costs, which shall be paid directly to the applicable counterparty at or prior to Closing;
  - (ii) the Vendor and/or the applicable Debtor shall hold the rights, entitlements, benefits, remedies, duties and obligations in respect of the applicable Assets in trust for the exclusive benefit of the Purchaser as bare trustee and agent;
  - (iii) the Vendor will, at the request and expense and under the direction of the Purchaser, in the name of the Vendor and/or the applicable Debtor or otherwise as the Purchaser shall reasonably specify, take all such reasonable actions and do all such reasonable things as shall, in the reasonable opinion of the Purchaser, be necessary or desirable in order that the rights, entitlements, benefits, remedies, duties and obligations of the applicable Debtor in respect of any applicable Assets may be enjoyed, received or performed, as the case may be, in accordance with the terms of the Title Documents and Assumed Contracts, including that all monies receivable under any Title Documents and Assumed Contracts may be received by the Purchaser and that all rights and licenses under any Title Documents and Assumed Contracts may be exercised by the Purchaser;
  - (iv) the Vendor shall, no later than 30 days after receipt of funds, pay over to the Purchaser all such monies collected by the Vendor and/or the applicable Debtor in respect of the Assets following the Closing Date, net of any unpaid related costs or expenses (including any taxes that are payable in respect of the receipt of such amounts);
  - (v) to the extent permitted by any applicable Assumed Contract:
    - (A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Closing under such Assumed Contract, on behalf of the Vendor and/or any applicable Debtor, until such time as the effective

transfer or assignment of the relevant Assumed Contract to the Purchaser; and

- (B) the Vendor shall, or shall cause the applicable Debtor to, use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates;
- (vi) neither the Vendor nor the Debtor shall have any liability as a consequence of the Vendor or any applicable Debtor taking any action or causing anything to be done under this Section 2.5(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor, the Debtor and their respective Representatives against, all costs and expenses reasonably incurred by the Vendor, the Debtor, their Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.5(a); and
- (vii) the Vendor shall cause the applicable Debtor to maintain their existence, and continue to be licensed, registered or otherwise qualified and authorized to conduct its affairs and carry on business as is necessary to fulfill its obligations as set out in this Section 2.5(a) until the later of: (i) the earlier of the expiry or assignment to the Purchaser of the last applicable Assumed Contract, and (ii) the AER having approved the LTAs and registered the License Transfers; *provided, however,* that the obligations of the Vendor and any applicable Debtor under this Section 2.5(a) shall expire and terminate and cease to be in effect on the date that is 90 days following Closing.
- (viii) Nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.
- (b) Both before and after Closing, each of the Parties shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. Subject to the provisions in Section 2.5(a)(i), it shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties under the Assumed Contracts or Applicable Laws to permit the transfer of the Assets, including the Assumed Contracts, to the Purchaser.

## **2.6 Assumed Liabilities**

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

## **2.7 Excluded Assets**

All Assets other than those included in Schedule A - Assets Listing, shall be Excluded Assets for the purpose of this Agreement.

## **2.8 Bow River Security Arrangements**

The Purchaser acknowledges that the necessary security, deposits, letters of credit, guarantees or other financial assurances as set forth in Schedule F (collectively the "**Bow River Security Arrangements**") have been provided by the Vendor and/or by the Debtor to secure the payment and/or performance of certain of the Vendor's and/or the Debtor' obligations under the Title Documents. The Purchaser acknowledges that neither the Vendor nor any Debtor has any duty to maintain any Bow River Security Arrangements after the Closing. To the extent the Vendor and/or the Debtor have any obligations pursuant to any Bow River Security Arrangement or have pledged or otherwise provided any property that secures any such Bow River Security Arrangement, the Purchaser shall take such commercially reasonable actions, at or prior to Closing, as are necessary to cause such obligations arising under the Bow River Security Arrangements (and the Bow River Security Arrangements) to be released and terminated, and any of the Vendor's or the Debtor' property pledged or otherwise provided to secure such Bow River Security Arrangements returned to the Vendor or the applicable Debtor, in each case concurrent with the Closing.

# **ARTICLE 3 PURCHASE PRICE**

## **3.1 Purchase Price**

The consideration payable by the Purchaser for the Assets shall be the sum of [REDACTED] (the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Sections 2.5(a)(i) and 3.3(b), and shall not be subject to any adjustment. The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

## **3.2 Allocation of Purchase Price**

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

- (a) to the Petroleum and Natural Gas Rights, 80%;
- (b) to the Tangibles, 20% less \$10.00; and
- (c) to the Miscellaneous Interests, \$10.00.

## **3.3 Deposit and Satisfaction of Purchase Price**

- (a) The Parties acknowledge that:
  - (i) on the date hereof, the Purchaser paid the sum of [REDACTED] (the "**Deposit**") to the Vendor;
  - (ii) the Deposit has been delivered to and shall be held in trust by the Vendor; and

- (iii) the Deposit shall be held and administered by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Closing, the Purchase Price shall be paid and satisfied as follows:
  - (i) as to the amount of the Deposit, the Vendor shall retain the amount of the Deposit and apply such amount against the amount of the Purchase Price; and
  - (ii) as to the balance of the Purchase Price, along with any additional amounts owing in respect of applicable GST, the Purchaser shall pay to the Vendor such amount by electronic wire transfer.
- (c) If this Agreement is terminated:
  - (i) (A) pursuant to Section 13.1(a) by mutual agreement of the Parties; (B) pursuant to Sections 13.1(b) or 13.1(c) by the Purchaser; (C) pursuant to Section 13.1(e) by the Vendor; or (D) for any other reason other than as contemplated under Section 3.3(c)(ii); then the Deposit shall be returned to the Purchaser; or
  - (ii) pursuant to Section 13.1(d) by the Vendor, the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 13.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit, constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

#### **ARTICLE 4 TRANSFER TAXES**

##### **4.1 Transfer Taxes**

The Parties agree that:

- (a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Assets; and
- (b) the Purchaser shall indemnify the Vendor, the Debtor and their respective Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor, the Debtor or their respective Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

**ARTICLE 5  
REPRESENTATIONS AND WARRANTIES**

**5.1 Vendor's Representations**

The Vendor hereby represents and warrants to the Purchaser that:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order;
- (b) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Vendor of the Transaction;
- (c) it is not a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who is a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) (or a partnership that is not a "Canadian partnership" within the meaning of such term under the *Income Tax Act* (Canada));
- (d) subject to Court Approval being obtained, this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (e) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and
- (f) with respect to the GST imposed under the GST Legislation, the following Debtor are registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and their respective GST registration numbers are:

**Debtor**  
BOW RIVER ENERGY LTD.

**GST Registration Number**  
828997114RT0002

**5.2 Purchaser's Representations**

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;
- (d) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (e) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (h) the Purchaser meets all eligibility requirements of Governmental Authorities to purchase and accept a transfer of the Assets, including without limiting the generality of the foregoing, the eligibility requirements of the AER under its LMR program, or any successor program, as applicable to the Purchaser in connection with the transactions as contemplated hereunder;
- (i) as of the date of submission of the LTAs the Purchaser will not have a LMR in respect of its assets and interests located in the Province of Alberta that is less than **1.0**;
- (j) with respect to the GST imposed under the GST Legislation, the Purchaser is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is **839163136RT0001**;

- (k) the Purchaser is a "Canadian" within the meaning of the *Investment Canada Act* (Canada);
- (l) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto;
- (m) the Purchaser is not aware of any fact or circumstance that would prevent or delay the Licence Transfers or the approval of the LTAs as contemplated hereunder; and
- (n) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

### **5.3 Enforcement of Representations and Warranties**

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 5 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of 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.
- (c) The Parties expressly acknowledge and agree that the provisions of this Section 5.3 and the limit on each Party's liability set out in this Section 5.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

## **ARTICLE 6 "AS IS, WHERE IS" AND NO ADDITIONAL REPRESENTATIONS AND WARRANTIES**

### **6.1 Due Diligence Acknowledgement**

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;

- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;
- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:
  - (i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;
  - (ii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;
  - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;
  - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;
  - (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;
  - (vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to disclose to the Purchaser, any information known to it relating to the Assets except as may be required by any Applicable Law; and
  - (vii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

## **6.2 "As Is, Where Is", No Additional Representations**

- (a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an "as is, where is" and "without recourse" basis



with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, the Debtor, their respective Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:

- (i) the title and interest of the Vendor or the Debtor in and to the Assets;
- (ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transactions;
- (iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
- (iv) the income to be derived from the Assets, if any;
- (v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
- (vi) the rates of production of Petroleum Substances from the Lands;
- (vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles or any personal property);
- (viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
- (ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);
- (x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;
- (xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement;
- (xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;
- (xiii) the manner, quality, state of repair or lack of repair of the Assets;
- (xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter

affecting the stability or integrity of the Assets or any structures or improvements situated thereon;

- (xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;
  - (xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;
  - (xvii) the nature and quantum of the Assumed Liabilities; or
  - (xviii) any other matter with respect to the Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 6 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.
- (c) 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 common law, tort, contractual and statutory rights and remedies) against the Vendor, the Debtor, their respective Affiliates and their respective Representatives in respect of the Assets and any representations or statements made 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). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

## **ARTICLE 7 RISK AND COSTS AND INSURANCE**

### **7.1 Risk and Costs**

The Assets will be at the sole risk and responsibility of the Vendor and the Debtor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

### **7.2 Insurance**

Any property, liability and other insurance maintained by the Vendor and/or the Debtor in relation to the Assets shall not be transferred at Closing, but shall remain the responsibility of the Vendor and the Debtor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

## ARTICLE 8 INDEMNIFICATION

### 8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives related to or in connection with the Assets and the Assumed Liabilities, whether arising or accruing on or after the Closing Date, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets; (ii) all Losses and Liabilities arising or accruing on or after the Closing Date under any Assumed Contract as contemplated, including any and all Cure Costs accruing on or after the Closing Date; and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor and the Debtor pursuant to this Agreement, including pursuant to Section 9.2. The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely pursuant to Section 14.3.

### 8.2 Third Party Claims

- (a) If any of the Vendor, the Debtor, their respective Affiliates or any of their respective Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, the Debtor, their respective Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and Liabilities that has been or may be sustained by the Vendor, the Debtor, their respective Affiliates or their respective Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.
- (b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor or the applicable Debtor(s), respectively, not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and

has provided the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 8.2(b), then the Vendor shall, or shall cause the Debtor, their respective Affiliates and/or their respective Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.

- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 8.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, the Debtor, their respective Affiliates and/or their Representatives with respect to such Third Party Claim.

### **8.3 Failure to Give Timely Notice**

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

### **8.4 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.

### **8.5 Third Party Beneficiary**

The Vendor's Representatives and the Vendor's Affiliates, the Debtor, their respective Affiliates and all of their respective Representatives are intended third party beneficiaries of this Article 8 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 8 or that are reasonably necessary to give further effect thereto.

**ARTICLE 9  
ENVIRONMENTAL MATTERS**

**9.1 Acknowledgements Regarding Environmental Condition**

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, any of the Debtor, or any of their respective Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

**9.2 Assumption of Environmental Liabilities**

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor and the Debtor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Closing Date, and hereby releases the Vendor, the Debtor, their respective Affiliates and their respective Representatives from any claims the Purchaser may have against the Vendor or the Debtor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Tangibles.

**ARTICLE 10  
COVENANTS**

**10.1 Court Filings**

- (a) From and after the date of execution of this Agreement and until the Closing Date, the Vendor shall use commercially reasonable efforts to deliver to the Purchaser copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that relate, in whole or in part, to this Agreement, or to the Purchaser or its Representatives, that are to be filed by the Vendor in connection with the Court Approval in advance of their filing, before the filing of such papers, and shall provide the Purchaser with a reasonable opportunity to review and comment thereon.

- (b) The Vendor shall act reasonably and in good faith in considering any comments provided by the Purchaser to such papers; *provided, however* that, subject in each case to the foregoing good faith obligations of the Vendor, the Vendor shall have no obligation to accept and incorporate the Purchaser's comments to such papers and neither the Vendor's inadvertent failure to comply with this Section 10.1, nor the Vendor's failure to comply with this Section 10.1 due to emergency circumstances, shall constitute a breach under this Agreement.

## 10.2 Conduct of Business Until Closing

- (a) Except: (A) as expressly provided in this Agreement; (B) with the prior written consent of the Purchaser (not to be unreasonably withheld, conditioned or delayed); (C) as necessary or advisable in connection with the Receivership Proceedings; or (D) as otherwise provided in the Approval and Vesting Order or any other order of the Court in connection with the Receivership Proceedings; following the date hereof and prior to Closing, to the extent reasonably practicable having regard to the Receivership Proceedings, the Vendor shall use commercially reasonable efforts to:
  - (i) cause the Assets to be maintained, in accordance with good industry practice, and in material compliance with all Applicable Laws, the directions of Governmental Authorities and the terms and conditions of the Assumed Contracts;
  - (ii) not sell, pledge, assign, lease, license, or cause, permit, or suffer the imposition of any Encumbrance (other than Permitted Encumbrances) on, or otherwise dispose of, any of the Assets, except in the ordinary course of normal day-to-day operations of the Assets, consistent with past practices;
  - (iii) not authorize or agree, in writing or otherwise, to take any of the actions in respect of the foregoing.
- (b) Until the Closing Date, the Vendor shall provide the Purchaser with all access to the Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Closing in accordance herewith.
- (c) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 10.2 will be subject to the Assumed Contracts and all of the Vendor's and the Debtor' site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:
  - (i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, the Debtor, their respective Affiliates or their respective Representatives may suffer, sustain, pay or incur; and
  - (ii) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 10.2.

### 10.3 ROFRs

- (a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. .
- (b) The Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of Purchaser's allocation of the Purchase Price attributable thereto pursuant to Section 10.3(a). The Vendor shall utilize the Purchaser's allocation of the Purchase Price attributable to the Assets subject to ROFRs for purposes of preparing and issuing the ROFR notices. The Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.
- (c) If any such Third Party elects to exercise such a ROFR, then:
  - (i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;
  - (ii) such Assets shall not be conveyed to the Purchaser; and
  - (iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to a ROFR shall be deemed to form part of the Excluded Assets, and the Purchase Price shall not be subject to any reduction in the event of the exercise of any such ROFR by a Third Party.
- (d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.
- (e) Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Closing Date (such ROFRs being referred to as "**Outstanding ROFRs**"). In such case, the following procedures shall apply:
  - (i) the Parties shall proceed with Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);
  - (ii) the Purchaser shall have (as of the Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the "**Outstanding ROFR Assets**");
  - (iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of

Section 10.3(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, *mutatis mutandis*; and

- (iv) if after Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Closing Date.

#### **10.4 Document Review**

Prior to Closing, Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

#### **10.5 Municipal Taxes**

In making its application for approval of the Approval and Vesting Order by the Court, the Vendor shall include all claims for municipal tax arrears as claims which are to be vested off of title to the Assets.

### **ARTICLE 11 CONDITIONS**

#### **11.1 Mutual Conditions**

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order and the Approval and Vesting Order shall be a Final Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of:
  - (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.



## **11.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 5.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time, and the Vendor shall have delivered to the Purchaser a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement;
- (c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 12.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

## **11.3 Conditions for the Benefit of the Vendor**

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 5.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time, and the Purchaser shall have delivered to the Vendor a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 12.3; and
- (d) the Vendor has not lost its ability to convey the Assets due to an order of the Court.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

## **11.4 Satisfaction of Conditions**

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 11.1, 11.2 and 11.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude,

delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

## **ARTICLE 12 CLOSING**

### **12.1 Closing Date and Place of Closing**

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

### **12.2 Deliveries on Closing by the Vendor**

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Closing Date:

- (a) a Court certified copy of the Approval and Vesting Order;
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor;
- (c) all documents listed in Section 12.3 which contemplate execution by the Vendor;
- (d) the certificate of the Vendor referred to in Section 11.2(a); and
- (e) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

### **12.3 Deliveries on Closing by the Purchaser**

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Closing Date:

- (a) payment of all Transfer Taxes payable on Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);
- (b) evidence of payment by the Debtor or Vendor, as applicable, of all Cure Costs payable on Closing to the relevant counterparty, as applicable;
- (c) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser;
- (d) a joinder, duly executed by the Purchaser, whereby the Purchaser agrees and acknowledges to be bound by, and to observe (and to cause its Representatives to observe) all covenants and restrictions of the recipient party as provided for in the Confidentiality Agreement as if the Purchaser were an original signatory thereto;
- (e) all documents listed in Section 12.2 which contemplate execution by the Purchaser;
- (f) the certificate of the Purchaser referred to in Section 11.3(a); and

- (g) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

## **ARTICLE 13 TERMINATION**

### **13.1 Grounds for Termination**

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

- (a) by the written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;
- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;
- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or
- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

### **13.2 Effect of Termination**

Notwithstanding any termination of this Agreement as permitted under Section 13.1, or as otherwise provided for in this Agreement, the provisions of Sections 3.3 (Deposit), 14.1 (Public Announcements), 14.4 (Governing Law), 14.5 (Consequential Damages), 14.11 (Costs and Expenses) and

14.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

## **ARTICLE 14 GENERAL**

### **14.1 Public Announcements**

- (a) Subject to Section 14.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) Notwithstanding Section 14.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:
  - (i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;
  - (ii) the Vendor may forward a copy of this Agreement and all related documentation to the Orphan Well Association and its Representatives, agents, legal counsel and financial advisors, and may further advise such Persons of the existence and nature of any discussions and negotiations in relation thereto or in relation to the Transaction; provided that the Orphan Well Association and its Representatives agree in advance to be bound by any confidentiality undertakings or similar confidentiality requirements reasonably requested by the Vendor; and
  - (iii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approvals and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

### **14.2 Dissolution of Debtor**

Subject to the Vendor's obligations in Section 2.5, the Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of any of the Debtor subsequent to the Closing Date, or otherwise cause or allow any of the Debtor to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in its sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing.

### 14.3 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Section 2.3 (AER Licence Transfers), Section 2.3 (Assignment of Assumed Contracts and Third Party Consents), Section 2.4 (Specific Conveyances), Section 5.3 (Enforcement of Representations and Warranties), Section 10.3 (ROFRs) and Article 4 (Transfer Taxes), Article 6 ("As Is, Where Is" and No Additional Representations and Warranties), Article 8 (Indemnification), Article 9 (Environmental Matters) and Article 14 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

### 14.4 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.
- (b) Notwithstanding Section 14.4(a), any and all documents or orders that may be filed, made or entered in the Receivership Proceedings, and the rights and obligations of the Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.13 shall be deemed effective service of process on such Party.

### 14.5 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 8 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, the Debtor, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

### 14.6 Further Assurances

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such

further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

#### **14.7 Assignment**

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

#### **14.8 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. 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.

#### **14.9 Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

#### **14.10 Time of the Essence**

Time is of the essence in this Agreement.

#### **14.11 Costs and Expenses**

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

#### **14.12 Entire Agreement**

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and

discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

#### 14.13 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) in the case of the Vendor:

BDO Canada Limited  
#110, 5800 – 2nd Street SW  
Calgary, Alberta T2H 0H2

Attention: Marc Kelly  
Email: makelly@bdo.ca

With a copy to the Vendor's Solicitors:

Bennett Jones LLP  
4500, 855 - 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Ken Lenz; Keely Cameron  
Email: LenzK@bennettjones.com; Cameronk@bennettjones.com

- (b) In the case of the Purchaser:

**BRW Petroleum Corp.**  
**243141 Range Road 31**  
**Calgary, AB T3Z 3L7**

Attention: Dunwei Ye  
Email: dye@brwpetroleum.com

With a copy to the Purchaser's Solicitors:

McLeod Law LLP  
500-707 5<sup>th</sup> Street S.W.  
Calgary, AB T2P 0N2

Attention: Maria Nathanail  
Email: mnathanail@mcleod-law.com

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at

its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. **Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.**

#### **14.14 Enurement**

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

#### **14.15 Third Party Beneficiaries**

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, the Debtor, their respective Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives, its Affiliates and their respective Representatives and the Debtor, their respective Affiliates and their respective Representatives.

#### **14.16 Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

#### **14.17 Counterparts**

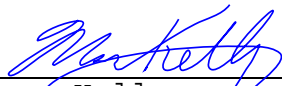
This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

**[THE BALANCE OF THIS PAGE INTENTIONALLY BLANK]**



**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per:   
Name: Marc Kelly  
Title: Senior Vice President

**BRW PETROLEUM CORP.**

Per: \_\_\_\_\_  
Name:  
Title:


Per: \_\_\_\_\_  
Name:  
Title:

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**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_  
Name:  
Title:

**BRW PETROLEUM CORP.**

Per: JIANJIANG BAO DIRECTOR  
Name:  
Title: 

Per: \_\_\_\_\_  
Name:  
Title:

## SCHEDULE A

### Assets Listing

Land:

Parcel	File Number	Owner Interest	Lessor Type	Mineral Interest	Rights
T039R04W4S03L09	M00628	100	FH	100	()
T039R04W4S03L09	M00628	50	FH	100	PETROLEUM TO BASE LLOYDMINSTER
T039R04W4S03L16	M00628	100	FH	100	()
T039R04W4S03L16	M00628	50	FH	100	PETROLEUM TO BASE LLOYDMINSTER
T039R03W4S05N W	M00646	100	FH	100	PNG TO TOP PALEOZOIC
T039R03W4S05SE	M00692	100	FH	100	ALL PETROLEUM IN CUMMINGS; ALL PETROLEUM IN LLOYDMINSTER
T039R03W4S05E	M00670	100	FH	100	NG TO BASE MCLAREN
T039R03W4S05SW	M00645	100	FH	100	PNG TO TOP PALEOZOIC
T039R03W4S06E	M00647	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S06L11	M00629	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S06L12	M00629	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S06L14	M00629	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S07L04	M00631	100	FH	100	PETROLEUM TO BASE CUMMINGS
T039R03W4S07L05	M00631	100	FH	100	PETROLEUM TO BASE CUMMINGS
T039R03W4S07L06	M00631	100	FH	100	PETROLEUM TO BASE CUMMINGS
T039R03W4S07L11	M00630	100	FH	100	PET TO BASE CUMMINGS
T039R03W4S07L12	M00630	100	FH	100	PET TO BASE CUMMINGS
T038R05W4S08A	M00668	43.75	FH	100	PNG TO TOP PALEOZOIC EXCL PNG IN VIKING EXCL NG IN CUMMINGS
T038R05W4S08A	M00668	43.75	FH	100	NG IN CUMMINGS
T038R05W4S09S	M00667	43.75	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S09NE	M00667	43.75	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T039R04W4S12L01	M00625	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R04W4S12L02	M00625	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R04W4S12L03	M00651	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R04W4S12L06	M00651	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R04W4S12L07	M00695	100	CR	100	PNG IN MANNVILLE_GROUP
T039R04W4S12L08	M00625	100	CR	100	PNG TO BASE MANNVILLE_GROUP EXCL PNG IN CUMMINGS
T039R04W4S12L09	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP

T039R04W4S12L10	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L11	M00651	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L15	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L16	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R06W4S13A	M00665	40	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R06W4S13A	M00665	0	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T039R04W4S13SW	M00592	100	FH	100	ALL NG	
T039R04W4S13NE	M00591	100	FH	100	ALL NG	
T039R04W4S13N W	M00591	100	FH	100	ALL NG	
T038R03W4S14S	M00349	0	CR	100	PNG BELOW BASE OF SPARKY TO BASE MANNVILLE_GROUP	
T038R03W4S14N W	M00349	0	CR	100	PNG BELOW BASE OF SPARKY TO BASE MANNVILLE_GROUP	
T038R03W4S14S	M00349	100	CR	100	PNG BELOW BASE OF VIKING TO BASE SPARKY	
T038R03W4S14N W	M00349	100	CR	100	PNG BELOW BASE OF VIKING TO BASE SPARKY	
T038R05W4S16N	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S16SE	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S16L03	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S16L04	M00666	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S16L04	M00666	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP EXCL NG	
T038R05W4S16L05	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S16L06	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S18S	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S18N W	M00581	0	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S18L09	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S18L10	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S18L15	M00581	0	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S18L16	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R05W4S24A	M00580	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	

T038R06W4S25NE	M00669	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R03W4S31SW	M00711	100	FH	100	()	
T038R03W4S31SW	M00711	50	FH	100	ALL PETROLEUM FROM TOP CUMMINGS TO BASE CUMMINGS	
T038R03W4S31L15	M00711	100	FH	100	()	
T038R03W4S31L15	M00711	50	FH	100	ALL PETROLEUM FROM TOP CUMMINGS TO BASE CUMMINGS	
T038R03W4S32SW	M00681	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L01	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L02	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L07	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L08	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L09	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L10	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L11	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L12	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L13	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L14	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L15	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L16	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S33E	M00619	100	FH	8.3	ALL CBM	
T038R03W4S33E	M00620	100	FH	16.67	ALL CBM	
T038R03W4S33E	M00617	100	FH	66.67	ALL CBM	
T038R03W4S33E	M00618	100	FH	8.33	ALL CBM	
T038R04W4S36NE	M00624	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R06W4S36SE	M00669	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	

Wells:

			Status	Formation	Licensee	Bow River
		UWI				WI%
1	0153695	100/09-09-038-03W4/0	Aband, Re-ent	Dina	Husky	
2	0131522	100/16-09-038-03W4/0	Aband, Re-ent	Dina	Husky	
3	0457152	100/11-29-038-03W4/0	Abandoned		Bow River	100%
4	0158471	102/13-30-038-03W4/2	Abandoned		Bow River	100%
5	0161052	100/01-31-038-03W4/0	Abandoned Zn	Glauconitic	Bow River	100%
6	0158468	103/04-31-038-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
7	0340146	102/06-31-038-03W4/0	Oil	Cummings	West Lake	50%
8	0177012	100/10-31-038-03W4/0	Abandoned	Dina, Glauc	Bow River	50%
9	0172627	100/15-31-038-03W4/0	Oil	Dina	Bow River	100%

10	0326561	102/15-31-038-03W4/0	Suspended Oil	Cummings	West Lake	50%
11	0167798	100/16-31-038-03W4/0	Suspended Oil	Lloyd,Glauc	Bow River	50%
12	0274768	100/01-32-038-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
13	0165183	100/04-32-038-03W4/0	Abandoned		Bow River	100%
14	0335145	102/04-32-038-03W4/0	Abandoned		Bow River	100%
15	0241324	100/07-32-038-03W4/0	Suspended Oil	Lloyd,Cumming	Bow River	100%
16	0102061	100/08-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
17	0333707	102/08-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
18	0241103	100/09-32-038-03W4/0	Oil	Lloyd,Cumming	Bow River	100%
19	0104124	100/10-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
20	0241159	100/11-32-038-03W4/2	Abandoned Zn	Dina	Bow River	100%
21	0181349	100/13-32-038-03W4/2	Gas	Colony	Bow River	100%
22	0101644	100/14-32-038-03W4/0	Suspended WI	Lloyd,Glauc	Bow River	100%
23	0148872	100/15-32-038-03W4/0	Suspended WI	Glaucinitic	Bow River	100%
24	0241380	102/15-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
25	0334430	100/16-32-038-03W4/0	Oil	Lloyd,Cumming	Bow River	100%
26	0149570	100/13-07-038-04W4/0	Abandoned		Bow River	100%
27	0218038	100/01-09-038-04W4/0	Abandoned		Bow River	100%
28	0137612	100/07-09-038-04W4/0	Abandoned		Bow River	100%
29	0129791	1C0/09-13-038-04W4/0	Abandoned Zn	Ellerslie	West Lake	
30	0152816	1D0/10-13-038-04W4/0	Abandoned	Ellerslie	Bow River	100%
31	0130015	1D0/11-13-038-04W4/0	Abandoned Zn	Ellerslie	West Lake	
32	0142454	100/03-16-038-04W4/0	Abandoned		Bow River	100%
33	0153021	100/04-16-038-04W4/0	Abandoned		Bow River	100%
34	0156799	100/06-16-038-04W4/0	Abandoned Zn	Lloydminster	West Lake	
35	0160214	100/13-16-038-04W4/0	Abandoned Zn	Lloydminster	West Lake	
36	0160995	102/13-16-038-04W4/0	Abandoned Zn	Lloydminster	West Lake	
37	0156796	100/14-16-038-04W4/0	Abandoned		Bow River	100%
38	0136033	100/07-21-038-04W4/0	Abandoned Zn	Glaucinitic	Battle River	
39	0131413	1C0/01-24-038-04W4/2	Abandoned Zn	Ellerslie	West Lake	
40	0128417	100/02-24-038-04W4/0	Abandoned Zn	Ellerslie	West Lake	
41	0126374	100/06-24-038-04W4/0	Abandoned Zn	Mannville	West Lake	
42	0158477	104/16-25-038-04W4/0	Abandoned		Bow River	100%
43	0162974	100/14-34-038-04W4/0	Suspended Oil	Lloydminster	Bow River	100%
44	0177973	100/16-36-038-04W4/0	Oil	Lloydminster	Bow River	100%
45	0145925	100/08-06-038-05W4/0	Abandoned		Bow River	100%
46	0133312	100/16-08-038-05W4/0	Suspended Oil	Ellerslie	Bow River	44%
47	0163960	100/04-16-038-05W4/0	Suspended Oil	Ostracod	Bow River	100%
48	0270977	102/04-16-038-05W4/0	Abandoned	Cummings	Cleo	6.25%
49	0165883	100/01-24-038-05W4/2	Abandoned		Bow River	100%
50	0149571	100/04-26-038-05W4/0	Aband, Re-ent	Glaucinitic	Husky	
51	0150388	100/06-26-038-05W4/0	Aband, Re-ent	Glaucinitic	Husky	
52	0145900	100/10-11-038-06W4/0	Aband, Re-ent		Paramount	

53	0135256	100/09-13-038-06W4/2	Suspended Gas	Glauconitic	Surge	40%
54	0247579	100/10-13-038-06W4/0	Suspended Oil	Ellerslie	Surge	
55	0274019	100/15-25-038-06W4/0	Suspended Oil	Dina	Bow River	100%
56	0373197	102/02-36-038-06W4/0	Drilled & Csd		Bow River	100%
57	0243153	100/02-05-039-03W4/0	Oil	Lloydminster	Bow River	100%
58	0101417	100/03-05-039-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
59	0239955	102/03-05-039-03W4/0	Oil	Lloyd,Cumming	Bow River	100%
60	0177649	100/04-05-039-03W4/0	Oil	Ellerslie	Bow River	100%
61	0400452	102/04-05-039-03W4/0	Suspended Oil	Cummings	Bow River	100%
62	0240741	100/05-05-039-03W4/0	Oil	Lloyd,Cumming	Bow River	100%
63	0274754	100/06-05-039-03W4/0	Gas	Colony	Bow River	100%
64	0339319	102/06-05-039-03W4/0	Oil	Lloyd,Cumming	Bow River	100%
65	0100320	100/11-05-039-03W4/0	Oil	Glauconitic	Bow River	100%
66	0191289	100/12-05-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
67	0103357	102/08-06-039-03W4/0	Abandoned	Ostracod	Bow River	100%
68	0152951	100/11-06-039-03W4/0	Oil	Ellerslie	Bow River	100%
69	0152963	102/11-06-039-03W4/2	Water Disposal	Glauconitic	Bow River	100%
70	0154174	1D0/11-06-039-03W4/0	Abandoned Zn	Glauconitic	Bow River	100%
71	0335125	100/12-06-039-03W4/0	Oil	Cummings	Bow River	100%
72	0126329	100/14-06-039-03W4/0	Oil	Glauconitic	Bow River	100%
73	0152194	102/14-06-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
74	0241238	100/15-06-039-03W4/0	Oil	Lloyd,Cumming	Bow River	100%
75	0113986	102/16-06-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
76	0169012	100/04-07-039-03W4/0	Oil	Glauconitic	Bow River	100%
77	0173091	100/05-07-039-03W4/2	Suspended Oil	McLaren	Bow River	100%
78	0173090	102/05-07-039-03W4/2	Oil	McLaren	Bow River	100%
79	0173147	103/05-07-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
80	0173146	104/05-07-039-03W4/2	Oil	McLaren	Bow River	100%
81	0187988	105/05-07-039-03W4/0	Suspended Oil	Cummings	Bow River	100%
82	0188605	106/05-07-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
83	0188855	107/05-07-039-03W4/0	Abandoned	Cummings	Bow River	100%
84	0187300	108/05-07-039-03W4/0	Oil	Mannville	Bow River	100%
85	0154157	102/06-07-039-03W4/0	Abandoned	Glauconitic	Bow River	100%
86	0173298	103/06-07-039-03W4/0	Abandoned Zn	Glauconitic	Bow River	100%
87	0173095	100/11-07-039-03W4/0	Abandoned	Glauconitic	Bow River	100%
88	0173297	102/11-07-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
89	0153056	100/12-07-039-03W4/0	Water Disposal	Glauconitic	Bow River	100%
90	0173281	102/12-07-039-03W4/2	Abandoned		Bow River	100%
91	0173296	103/12-07-039-03W4/2	Suspended Oil	McLaren	Bow River	100%
92	0173334	104/12-07-039-03W4/0	Water Disposal	Glauconitic	Bow River	100%
93	0174869	105/12-07-039-03W4/0	Abandoned	Glauconitic	Bow River	100%

94	0165772	103/13-02-039-04W4/0	Water Disposal	Lloydminster	Bow River	100%
95	0313724	102/03-03-039-04W4/0	Abandoned	Cummings,Dina	West Lake	50%
96	0170345	100/06-03-039-04W4/2	Abandoned Zn	Lloydminster	Bow River	50%
97	0160858	100/09-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	100%
98	0169693	102/09-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	50%
99	0203404	103/09-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	100%
100	0203405	104/09-03-039-04W4/0	Abandoned Zn	Lloydminster	Bow River	50%
101	0206815	106/09-03-039-04W4/0	Water Disposal	Lloydminster	Bow River	50%
102	0164189	100/11-03-039-04W4/0	Abandoned Zn	Lloydminster	Bow River	50%
103	0330392	100/13-03-039-04W4/0	Abandoned	Lloydminster	West Lake	50%
104	0161632	100/16-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	50%
105	0128111	100/01-12-039-04W4/3	Oil	Alexo	Bow River	100%
106	0186473	102/01-12-039-04W4/0	Oil	Cummings	Bow River	100%
107	0193083	103/01-12-039-04W4/0	Oil	McLaren	Bow River	100%
108	0193346	104/01-12-039-04W4/0	Suspended Oil	McLaren	Bow River	100%
109	0193360	105/01-12-039-04W4/0	Oil	McLaren	Bow River	100%
110	0193349	106/01-12-039-04W4/0	Suspended Oil	McLaren	Bow River	100%
111	0455889	100/02-12-039-04W4/0	Suspended Oil	Mannville	Bow River	100%
112	0455890	102/02-12-039-04W4/0	Oil	Mannville	Bow River	100%
113	0260960	100/03-12-039-04W4/2	Water Inj	Lloydminster	Bow River	100%
114	0260962	102/03-12-039-04W4/2	Water Inj	Lloydminster	Bow River	100%
115	0237815	102/06-12-039-04W4/2	Suspended Oil	Lloydminster	Bow River	100%
116	0129776	102/08-12-039-04W4/0	Water Disposal	McLaren	Bow River	100%
117	0188189	103/08-12-039-04W4/0	Abandoned	Mannville	Bow River	100%
118	0188975	104/08-12-039-04W4/0	Suspended Oil	Mannville	Bow River	100%
119	0188974	105/08-12-039-04W4/0	Suspended Oil	L Mannv,Ellers	Bow River	100%
120	0188973	106/08-12-039-04W4/0	Suspended Oil	L Mannv	Bow River	100%
121	0417446	107/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
122	0428699	108/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
123	0429889	109/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
124	0433665	110/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
125	0193779	102/09-12-039-04W4/0	Suspended Oil	McLaren	Bow River	100%
126	0455804	103/09-12-039-04W4/0	Oil	McLaren	Bow River	100%
127	0279799	100/11-12-039-04W4/2	Suspended Oil	Lloydminster	Bow River	100%
128	0108280	100/16-12-039-04W4/2	Oil	McL,Glauc	Bow River	100%
129	0125132	100/11-27-039-04W4/0	Abandoned Zn	Ellerslie	Bow River	100%
130	0143900	1D2/14-27-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
131	0131908	100/15-27-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
132	0102463	100/16-28-039-04W4/2	Abandoned	Rex	Bow River	100%
133	0108199	102/08-33-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
134	0158940	103/08-33-039-04W4/0	Abandoned		Bow River	100%
135	0126839	102/10-33-039-04W4/0	Abandoned	Ellerslie	Bow River	75.10%



136	0133559	1A0/11-33-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
137	0103271	100/16-33-039-04W4/0	Abandoned	Ellerslie	Bow River	75.10%
138	0127507	1C0/03-34-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
139	0171213	1D0/04-34-039-04W4/0	Abandoned		Bow River	100%
140	0171687	100/01-01-039-05W4/0	Abandoned		Bow River	100%
141	0148781	1A0/01-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
142	0154018	1D0/02-01-039-05W4/0	Abandoned		Bow River	100%
143	0128207	100/03-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
144	0139673	1D0/11-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
145	0128208	100/12-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
146	0158084	1B0/14-02-039-05W4/0	Abandoned		Bow River	100%
147	0143472	1A0/15-02-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
148	0127782	100/16-02-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
149	0148031	1A0/01-11-039-05W4/0	Abandoned		Bow River	100%
150	0148032	1C0/01-11-039-05W4/0	Abandoned		Bow River	100%
151	0153089	1A0/06-11-039-05W4/0	Abandoned		Bow River	100%
152	0150749	1A0/07-11-039-05W4/0	Abandoned		Bow River	100%

**Facilities:**

Licence Number	Licence Status	Surface Location	Property	Deemed Liability Amount	Active Indicator
F23627	Amended	00/11-07-039-03W4	Red Lion	\$442,500.00	Y
F25087	Abandoned	00/09-32-038-03W4	Red Lion	\$0.00	N
F25088	Abandoned	00/05-05-039-03W4	Red Lion	\$0.00	N
F26872	Abandoned	00/03-12-039-04W4	Red Lion	\$0.00	N
F26873	Abandoned	02/03-12-039-04W4	Red Lion	\$0.00	N
F27194	Issued	00/06-12-039-04W4	Red Lion	\$0.00	N
F27999	Issued	00/15-25-038-06W4	Red Lion	\$0.00	N
F28086	Issued	00/01-32-038-03W4	Red Lion	\$0.00	N
F38218	Issued	00/15-31-038-03W4	Red Lion	\$88,500.00	Y
F38219	Issued	00/09-03-039-04W4	Red Lion	\$88,500.00	Y
F38224	Issued	00/16-08-038-05W4	Red Lion	\$0.00	N
F6313	Issued	00/04-31-038-03W4	Red Lion	\$221,250.00	N
F6318	Amended	00/15-32-038-03W4	Red Lion	\$88,500.00	N
F6381	Abandoned	00/04-16-038-05W4	Red Lion	\$0.00	N

**Pipelines:**

Licence Number	Line Number	Licence Line	Licence Date	From	To
28247	1	28247-1	1995-08-16	11-07-39-03 W4M	14-06-39-03 W4M
28247	2	28247-2	1995-08-16	11-07-39-03 W4M	12-07-39-03 W4M
28247	3	28247-3	1997-01-23	11-07-39-03 W4M	08-12-39-04 W4M
28247	4	28247-4	1998-07-31	08-12-39-04 W4M	09-03-39-04 W4M
28247	5	28247-5	2002-02-08	06-12-39-04 W4M	11-12-39-04 W4M
28247	7	28247-7	2005-04-13	11-07-39-03 W4M	12-07-39-03 W4M
28247	8	28247-8	2007-09-11	03-12-39-04 W4M	03-12-39-04 W4M
28248	3	28248-3	1995-09-29	12-08-39-03 W4M	11-07-39-03 W4M
28249	1	28249-1	1995-08-16	14-06-39-03 W4M	11-07-39-03 W4M
28249	2	28249-2	1995-08-16	14-06-39-03 W4M	06-07-39-03 W4M
28249	3	28249-3	1995-08-16	05-07-39-03 W4M	06-07-39-03 W4M
28249	4	28249-4	1995-08-16	06-07-39-03 W4M	11-07-39-03 W4M
28249	5	28249-5	1995-08-16	06-07-39-03 W4M	11-07-39-03 W4M
28249	6	28249-6	1995-08-16	12-07-39-03 W4M	11-07-39-03 W4M
28249	7	28249-7	1995-08-16	12-07-39-03 W4M	11-07-39-03 W4M
28249	8	28249-8	1995-08-16	11-07-39-03 W4M	11-07-39-03 W4M
28249	9	28249-9	1995-08-16	11-07-39-03 W4M	11-07-39-03 W4M
28249	10	28249-10	1996-01-02	14-34-38-04 W4M	09-03-39-04 W4M
28249	11	28249-11	1996-01-02	03-03-39-04 W4M	09-03-39-04 W4M
28249	12	28249-12	1996-01-02	13-02-39-04 W4M	09-03-39-04 W4M
28249	13	28249-13	1996-01-02	09-03-39-04 W4M	11-07-39-03 W4M
28249	14	28249-14	1996-03-19	10-31-38-03 W4M	15-31-38-03 W4M
28249	15	28249-15	1996-03-19	16-31-38-03 W4M	15-31-38-03 W4M
28249	16	28249-16	1996-03-19	15-31-38-03 W4M	14-06-39-03 W4M
28249	18	28249-18	1996-03-19	16-36-38-04 W4M	15-31-38-03 W4M
28249	19	28249-19	1996-12-02	06-07-39-03 W4M	11-07-39-03 W4M
28249	20	28249-20	1996-12-02	05-07-39-03 W4M	11-07-39-03 W4M
28249	21	28249-21	1997-01-02	06-07-39-03 W4M	11-07-39-03 W4M
28249	22	28249-22	1997-01-02	06-07-39-03 W4M	11-07-39-03 W4M
28249	23	28249-23	2008-03-10	09-12-39-04 W4M	09-12-39-04 W4M
28249	24	28249-24	1997-01-22	09-12-39-04 W4M	11-07-39-03 W4M
28249	25	28249-25	2008-03-10	13-07-39-03 W4M	13-07-39-03 W4M
28249	26	28249-26	1997-06-23	16-01-39-04 W4M	05-07-39-03 W4M
28249	27	28249-27	1997-06-23	16-01-39-04 W4M	05-07-39-03 W4M
28249	28	28249-28	2002-02-08	03-12-39-04 W4M	09-12-39-04 W4M
28249	29	28249-29	2002-02-08	06-12-39-04 W4M	11-12-39-04 W4M
28249	30	28249-30	2002-10-17	03-12-39-04 W4M	03-12-39-04 W4M
28249	31	28249-31	2002-10-17	03-12-39-04 W4M	03-12-39-04 W4M
28249	32	28249-32	2005-03-18	16-12-39-04 W4M	13-07-39-03 W4M

28249	33	28249-33		13-07-39-03 W4M	12-07-39-03 W4M
28249	34	28249-34	2008-03-10	01-12-39-04 W4M	16-01-39-04 W4M
28249	35	28249-35	2006-02-17	01-12-39-04 W4M	16-01-39-04 W4M
28249	36	28249-36	2007-03-30	12-06-39-03 W4M	14-06-39-03 W4M
28249	37	28249-37	2007-12-13	14-06-39-03 W4M	14-06-39-03 W4M
28249	38	28249-38	2007-12-13	14-06-39-03 W4M	14-06-39-03 W4M
28249	39	28249-39	2010-03-08	16-12-39-04 W4M	09-12-39-04 W4M
28249	40	28249-40	2011-04-16	09-12-39-04 W4M	09-12-39-04 W4M
28249	41	28249-41	2012-02-17	16-12-39-04 W4M	09-12-39-04 W4M
28249	42	28249-42	2002-02-08	03-12-39-04 W4M	06-12-39-04 W4M
37028	1	37028-1	2002-02-25	11-07-39-03 W4M	15-32-38-03 W4M
37233	1	37233-1	2002-02-28	11-05-39-03 W4M	15-32-38-03 W4M
37233	2	37233-2	2002-02-28	11-05-39-03 W4M	16-06-39-03 W4M
37233	3	37233-3	2002-02-28	15-32-38-03 W4M	11-07-39-03 W4M
37233	4	37233-4	2002-02-28	05-05-39-03 W4M	06-05-39-03 W4M
37233	5	37233-5	2002-02-28	05-05-39-03 W4M	05-05-39-03 W4M
37233	6	37233-6	2002-02-28	05-05-39-03 W4M	05-05-39-03 W4M
37233	7	37233-7	2002-02-28	03-05-39-03 W4M	02-05-39-03 W4M
37233	8	37233-8	2002-02-28	03-05-39-03 W4M	02-05-39-03 W4M
37233	9	37233-9	2002-02-28	15-06-39-03 W4M	16-06-39-03 W4M
37233	10	37233-10	2002-02-28	08-06-39-03 W4M	05-05-39-03 W4M
40300	1	40300-1	2004-04-01	01-24-38-05 W4M	04-19-38-04 W4M
47636	1	47636-1		11-07-39-03 W4M	15-32-38-03 W4M
47636	2	47636-2		04-05-39-03 W4M	03-05-39-03 W4M
47636	4	47636-4	2007-10-16	03-05-39-03 W4M	02-05-39-03 W4M
47636	5	47636-5	2013-02-06	06-05-39-03 W4M	06-05-39-03 W4M
51092	1	51092-1		04-19-38-04 W4M	10-18-38-04 W4M
54483	1	54483-1	2013-09-26	03-12-39-04 W4M	03-12-39-04 W4M
59105	1	59105-1	1984-06-21	08-32-38-03 W4M	15-32-38-03 W4M
59105	2	59105-2	1984-06-21	03-05-39-03 W4M	15-32-38-03 W4M
59105	3	59105-3	1996-08-22	11-05-39-03 W4M	15-32-38-03 W4M
59105	4	59105-4	1984-06-21	11-05-39-03 W4M	15-32-38-03 W4M
59105	5	59105-5	1984-06-21	05-05-39-03 W4M	15-32-38-03 W4M
59105	6	59105-6	1984-06-21	10-32-38-03 W4M	15-32-38-03 W4M
59105	7	59105-7	1996-07-09	04-05-39-03 W4M	03-05-39-03 W4M
59105	8	59105-8	2002-02-25	15-32-38-03 W4M	15-32-38-03 W4M
59105	9	59105-9	2002-02-25	15-32-38-03 W4M	15-32-38-03 W4M
59105	10	59105-10	2002-02-25	09-32-38-03 W4M	10-32-38-03 W4M
59105	11	59105-11	2008-03-10	09-32-38-03 W4M	10-32-38-03 W4M
59105	12	59105-12	2002-02-25	07-32-38-03 W4M	07-32-38-03 W4M
59105	13	59105-13	2002-02-25	07-32-38-03 W4M	07-32-38-03 W4M
59105	14	59105-14	2007-03-30	16-32-38-03 W4M	09-32-38-03 W4M
59105	15	59105-15	2008-03-10	16-32-38-03 W4M	09-32-38-03 W4M

59105	16	59105-16	2007-03-30	08-32-38-03 W4M	08-32-38-03 W4M
59105	17	59105-17	2007-03-30	08-32-38-03 W4M	08-32-38-03 W4M
59105	18	59105-18	2008-03-10	08-32-38-03 W4M	15-32-38-03 W4M
59105	19	59105-19	2008-03-10	10-32-38-03 W4M	15-32-38-03 W4M
59105	20	59105-20	2008-04-10	03-05-39-03 W4M	15-32-38-03 W4M
59105	21	59105-21	2009-11-24	04-05-39-03 W4M	03-05-39-03 W4M
59105	22	59105-22	1984-06-21	08-06-39-03 W4M	05-05-39-03 W4M
59105	23	59105-23	1984-06-21	16-06-39-03 W4M	11-05-39-03 W4M
59114	1	59114-1	2002-02-25	15-32-38-03 W4M	10-32-38-03 W4M
59114	2	59114-2		15-32-38-03 W4M	06-05-39-03 W4M
59114	3	59114-3		14-32-38-03 W4M	15-32-38-03 W4M
59114	4	59114-4		15-32-38-03 W4M	06-32-38-03 W4M

**SCHEDULE B**

**Form of Approval and Vesting Order**

(attached)

CLERK'S STAMP

COURT FILE NUMBER 2001-13391

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **APPROVAL AND VESTING ORDER**  
(Sale by Receiver of certain assets to BRW Petroleum Corp.)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Keely Cameron  
Telephone No.: 403-298-3324  
Fax No.: 403-265-7219  
Client File No.: 068775.0005

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 26, 2021

**NAME OF JUDGE WHO MADE THIS ORDER:** Justice R.A. Neufeld

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** of BDO Canada Limited, solely in its capacity as Court-appointed receiver and manager ("**Receiver**") of the current and future assets, undertakings and properties of the Respondent (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and BRW Petroleum Corp. (the "**Purchaser**") dated April 15, 2021, (the "**Sale Agreement**") and appended to the Confidential Supplement dated ●, 2021 (the "**Confidential Supplement**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement as the Assets (the "**Purchased Assets**") but excluding all of the Debtor's other assets and interests;

**AND UPON HAVING READ** the Receivership Order dated October 29, 2020 (the "**Receivership Order**"), the Second Report of the Receiver dated ●, 2021, and the Confidential Supplement; **AND UPON** hearing counsel for the Receiver and any other interested parties that may be present; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application; **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action;

**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 TRANSACTION**

2. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

**VESTING OF PROPERTY**

3. Subject only to approval by the AER of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed at **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have

attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta);
- (d) any linear or non-linear municipal tax claims under the *Municipal Government Act*, or otherwise;
- (e) any outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
- (f) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")).

For greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:



- (i) cancel existing Certificates of Title for those lands and premises municipally or legally described as "Land Title Lands" in Schedule B (the "**Lands**");
  - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee);
  - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and
  - (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- (b) Alberta Energy ("**Energy Ministry**") shall and is hereby authorized, requested and directed to forthwith:
- (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and
  - (ii) transfer all Crown leases conveyed under the Sale Agreement standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances; and
- (c) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, other than any required approval by the AER referenced in paragraph 3 above.
7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims excluding Permitted Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) 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, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

#### **MISCELLANEOUS MATTERS**

14. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtor; and

(d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

15. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
17. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website, and service on any other person is hereby dispensed with.

18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of Queen's  
Bench of Alberta

**Schedule "A"**

**FORM OF RECEIVER'S CERTIFICATE**

CLERK'S STAMP

COURT FILE NUMBER	2001-13391
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ORPHAN WELL ASSOCIATION
RESPONDENT	BOW RIVER ENERGY LTD.
DOCUMENT	<b><u>RECEIVER'S CERTIFICATE</u></b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<b>BENNETT JONES LLP</b> Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7  Attention: Keely Cameron Telephone No.: 403-298-3324 Fax No.: 403-265-7219 Client File No.: 068775.0005

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice D.L. Shelley of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**"), dated October 29, 2020, BDO Canada Limited was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Court dated ●, 2021 (the "**Vesting Order**"), the Court approved the Transaction (as defined in the Vesting Order) between the Receiver and BRW Petroleum Corp. (the "**Purchaser**") dated as of ●, 2021 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of Bow River's right, title and interest in and to the Purchased Assets (as defined in the Vesting Order), 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 (as defined in the Sale Agreement) for the Purchased Assets; (ii) that the conditions to closing as set out in 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 (or its nominee) has paid and the Receiver has received the Purchase Price (as defined in the Sale Agreement) for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver to the Purchaser at [TIME] on [DATE].

**BDO CANADA LIMITED in its capacity as Receiver of the undertaking, property and assets of Bow River Energy Ltd., and not in its personal capacity.**

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

Name:

Title:

## **Schedule "B"**

### **List of Purchased Assets**

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein), including, without limitation, (i) the Petroleum and Natural Gas Rights within the Lands described in the attachments to this Schedule "B", and (ii) the Wells and the Facilities described in the attachments to this Schedule "B".



**Attachments to Schedule "B"**

**Assets Listing**

Land:

Parcel	File Number	Owner Interest	Lessor Type	Mineral Interest	Rights
T039R04W4S03L09	M00628	100	FH	100	()
T039R04W4S03L09	M00628	50	FH	100	PETROLEUM TO BASE LLOYDMINSTER
T039R04W4S03L16	M00628	100	FH	100	()
T039R04W4S03L16	M00628	50	FH	100	PETROLEUM TO BASE LLOYDMINSTER
T039R03W4S05NW	M00646	100	FH	100	PNG TO TOP PALEOZOIC
T039R03W4S05SE	M00692	100	FH	100	ALL PETROLEUM IN CUMMINGS; ALL PETROLEUM IN LLOYDMINSTER
T039R03W4S05E	M00670	100	FH	100	NG TO BASE MCLAREN
T039R03W4S05SW	M00645	100	FH	100	PNG TO TOP PALEOZOIC
T039R03W4S06E	M00647	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S06L11	M00629	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S06L12	M00629	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S06L14	M00629	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T039R03W4S07L04	M00631	100	FH	100	PETROLEUM TO BASE CUMMINGS
T039R03W4S07L05	M00631	100	FH	100	PETROLEUM TO BASE CUMMINGS
T039R03W4S07L06	M00631	100	FH	100	PETROLEUM TO BASE CUMMINGS
T039R03W4S07L11	M00630	100	FH	100	PET TO BASE CUMMINGS
T039R03W4S07L12	M00630	100	FH	100	PET TO BASE CUMMINGS
T038R05W4S08A	M00668	43.75	FH	100	PNG TO TOP PALEOZOIC EXCL PNG IN VIKING EXCL NG IN CUMMINGS
T038R05W4S08A	M00668	43.75	FH	100	NG IN CUMMINGS
T038R05W4S09S	M00667	43.75	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP

T038R05W4S09NE	M00667	43.75	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T039R04W4S12L01	M00625	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L02	M00625	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L03	M00651	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L06	M00651	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L07	M00695	100	CR	100	PNG IN MANNVILLE_GROUP	
T039R04W4S12L08	M00625	100	CR	100	PNG TO BASE MANNVILLE_GROUP EXCL PNG IN CUMMINGS	
T039R04W4S12L09	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L10	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L11	M00651	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L15	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T039R04W4S12L16	M00626	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R06W4S13A	M00665	40	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T038R06W4S13A	M00665	0	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	
T039R04W4S13SW	M00592	100	FH	100	ALL NG	
T039R04W4S13NE	M00591	100	FH	100	ALL NG	
T039R04W4S13NW	M00591	100	FH	100	ALL NG	
T038R03W4S14S	M00349	0	CR	100	PNG BELOW BASE OF SPARKY TO BASE MANNVILLE_GROUP	
T038R03W4S14NW	M00349	0	CR	100	PNG BELOW BASE OF SPARKY TO BASE MANNVILLE_GROUP	
T038R03W4S14S	M00349	100	CR	100	PNG BELOW BASE OF VIKING TO BASE SPARKY	
T038R03W4S14NW	M00349	100	CR	100	PNG BELOW BASE OF VIKING TO BASE SPARKY	
T038R05W4S16N	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP	

T038R05W4S16SE	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S16L03	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S16L04	M00666	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S16L04	M00666	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP EXCL NG
T038R05W4S16L05	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S16L06	M00671	6.25	CR	100	NG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S18S	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S18NW	M00581	0	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S18L09	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S18L10	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S18L15	M00581	0	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S18L16	M00581	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R05W4S24A	M00580	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R06W4S25NE	M00669	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP
T038R03W4S31SW	M00711	100	FH	100	()
T038R03W4S31SW	M00711	50	FH	100	ALL PETROLEUM FROM TOP CUMMINGS TO BASE CUMMINGS
T038R03W4S31L15	M00711	100	FH	100	()
T038R03W4S31L15	M00711	50	FH	100	ALL PETROLEUM FROM TOP CUMMINGS TO BASE CUMMINGS
T038R03W4S32SW	M00681	100	CR	100	PNG TO BASE MANNVILLE_GROUP
T038R03W4S32L01	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP

T038R03W4S32L02	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L07	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L08	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L09	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L10	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L11	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L12	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L13	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L14	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L15	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S32L16	M00644	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R03W4S33E	M00619	100	FH	8.3	ALL CBM	
T038R03W4S33E	M00620	100	FH	16.67	ALL CBM	
T038R03W4S33E	M00617	100	FH	66.67	ALL CBM	
T038R03W4S33E	M00618	100	FH	8.33	ALL CBM	
T038R04W4S36NE	M00624	100	CR	100	PNG TO BASE MANNVILLE_GROUP	
T038R06W4S36SE	M00669	100	CR	100	PNG FROM BASE VIKING TO BASE MANNVILLE_GROUP	

Wells:

			Status	Formation	Licensee	Bow River
		UWI				WI%
1	015369 5	100/09-09-038-03W4/0	Aband, Re-ent	Dina	Husky	
2	013152 2	100/16-09-038-03W4/0	Aband, Re-ent	Dina	Husky	
3	045715	100/11-29-038-03W4/0	Abandoned		Bow River	100%

	2					
4	015847 1	102/13-30-038-03W4/2	Abandoned		Bow River	100%
5	016105 2	100/01-31-038-03W4/0	Abandoned Zn	Glauconitic	Bow River	100%
6	015846 8	103/04-31-038-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
7	034014 6	102/06-31-038-03W4/0	Oil	Cummings	West Lake	50%
8	017701 2	100/10-31-038-03W4/0	Abandoned	Dina,Glau	Bow River	50%
9	017262 7	100/15-31-038-03W4/0	Oil	Dina	Bow River	100%
10	032656 1	102/15-31-038-03W4/0	Suspended Oil	Cummings	West Lake	50%
11	016779 8	100/16-31-038-03W4/0	Suspended Oil	Lloyd,Glau	Bow River	50%
12	027476 8	100/01-32-038-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
13	016518 3	100/04-32-038-03W4/0	Abandoned		Bow River	100%
14	033514 5	102/04-32-038-03W4/0	Abandoned		Bow River	100%
15	024132 4	100/07-32-038-03W4/0	Suspended Oil	Lloyd,Cummin g	Bow River	100%
16	010206 1	100/08-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
17	033370 7	102/08-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
18	024110 3	100/09-32-038-03W4/0	Oil	Lloyd,Cummin g	Bow River	100%
19	010412 4	100/10-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
20	024115 9	100/11-32-038-03W4/2	Abandoned Zn	Dina	Bow River	100%
21	018134 9	100/13-32-038-03W4/2	Gas	Colony	Bow River	100%
22	010164 4	100/14-32-038-03W4/0	Suspended WI	Lloyd,Glau	Bow River	100%
23	014887 2	100/15-32-038-03W4/0	Suspended WI	Glauconitic	Bow River	100%
24	024138 0	102/15-32-038-03W4/0	Oil	Lloydminster	Bow River	100%
25	033443 0	100/16-32-038-03W4/0	Oil	Lloyd,Cummin g	Bow River	100%
26	014957 0	100/13-07-038-04W4/0	Abandoned		Bow River	100%
27	021803 8	100/01-09-038-04W4/0	Abandoned		Bow River	100%
28	013761 2	100/07-09-038-04W4/0	Abandoned		Bow River	100%
29	012979	1C0/09-13-038-04W4/0	Abandoned	Ellerslie	West Lake	

	1		Zn			
30	015281 6	1D0/10-13-038-04W4/0	Abandoned	Ellerslie	Bow River	100%
31	013001 5	1D0/11-13-038-04W4/0	Abandoned Zn	Ellerslie	West Lake	
32	014245 4	100/03-16-038-04W4/0	Abandoned		Bow River	100%
33	015302 1	100/04-16-038-04W4/0	Abandoned		Bow River	100%
34	015679 9	100/06-16-038-04W4/0	Abandoned Zn	Lloydminster	West Lake	
35	016021 4	100/13-16-038-04W4/0	Abandoned Zn	Lloydminster	West Lake	
36	016099 5	102/13-16-038-04W4/0	Abandoned Zn	Lloydminster	West Lake	
37	015679 6	100/14-16-038-04W4/0	Abandoned		Bow River	100%
38	013603 3	100/07-21-038-04W4/0	Abandoned Zn	Glauconitic	Battle River	
39	013141 3	1C0/01-24-038-04W4/2	Abandoned Zn	Ellerslie	West Lake	
40	012841 7	100/02-24-038-04W4/0	Abandoned Zn	Ellerslie	West Lake	
41	012637 4	100/06-24-038-04W4/0	Abandoned Zn	Mannville	West Lake	
42	015847 7	104/16-25-038-04W4/0	Abandoned		Bow River	100%
43	016297 4	100/14-34-038-04W4/0	Suspended Oil	Lloydminster	Bow River	100%
44	017797 3	100/16-36-038-04W4/0	Oil	Lloydminster	Bow River	100%
45	014592 5	100/08-06-038-05W4/0	Abandoned		Bow River	100%
46	013331 2	100/16-08-038-05W4/0	Suspended Oil	Ellerslie	Bow River	44%
47	016396 0	100/04-16-038-05W4/0	Suspended Oil	Ostracod	Bow River	100%
48	027097 7	102/04-16-038-05W4/0	Abandoned	Cummings	Cleo	6.25%
49	016588 3	100/01-24-038-05W4/2	Abandoned		Bow River	100%
50	014957 1	100/04-26-038-05W4/0	Aband, Re-ent	Glauconitic	Husky	
51	015038 8	100/06-26-038-05W4/0	Aband, Re-ent	Glauconitic	Husky	
52	014590 0	100/10-11-038-06W4/0	Aband, Re-ent		Paramount	
53	013525 6	100/09-13-038-06W4/2	Suspended Gas	Glauconitic	Surge	40%
54	024757 9	100/10-13-038-06W4/0	Suspended Oil	Ellerslie	Surge	
55	027401	100/15-25-038-06W4/0	Suspended	Dina	Bow River	100%

	9		Oil			
56	037319 7	102/02-36-038-06W4/0	Drilled & Csd		Bow River	100%
57	024315 3	100/02-05-039-03W4/0	Oil	Lloydminster	Bow River	100%
58	010141 7	100/03-05-039-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
59	023995 5	102/03-05-039-03W4/0	Oil	Lloyd,Cummin g	Bow River	100%
60	017764 9	100/04-05-039-03W4/0	Oil	Ellerslie	Bow River	100%
61	040045 2	102/04-05-039-03W4/0	Suspended Oil	Cummings	Bow River	100%
62	024074 1	100/05-05-039-03W4/0	Oil	Lloyd,Cummin g	Bow River	100%
63	027475 4	100/06-05-039-03W4/0	Gas	Colony	Bow River	100%
64	033931 9	102/06-05-039-03W4/0	Oil	Lloyd,Cummin g	Bow River	100%
65	010032 0	100/11-05-039-03W4/0	Oil	Glauconitic	Bow River	100%
66	019128 9	100/12-05-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
67	010335 7	102/08-06-039-03W4/0	Abandoned	Ostracod	Bow River	100%
68	015295 1	100/11-06-039-03W4/0	Oil	Ellerslie	Bow River	100%
69	015296 3	102/11-06-039-03W4/2	Water Disposal	Glauc,Ellers	Bow River	100%
70	015417 4	1D0/11-06-039-03W4/0	Abandoned Zn	Glauconitic	Bow River	100%
71	033512 5	100/12-06-039-03W4/0	Oil	Cummings	Bow River	100%
72	012632 9	100/14-06-039-03W4/0	Oil	Glauconitic	Bow River	100%
73	015219 4	102/14-06-039-03W4/0	Suspended Oil	Glauc,Ellers	Bow River	100%
74	024123 8	100/15-06-039-03W4/0	Oil	Lloyd,Cummin g	Bow River	100%
75	011398 6	102/16-06-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
76	016901 2	100/04-07-039-03W4/0	Oil	Glauconitic	Bow River	100%
77	017309 1	100/05-07-039-03W4/2	Suspended Oil	McLaren	Bow River	100%
78	017309 0	102/05-07-039-03W4/2	Oil	McLaren	Bow River	100%
79	017314 7	103/05-07-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
80	017314 6	104/05-07-039-03W4/2	Oil	McLaren	Bow River	100%
81	018798	105/05-07-039-03W4/0	Suspended	Cummings	Bow River	100%

	8		Oil			
82	018860 5	106/05-07-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
83	018885 5	107/05-07-039-03W4/0	Abandoned	Cummings	Bow River	100%
84	018730 0	108/05-07-039-03W4/0	Oil	Mannville	Bow River	100%
85	015415 7	102/06-07-039-03W4/0	Abandoned	Glauconitic	Bow River	100%
86	017329 8	103/06-07-039-03W4/0	Abandoned Zn	Glauconitic	Bow River	100%
87	017309 5	100/11-07-039-03W4/0	Abandoned	Glauconitic	Bow River	100%
88	017329 7	102/11-07-039-03W4/0	Suspended Oil	Glauconitic	Bow River	100%
89	015305 6	100/12-07-039-03W4/0	Water Disposal	Glauconitic	Bow River	100%
90	017328 1	102/12-07-039-03W4/2	Abandoned		Bow River	100%
91	017329 6	103/12-07-039-03W4/2	Suspended Oil	McLaren	Bow River	100%
92	017333 4	104/12-07-039-03W4/0	Water Disposal	Glauconitic	Bow River	100%
93	017486 9	105/12-07-039-03W4/0	Abandoned	Glauconitic	Bow River	100%
94	016577 2	103/13-02-039-04W4/0	Water Disposal	Lloydminster	Bow River	100%
95	031372 4	102/03-03-039-04W4/0	Abandoned	Cummings, Din a	West Lake	50%
96	017034 5	100/06-03-039-04W4/2	Abandoned Zn	Lloydminster	Bow River	50%
97	016085 8	100/09-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	100%
98	016969 3	102/09-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	50%
99	020340 4	103/09-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	100%
10 0	020340 5	104/09-03-039-04W4/0	Abandoned Zn	Lloydminster	Bow River	50%
10 1	020681 5	106/09-03-039-04W4/0	Water Disposal	Lloydminster	Bow River	50%
10 2	016418 9	100/11-03-039-04W4/0	Abandoned Zn	Lloydminster	Bow River	50%
10 3	033039 2	100/13-03-039-04W4/0	Abandoned	Lloydminster	West Lake	50%
10 4	016163 2	100/16-03-039-04W4/0	Suspended Oil	Lloydminster	Bow River	50%
10 5	012811 1	100/01-12-039-04W4/3	Oil	Alexo	Bow River	100%



10 6	018647 3	102/01-12-039-04W4/0	Oil	Cummings	Bow River	100%
10 7	019308 3	103/01-12-039-04W4/0	Oil	McLaren	Bow River	100%
10 8	019334 6	104/01-12-039-04W4/0	Suspended Oil	McLaren	Bow River	100%
10 9	019336 0	105/01-12-039-04W4/0	Oil	McLaren	Bow River	100%
11 0	019334 9	106/01-12-039-04W4/0	Suspended Oil	McLaren	Bow River	100%
11 1	045588 9	100/02-12-039-04W4/0	Suspended Oil	Mannville	Bow River	100%
11 2	045589 0	102/02-12-039-04W4/0	Oil	Mannville	Bow River	100%
11 3	026096 0	100/03-12-039-04W4/2	Water Inj	Lloydminster	Bow River	100%
11 4	026096 2	102/03-12-039-04W4/2	Water Inj	Lloydminster	Bow River	100%
11 5	023781 5	102/06-12-039-04W4/2	Suspended Oil	Lloydminster	Bow River	100%
11 6	012977 6	102/08-12-039-04W4/0	Water Disposal	McLaren	Bow River	100%
11 7	018818 9	103/08-12-039-04W4/0	Abandoned	Mannville	Bow River	100%
11 8	018897 5	104/08-12-039-04W4/0	Suspended Oil	Mannville	Bow River	100%
11 9	018897 4	105/08-12-039-04W4/0	Suspended Oil	L Mannv, Ellers	Bow River	100%
12 0	018897 3	106/08-12-039-04W4/0	Suspended Oil	L Mannv	Bow River	100%
12 1	041744 6	107/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
12 2	042869 9	108/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
12 3	042988 9	109/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
12 4	043366 5	110/08-12-039-04W4/0	Suspended Oil	Rex	Bow River	100%
12 5	019377 9	102/09-12-039-04W4/0	Suspended Oil	McLaren	Bow River	100%
12 6	045580 4	103/09-12-039-04W4/0	Oil	McLaren	Bow River	100%

12 7	027979 9	100/11-12-039-04W4/2	Suspended Oil	Lloydminster	Bow River	100%
12 8	010828 0	100/16-12-039-04W4/2	Oil	McL,Glauc	Bow River	100%
12 9	012513 2	100/11-27-039-04W4/0	Abandoned Zn	Ellerslie	Bow River	100%
13 0	014390 0	1D2/14-27-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
13 1	013190 8	100/15-27-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
13 2	010246 3	100/16-28-039-04W4/2	Abandoned	Rex	Bow River	100%
13 3	010819 9	102/08-33-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
13 4	015894 0	103/08-33-039-04W4/0	Abandoned		Bow River	100%
13 5	012683 9	102/10-33-039-04W4/0	Abandoned	Ellerslie	Bow River	75.10%
13 6	013355 9	1A0/11-33-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
13 7	010327 1	100/16-33-039-04W4/0	Abandoned	Ellerslie	Bow River	75.10%
13 8	012750 7	1C0/03-34-039-04W4/0	Abandoned	Ellerslie	Bow River	100%
13 9	017121 3	1D0/04-34-039-04W4/0	Abandoned		Bow River	100%
14 0	017168 7	100/01-01-039-05W4/0	Abandoned		Bow River	100%
14 1	014878 1	1A0/01-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
14 2	015401 8	1D0/02-01-039-05W4/0	Abandoned		Bow River	100%
14 3	012820 7	100/03-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
14 4	013967 3	1D0/11-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
14 5	012820 8	100/12-01-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
14 6	015808 4	1B0/14-02-039-05W4/0	Abandoned		Bow River	100%
14 7	014347 2	1A0/15-02-039-05W4/0	Abandoned	Ellerslie	Bow River	100%

14 8	012778 2	100/16-02-039-05W4/0	Abandoned	Ellerslie	Bow River	100%
14 9	014803 1	1A0/01-11-039-05W4/0	Abandoned		Bow River	100%
15 0	014803 2	1C0/01-11-039-05W4/0	Abandoned		Bow River	100%
15 1	015308 9	1A0/06-11-039-05W4/0	Abandoned		Bow River	100%
15 2	015074 9	1A0/07-11-039-05W4/0	Abandoned		Bow River	100%

**Facilities:**

<b>Licence Number</b>	<b>Licence Status</b>	<b>Surface Location</b>	<b>Property</b>
F23627	Amended	00/11-07-039-03W4	Red Lion
F25087	Abandoned	00/09-32-038-03W4	Red Lion
F25088	Abandoned	00/05-05-039-03W4	Red Lion
F26872	Abandoned	00/03-12-039-04W4	Red Lion
F26873	Abandoned	02/03-12-039-04W4	Red Lion
F27194	Issued	00/06-12-039-04W4	Red Lion
F27999	Issued	00/15-25-038-06W4	Red Lion
F28086	Issued	00/01-32-038-03W4	Red Lion
F38218	Issued	00/15-31-038-03W4	Red Lion
F38219	Issued	00/09-03-039-04W4	Red Lion
F38224	Issued	00/16-08-038-05W4	Red Lion
F6313	Issued	00/04-31-038-03W4	Red Lion
F6318	Amended	00/15-32-038-03W4	Red Lion
F6381	Abandoned	00/04-16-038-05W4	Red Lion

**Pipelines:**

Licence Number	Line Number	Licence Line	Licence Date	From	To
28247	1	28247-1	1995-08-16	11-07-39-03 W4M	14-06-39-03 W4M
28247	2	28247-2	1995-08-16	11-07-39-03 W4M	12-07-39-03 W4M
28247	3	28247-3	1997-01-23	11-07-39-03 W4M	08-12-39-04 W4M
28247	4	28247-4	1998-07-31	08-12-39-04 W4M	09-03-39-04 W4M
28247	5	28247-5	2002-02-08	06-12-39-04 W4M	11-12-39-04 W4M
28247	7	28247-7	2005-04-13	11-07-39-03 W4M	12-07-39-03 W4M
28247	8	28247-8	2007-09-11	03-12-39-04 W4M	03-12-39-04 W4M
28248	3	28248-3	1995-09-29	12-08-39-03 W4M	11-07-39-03 W4M
28249	1	28249-1	1995-08-16	14-06-39-03 W4M	11-07-39-03 W4M
28249	2	28249-2	1995-08-16	14-06-39-03 W4M	06-07-39-03 W4M
28249	3	28249-3	1995-08-16	05-07-39-03 W4M	06-07-39-03 W4M
28249	4	28249-4	1995-08-16	06-07-39-03 W4M	11-07-39-03 W4M
28249	5	28249-5	1995-08-16	06-07-39-03 W4M	11-07-39-03 W4M
28249	6	28249-6	1995-08-16	12-07-39-03 W4M	11-07-39-03 W4M
28249	7	28249-7	1995-08-16	12-07-39-03 W4M	11-07-39-03 W4M
28249	8	28249-8	1995-08-16	11-07-39-03 W4M	11-07-39-03 W4M
28249	9	28249-9	1995-08-16	11-07-39-03 W4M	11-07-39-03 W4M
28249	10	28249-10	1996-01-02	14-34-38-04 W4M	09-03-39-04 W4M
28249	11	28249-11	1996-01-02	03-03-39-04 W4M	09-03-39-04 W4M
28249	12	28249-12	1996-01-02	13-02-39-04	09-03-39-04 W4M

				W4M	
28249	13	28249-13	1996-01-02	09-03-39-04 W4M	11-07-39-03 W4M
28249	14	28249-14	1996-03-19	10-31-38-03 W4M	15-31-38-03 W4M
28249	15	28249-15	1996-03-19	16-31-38-03 W4M	15-31-38-03 W4M
28249	16	28249-16	1996-03-19	15-31-38-03 W4M	14-06-39-03 W4M
28249	18	28249-18	1996-03-19	16-36-38-04 W4M	15-31-38-03 W4M
28249	19	28249-19	1996-12-02	06-07-39-03 W4M	11-07-39-03 W4M
28249	20	28249-20	1996-12-02	05-07-39-03 W4M	11-07-39-03 W4M
28249	21	28249-21	1997-01-02	06-07-39-03 W4M	11-07-39-03 W4M
28249	22	28249-22	1997-01-02	06-07-39-03 W4M	11-07-39-03 W4M
28249	23	28249-23	2008-03-10	09-12-39-04 W4M	09-12-39-04 W4M
28249	24	28249-24	1997-01-22	09-12-39-04 W4M	11-07-39-03 W4M
28249	25	28249-25	2008-03-10	13-07-39-03 W4M	13-07-39-03 W4M
28249	26	28249-26	1997-06-23	16-01-39-04 W4M	05-07-39-03 W4M
28249	27	28249-27	1997-06-23	16-01-39-04 W4M	05-07-39-03 W4M
28249	28	28249-28	2002-02-08	03-12-39-04 W4M	09-12-39-04 W4M
28249	29	28249-29	2002-02-08	06-12-39-04 W4M	11-12-39-04 W4M
28249	30	28249-30	2002-10-17	03-12-39-04 W4M	03-12-39-04 W4M
28249	31	28249-31	2002-10-17	03-12-39-04 W4M	03-12-39-04 W4M
28249	32	28249-32	2005-03-18	16-12-39-04 W4M	13-07-39-03 W4M
28249	33	28249-33		13-07-39-03 W4M	12-07-39-03 W4M

28249	34	28249-34	2008-03-10	01-12-39-04 W4M	16-01-39-04 W4M
28249	35	28249-35	2006-02-17	01-12-39-04 W4M	16-01-39-04 W4M
28249	36	28249-36	2007-03-30	12-06-39-03 W4M	14-06-39-03 W4M
28249	37	28249-37	2007-12-13	14-06-39-03 W4M	14-06-39-03 W4M
28249	38	28249-38	2007-12-13	14-06-39-03 W4M	14-06-39-03 W4M
28249	39	28249-39	2010-03-08	16-12-39-04 W4M	09-12-39-04 W4M
28249	40	28249-40	2011-04-16	09-12-39-04 W4M	09-12-39-04 W4M
28249	41	28249-41	2012-02-17	16-12-39-04 W4M	09-12-39-04 W4M
28249	42	28249-42	2002-02-08	03-12-39-04 W4M	06-12-39-04 W4M
37028	1	37028-1	2002-02-25	11-07-39-03 W4M	15-32-38-03 W4M
37233	1	37233-1	2002-02-28	11-05-39-03 W4M	15-32-38-03 W4M
37233	2	37233-2	2002-02-28	11-05-39-03 W4M	16-06-39-03 W4M
37233	3	37233-3	2002-02-28	15-32-38-03 W4M	11-07-39-03 W4M
37233	4	37233-4	2002-02-28	05-05-39-03 W4M	06-05-39-03 W4M
37233	5	37233-5	2002-02-28	05-05-39-03 W4M	05-05-39-03 W4M
37233	6	37233-6	2002-02-28	05-05-39-03 W4M	05-05-39-03 W4M
37233	7	37233-7	2002-02-28	03-05-39-03 W4M	02-05-39-03 W4M
37233	8	37233-8	2002-02-28	03-05-39-03 W4M	02-05-39-03 W4M
37233	9	37233-9	2002-02-28	15-06-39-03 W4M	16-06-39-03 W4M
37233	10	37233-10	2002-02-28	08-06-39-03 W4M	05-05-39-03 W4M
40300	1	40300-1	2004-04-01	01-24-38-05 W4M	04-19-38-04 W4M

47636	1	47636-1		11-07-39-03 W4M	15-32-38-03 W4M
47636	2	47636-2		04-05-39-03 W4M	03-05-39-03 W4M
47636	4	47636-4	2007-10-16	03-05-39-03 W4M	02-05-39-03 W4M
47636	5	47636-5	2013-02-06	06-05-39-03 W4M	06-05-39-03 W4M
51092	1	51092-1		04-19-38-04 W4M	10-18-38-04 W4M
54483	1	54483-1	2013-09-26	03-12-39-04 W4M	03-12-39-04 W4M
59105	1	59105-1	1984-06-21	08-32-38-03 W4M	15-32-38-03 W4M
59105	2	59105-2	1984-06-21	03-05-39-03 W4M	15-32-38-03 W4M
59105	3	59105-3	1996-08-22	11-05-39-03 W4M	15-32-38-03 W4M
59105	4	59105-4	1984-06-21	11-05-39-03 W4M	15-32-38-03 W4M
59105	5	59105-5	1984-06-21	05-05-39-03 W4M	15-32-38-03 W4M
59105	6	59105-6	1984-06-21	10-32-38-03 W4M	15-32-38-03 W4M
59105	7	59105-7	1996-07-09	04-05-39-03 W4M	03-05-39-03 W4M
59105	8	59105-8	2002-02-25	15-32-38-03 W4M	15-32-38-03 W4M
59105	9	59105-9	2002-02-25	15-32-38-03 W4M	15-32-38-03 W4M
59105	10	59105-10	2002-02-25	09-32-38-03 W4M	10-32-38-03 W4M
59105	11	59105-11	2008-03-10	09-32-38-03 W4M	10-32-38-03 W4M
59105	12	59105-12	2002-02-25	07-32-38-03 W4M	07-32-38-03 W4M
59105	13	59105-13	2002-02-25	07-32-38-03 W4M	07-32-38-03 W4M
59105	14	59105-14	2007-03-30	16-32-38-03 W4M	09-32-38-03 W4M
59105	15	59105-15	2008-03-10	16-32-38-03 W4M	09-32-38-03 W4M

59105	16	59105-16	2007-03-30	08-32-38-03 W4M	08-32-38-03 W4M
59105	17	59105-17	2007-03-30	08-32-38-03 W4M	08-32-38-03 W4M
59105	18	59105-18	2008-03-10	08-32-38-03 W4M	15-32-38-03 W4M
59105	19	59105-19	2008-03-10	10-32-38-03 W4M	15-32-38-03 W4M
59105	20	59105-20	2008-04-10	03-05-39-03 W4M	15-32-38-03 W4M
59105	21	59105-21	2009-11-24	04-05-39-03 W4M	03-05-39-03 W4M
59105	22	59105-22	1984-06-21	08-06-39-03 W4M	05-05-39-03 W4M
59105	23	59105-23	1984-06-21	16-06-39-03 W4M	11-05-39-03 W4M
59114	1	59114-1	2002-02-25	15-32-38-03 W4M	10-32-38-03 W4M
59114	2	59114-2		15-32-38-03 W4M	06-05-39-03 W4M
59114	3	59114-3		14-32-38-03 W4M	15-32-38-03 W4M
59114	4	59114-4		15-32-38-03 W4M	06-32-38-03 W4M



**Schedule "C"**

**Claims**

## Schedule "D"

### Permitted Encumbrances

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement, provided that such agreements can be terminated on less than 1 month's notice;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;

- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;

provided that in no circumstance shall any amounts owing by the Debtor to a Governmental Authority prior to the Closing Date in respect of taxes on linear or non-linear property (as defined in the Municipal Government Act (Alberta)) be a Permitted Encumbrance.

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## SCHEDULE C

### Form of General Conveyance, Assignment and Assumption Agreement

#### GENERAL CONVEYANCE, ASSIGNMENT, AND ASSUMPTION AGREEMENT

**THIS** General Conveyance, Assignment, and Assumption Agreement (this "**Agreement**") is made as of the [•] day of [•], [•].

#### AMONG:

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of **BOW RIVER ENERGY LTD.**, and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

[•], a corporation existing under the laws of the Province of Alberta (the "**Purchaser**")

#### RECITALS:

- A. In accordance with the terms of that certain Asset Purchase and Sale Agreement dated as of [•], by and between the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell, assign, and transfer the Assets to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor;
- B. the Purchaser has agreed to assume the Assumed Liabilities; and
- C. this Agreement is delivered pursuant to the Purchase Agreement.

**NOW THEREFORE**, for good and valuable consideration now paid by the Purchaser to the Vendor pursuant to the Purchase Agreement (the receipt and sufficiency of which is hereby acknowledged by the Vendor) the parties hereto agree as follows:

#### 1. Definitions

All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Purchase Agreement.

#### 2. Certain Rules of Interpretation

- (i) In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (ii) The division of this Agreement into Sections and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

- (iii) The terms "hereof," "hereunder," and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- (iv) Unless something in the subject matter or context is inconsistent therewith, references herein to "Sections" are to sections of this Agreement.
- (v) The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

### **3. Conveyance**

The Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, accepts and receives from the Vendor, upon the terms and subject to the conditions of the Purchase Agreement, the Vendor's Interest in and to the Assets, free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable, with effect as of the Closing on the date hereof, to have and to hold the Assets and all such right, title, interest, property, claim, and demand unto and to the use of the Purchaser.

### **4. Assumption of Assumed Liabilities**

Effective as of the Closing on the date hereof, the Purchaser hereby assumes and agrees to pay, perform, and discharge, when due, the Assumed Liabilities.

### **5. Further Assurances**

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### **6. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

### **7. Entire Agreement**

This Agreement, the Purchase Agreement, and the documents referred to therein and contemplated thereby constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement, the Purchase Agreement, the Confidentiality Agreement and the documents referred to therein and contemplated thereby.

**8. Successors and Assigns**

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

**9. Counterparts**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

**10. Amendments**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party. Any amendment effected in accordance with this Section 10 will be binding upon the Parties and their respective successors and permitted assigns.

**11. Paramountcy**

This Agreement is delivered pursuant to, and is subject to, all of the terms and conditions contained in the Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

**12. Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

**[Signature Page Follows.]**

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_  
Name:  
Title:

•

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE D**

**Form of Bring-Down Certificate**

**TO:** [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")]

**RE:** Agreement of Purchase and Sale dated [●] between the Vendor and the Purchaser (the "Agreement")

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "**Certificate**").

I, [Name], [Position] of [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")] hereby certify that as of the date of this Certificate:

1. The undersigned is personally familiar, in [his][her] capacity as an officer of [Vendor][Purchaser], with the matters hereinafter mentioned.
2. Each of the covenants, representations and warranties of the [Vendor][Purchaser] contained in Section [5.1 / 5.2] of the Agreement were true and correct in all material respects when made and are true and correct in all material respects as of the Closing Date.
3. All obligations of [Vendor][Purchaser] contained in the Agreement to be performed prior to or at Closing have been timely performed in all material respects.
4. This Certificate is made for and on behalf of the [Vendor][Purchaser] and is binding upon it, and I am not incurring, and will not incur, any personal liability whatsoever with respect to it.
5. This Certificate is made with full knowledge that the [Vendor][Purchaser] is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, [●].

[Name of Vendor/Purchaser]

Per: \_\_\_\_\_  
Name:  
Title:



**SCHEDULE E**

**Excluded Assets**

All Assets not included on Schedule A- Asset Listing shall be Excluded Assets

**SCHEDULE F**

**Bow River Security Arrangements**

nil

# APPENDIX “C”

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER  
OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD. AND  
NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

**- and -**

**AXIOM OIL AND GAS INC.**

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**ASSET PURCHASE AND SALE AGREEMENT**

**April 15, 2021**

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## AGREEMENT OF PURCHASE AND SALE

**THIS AGREEMENT OF PURCHASE AND SALE** dated as of April 15, 2021,

**BETWEEN:**

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Bow River Energy Ltd. ("**Bow River**" or the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

**AXIOM OIL AND GAS INC.**, a body corporate existing under the laws of **Alberta** (herein referred to as the "**Purchaser**")

**WHEREAS:**

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- B. the Purchaser, subject to Court Approval, has agreed to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets, on the terms and conditions set forth herein.

**NOW THEREFORE**, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
  - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or

decommissioned prior to the Final Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

- (b) "**Accounting Firm**" ascribed to that term in Section 12.1(d);
- (c) "**Accounts Receivable**" means all trade and other accounts receivable, notes receivable, unbilled accounts and other debts due or accruing due to the Vendor and/or the Debtor in relation to the Assets;
- (d) "**AER**" means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;
- (e) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;
- (f) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;
- (g) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;
- (h) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and vesting all of the Vendor's Interest in and to the Assets in the Purchaser free and clear of all Claims, Encumbrances (other than Permitted Encumbrances) and interests, such order to be substantially in the form attached hereto as Schedule B together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;
- (i) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests, but specifically excluding the Excluded Assets;



- (j) "**Assumed Contracts**" means, other than contracts which are Excluded Assets:
- (i) the contracts referenced in subsection (i) of the definition of Miscellaneous Interests; and
  - (ii) any other contract, agreement, commitment, understanding, arrangement, license or lease entered into by the Vendor or the Debtor (whether oral or written) or affecting or related to the Assets or the Assumed Liabilities or by which either the Vendor or the Debtor are bound or by which any property of the Debtor is subject to an Encumbrance;
- which contracts shall be assigned by the Vendor in its own right or for and on behalf of the Debtor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;
- (k) "**Assumed Liabilities**" means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets, including:
- (i) all Environmental Liabilities and Abandonment and Reclamation Obligations;
  - (ii) any Losses and Liabilities of the Vendor and/or the Debtor; and
  - (iii) the Cure Costs in respect of, Assumed Contracts accruing on or after the Effective Date
- (l) "**Bow River Security Arrangements**" has the meaning ascribed to that term in Section 2.8;
- (m) "**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (n) "**Cash and Cash Equivalents**" means cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by the Debtor or the Vendor for and on behalf of the Debtor;
- (o) "**Claim**" means any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against any Vendor, any of their respective Affiliates and their respective Representatives, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature;

- (p) "**Closing Payment**" means the Purchase Price, less the Deposit, plus any GST payable on account of the Purchase Price, plus the amount of any Cure Costs;
- (q) "**Confidentiality Agreement**" means the confidentiality agreement between Vendor and Purchaser dated **January 13, 2021**;
- (r) "**Consequential Damages**" has the meaning ascribed to that term in Section 15.5;
- (s) "**Court**" means the Court of Queen's Bench of Alberta, Judicial Centre of Calgary;
- (t) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Assets, and such Approval and Vesting Order having become a Final Order;
- (u) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of the Vendor's or the Debtor's monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws;
- (v) "**Debtor**" has the meaning ascribed to that term in the preamble hereto;
- (w) "**Deposit**" has the meaning ascribed to that term in Section 3.3(a)(i);
- (x) "**Due Diligence Information**" means all information made available (by the Vendor, the Debtor or otherwise) for the Purchaser's review in paper or electronic form in relation to the Debtor, its Affiliates and/or the Assets;
- (y) "**Effective Date**" means 12:01 a.m. on May 1, 2021;
- (z) "**Encumbrances**" means all mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein;
- (aa) "**Environment**" means the components of the Earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (bb) "**Environmental Laws**" means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or

use of, or release or threatened release into the Environment of, any Hazardous Substances;

- (cc) "**Environmental Liabilities**" means all past, present and future Losses and Liabilities, Claims and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:
- (i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
  - (ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
  - (iii) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;
  - (iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
  - (v) the protection, reclamation, remediation or restoration of the Environment;
- that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;
- (dd) "**Escrow Closing**" has the meaning set forth in Section 4.2(a);
- (ee) "**Escrow Closing Date**" means the date on which Escrow Closing occurs, being the Business Day following the issuance of the Approval and Vesting Order by the Court or such other date as the Parties may agree in writing; provided, however, that the Escrow Closing Date shall not be later than the Outside Date;
- (ff) "**Escrow Closing Documents**" has the meaning set forth in Section 4.2(a);
- (gg) "**Escrow Condition**" means that by no later than the Outside Date, the AER has unconditionally approved all LTAs associated with the Assets;
- (hh) "**Excluded Assets**" has the meaning set forth in Section 2.7;
- (ii) "**Facilities**" means the Vendor's Interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator,

compressor station, gathering system, pipeline, production storage facility or warehouse, including those facilities and pipelines identified in Part 2 of Schedule A;

- (jj) "**Final Closing**" means following the satisfaction of the Escrow Condition, completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;
- (kk) "**Final Closing Date**" means the date on which Final Closing occurs, being the Business Day following the satisfaction of the Escrow Condition, or such other date as the Parties may agree in writing; provided, however, that the Final Closing Date shall not be later than the Outside Date;
- (ll) "**Final Order**" means an order of the Court that has not been vacated, stayed, set aside, amended, reversed, annulled or modified, as to which no appeal or application for leave to appeal therefrom has been filed and the applicable appeal period with respect thereto shall have expired without the filing of any appeal or application for leave to appeal, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of with no further right of appeal and all opportunities for rehearing, reargument, petition for certiorari and appeal being exhausted or having expired without any appeal, motion or petition having been filed and remaining pending, any requests for rehearing have been denied, and no order having been entered and remaining pending staying, enjoining, setting aside, annulling, reversing, remanding, or superseding the same, and all conditions to effectiveness prescribed therein or otherwise by Applicable Law or order having been satisfied;
- (mm) "**Final Statement of Adjustments**" has the meaning ascribed to that term in Section 12.1(b);
- (nn) "**General Conveyance, Assignment and Assumption Agreement**" means an agreement providing for the assignment by the Vendor of the Vendor's Interest in and to the Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule C, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule C;
- (oo) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the AER;
- (pp) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;
- (qq) "**Hazardous Substances**" means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes

or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;

- (rr) "**Lands**" means the lands set out and described in Part 1 of Schedule A, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations), but excluding the Excluded Assets;
- (ss) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (tt) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (uu) "**Licence Transfers**" means the transfer from the Vendor and/or the Debtor to the Purchaser of any permits, approvals, licences and authorizations granted by the AER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells or the Facilities, as applicable.
- (vv) "**Losses and Liabilities**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (ww) "**LMR**" means the licensee liability rating program and the license transfer process as set forth by the AER under AER's Directive 006, 011, 068 and Bulletin 2016-21 and related AER regulations, guidelines, directives, information letters, programs and policies, as the same may be amended, supplemented or replaced from time to time;
- (xx) "**LTAs**" has the meaning set forth in Section 2.3(a);
- (yy) "**Miscellaneous Interests**" means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
  - (i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);

- (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
- (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;
- (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
- (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and
- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

but excluding the Excluded Assets and provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor or the Debtor to an assignee;

- (zz) "**Notice Period**" has the meaning ascribed to that term in Section 9.2(b);
- (aaa) "**Objection Date**" has the meaning ascribed to that term in Section 12.1(c);
- (bbb) "**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);
- (ccc) "**Outside Date**" means **June 30, 2021** or such other date as the Parties may agree;
- (ddd) "**Outstanding ROFR Assets**" has the meaning set forth in Section 11.3(e)(ii);
- (eee) "**Outstanding ROFRs**" has the meaning set forth in Section 11.3(e);
- (fff) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;

(ggg) **"Permitted Encumbrances"** means:

- (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;

- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;
- (hhh) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;
- (iii) "**Petroleum and Natural Gas Rights**" means the Vendor's Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), but excluding the Excluded Assets;
- (jjj) "**Petroleum Substances**" means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (kkk) "**Prime Rate**" means an annual rate of interest equal to the annual rate of interest announced from time to time by the main branch of the Royal Bank of Canada in Calgary, Alberta, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans provided that such rate shall be determined on the last day of each month and applied to the next succeeding month;
- (lll) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;
- (mmm) "**Purchaser**" has the meaning ascribed to that term in the preamble hereto;
- (nnn) "**Receivership Order**" means the order of the Court dated June 8, 2020, pursuant to which the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (ooo) "**Receivership Proceedings**" means the court proceedings brought in the Court pursuant to Court Action No. 2001 13391, pursuant to which the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (ppp) "**Representative**" means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;
- (qqq) "**ROFR**" means a right of first refusal, right of first offer or other pre-emptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;



- (rrr) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor's Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or the Debtor, as applicable, with respect to the Assets (excluding the Licence Transfers);
- (sss) "**Surplus Equipment**" means those Assets identified as such in Part 2 of 15.17 Schedule E hereto, which, if sold by the Vendor to a Third Party prior to Escrow Closing [, shall constitute Excluded Assets, and if unsold by the Vendor prior to Escrow Closing, shall constitute Assets;
- (ttt) "**Tangibles**" means the Vendor's Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them, but excluding the Excluded Assets;
- (uuu) "**Third Party**" means any Person who is not a Party or an Affiliate of a Party;
- (vvv) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor or any of the Debtor for which the Purchaser has indemnified the Vendor and the Debtor or is otherwise responsible pursuant to this Agreement;
- (www) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;
- (xxx) "**Transaction**" means the transaction for the purchase and sale of the Vendor's Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;
- (yyy) "**Transfer Taxes**" means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST; and which, for certainty, shall not include freehold mineral taxes;
- (zzz) "**Vendor**" has the meaning ascribed to that term in the preamble hereto;
- (aaaa) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property; and

(bbbb) "**Wells**" means the Vendor's Interest in and to the wells listed 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) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (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) 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.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

## **1.3 Schedules**

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A            Assets Listing

	Part 1 – Lands
	Part 2 – Wells, Facilities and Tangibles
Schedule B	Form of Approval and Vesting Order
Schedule C	Form of General Conveyance
Schedule D	Form of Bring-Down Certificate
Schedule E	Excluded Assets
	Part 1 – Excluded Assets
	Part 2 – Surplus Equipment
Schedule F	Bow River Security Arrangements

#### **1.4 Interpretation if Final Closing Does Not Occur**

If Final 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 Final Closing having occurred.

### **ARTICLE 2 PURCHASE AND SALE**

#### **2.1 Agreement of Purchase and Sale**

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Vendor's Interest in and to the Assets.

#### **2.2 Transfer of Property and Assumption of Liabilities**

Provided that Final Closing occurs and subject to Section 4.2 and the other terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Final Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities as of the Effective Date. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable.

#### **2.3 AER License Transfers**

- (a) Promptly following Escrow Closing, the Vendor shall electronically submit applications to the AER for the Licence Transfers ("**LTAs**"), and, in each case, will provide a screen shot or other evidence indicating such submission to the Purchaser, and in addition the Vendor shall provide any information and documentation along with such LTAs to the AER which are required to be provided by the transferor in connection with the foregoing. The Purchaser shall accept or ratify such LTAs without delay, provided that, if the Purchaser in good faith determines or believes that any of the LTAs are not complete and accurate, or the AER refuses to process any such LTAs because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or

inaccurate LTAs as soon as practicable and, thereafter, the Vendor shall promptly re-submit such LTAs and the Purchaser shall accept or ratify such re-submitted LTAs without delay. Each Party shall be responsible for its own costs relating to LTAs hereunder. The Purchaser shall provide any information and documentation in respect of such LTAs to the AER which are required to be provided by the transferee in connection with the foregoing. Following submission of the LTAs, each of the Parties shall use reasonable commercial efforts to obtain the AER's approval of the LTAs and registration of the Licence Transfers, subject to the specific requirements of this Section 2.3.

- (b) If the AER denies any of the LTAs because of misdescription or other minor deficiencies contained therein, the Vendor shall, within two (2) Business Days of such denial, correct the LTA(s) and amend and re-submit the LTA(s), and the Purchaser shall accept or ratify such re-submitted LTAs without delay.
- (c) If, for any reason, the AER requires the Purchaser to make a deposit, furnish any other form of security, provide any undertakings, information or other documentation or to take any action as a condition of or a prerequisite for the approval of any of the LTAs, then immediately after receiving notice of such requirements and at its sole cost, the Purchaser shall make such deposits, furnish such security, provide such undertakings, information or other documentation and/or take such action, as the case may be; provided, however, that the amount of any such deposit or other security shall be acceptable to the Purchaser, acting reasonably.
- (d) If the Purchaser fails to make a deposit or furnish security it is required to make or furnish under Section 2.3(c) within ten (10) Business Days of the Purchaser's receipt of notification from the applicable Governmental Authority or the Vendor that such deposit or security is required, the Vendor shall have the right to make such deposit or furnish such security. In such event, the Purchaser shall (as applicable) reimburse the amount of such deposit or the costs of such security to the Vendor plus interest thereon at the Prime Rate plus three percent (3%) from the date such deposit or security is made or furnished by the Vendor until such reimbursement is made and, in the case of security, cause the security to be returned to the Vendor as soon as possible and indemnify the Vendor for the amount and costs of any draws on the security plus interest thereon at the Prime Rate from the date such draw is made until such indemnification is made. In addition to all other rights to enforce such reimbursement otherwise available to the Vendor, it shall have the right to set-off the amount of such reimbursement or indemnification (including interest) against other monies due to the Purchaser pursuant to this Agreement.
- (e) The Purchaser shall on a timely and continuing basis keep the Vendor fully apprised and informed regarding all communications the Purchaser may have with the AER in connection with the Transaction, including all communications respecting LTAs, and without limiting the generality of the foregoing the Purchaser shall provide copies to the Vendor of all related correspondence from the Purchaser to the AER, and the Purchaser shall request that the AER provide copies to the Vendor of all related correspondence from the AER to the Purchaser.
- (f) Promptly following the execution of this Agreement, the Purchaser shall request that the AER grant the Purchaser a discretionary waiver from the requirements of the AER's Bulletin 2016-21 with respect to the LTAs. The Vendor shall provide any information and documentation to the AER as may reasonably be required to be provided by them in connection with such discretionary waiver request made by the Purchaser.

## **2.4 Specific Conveyances**

- (a) The Parties shall cooperate in the preparation of the Specific Conveyances. A reasonable time following its receipt of the Title Documents from Vendor, Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Final Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Final Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or the Debtor or of which the Vendor or the Debtor gain possession or control prior to Final Closing.
- (c) Notwithstanding Sections 2.4(a) and 2.4(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by Alberta Energy shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Escrow Closing.

## **2.5 Post-Closing Maintenance of Assets**

- (a) Following Final Closing, if and to the extent that Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of Vendor's and/or the Debtor' interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:
  - (i) each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Vendor shall be responsible for and shall pay all such Cure Costs, which Cure Costs shall be paid into escrow and released on Final Closing to be paid by the Vendor directly to the applicable counterparty;
  - (ii) the Vendor and/or the applicable Debtor shall hold the rights, entitlements, benefits, remedies, duties and obligations in respect of the applicable Assets in trust for the exclusive benefit of the Purchaser as bare trustee and agent;
  - (iii) the Vendor will, at the request and expense and under the direction of the Purchaser, in the name of the Vendor and/or the applicable Debtor or otherwise as the Purchaser shall reasonably specify, take all such reasonable actions and do all such reasonable things as shall, in the reasonable opinion of the Purchaser, be necessary or desirable in order that the rights, entitlements, benefits, remedies, duties and obligations of the applicable Debtor in respect of any applicable Assets may be enjoyed, received or performed, as the case may be, in accordance

with the terms of the Title Documents and Assumed Contracts, including that all monies receivable under any Title Documents and Assumed Contracts may be received by the Purchaser and that all rights and licenses under any Title Documents and Assumed Contracts may be exercised by the Purchaser;

- (iv) the Vendor shall, no later than 30 days after receipt of funds, pay over to the Purchaser all such monies collected by the Vendor and/or the applicable Debtor in respect of the Assets following the Final Closing Date, net of any unpaid related costs or expenses (including any taxes that are payable in respect of the receipt of such amounts);
- (v) to the extent permitted by any applicable Assumed Contract:
  - (A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Final Closing under such Assumed Contract, on behalf of the Vendor and/or any applicable Debtor, until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser; and
  - (B) the Vendor shall, or shall cause the applicable Debtor to, use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates;
- (vi) neither the Vendor nor the Debtor shall have any liability as a consequence of the Vendor or any applicable Debtor taking any action or causing anything to be done under this Section 2.5(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor, the Debtor and their respective Representatives against, all costs and expenses reasonably incurred by the Vendor, the Debtor, their Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.5(a); and
- (vii) the Vendor shall cause the applicable Debtor to maintain their existence, and continue to be licensed, registered or otherwise qualified and authorized to conduct its affairs and carry on business as is necessary to fulfill its obligations as set out in this Section 2.5(a) until the later of: (i) the earlier of the expiry or assignment to the Purchaser of the last applicable Assumed Contract, and (ii) the AER having approved the LTAs and registered the License Transfers; *provided, however*, that the obligations of the Vendor and any applicable Debtor under this Section 2.5(a) shall expire and terminate and cease to be in effect on the date that is 90 days following Final Closing.
- (viii) Nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.

- (b) Both before and after Escrow Closing, each of the Parties shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Escrow Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties under the Assumed Contracts or Applicable Laws to permit the transfer of the Assets, including the Assumed Contracts, to the Purchaser.

## **2.6 Assumed Liabilities**

Following Final Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

## **2.7 Excluded Assets**

Nothing contained herein or in any agreements, instruments, or other documents to be delivered at the Final Closing shall be deemed to sell, transfer, assign, convey or deliver the Excluded Assets to the Purchaser or any Affiliate of the Purchaser, and the Vendor and the Debtor, as applicable, shall retain all right, title, and interest to, in, and under the Excluded Assets, and neither the Purchaser nor any Affiliate of the Purchaser shall have any liability therefor. "**Excluded Assets**" shall mean the Vendor's Interest in any and all assets (whether tangible or intangible), properties, contracts or rights of the Vendor and/or the Debtor which are not specifically included in the Assets including, for greater certainty, the following assets (whether tangible or intangible), properties and rights of the Vendor and the Debtor, as applicable:

- (a) the Bow River Security Arrangements;
- (b) any Accounts Receivable and any Cash and Cash Equivalents; and
- (c) any assets listed in Schedule E (which are not Surplus Equipment comprising Assets).

To the extent any Title Documents or Assumed Contracts apply to both Assets and Excluded Assets, such Title Document or Assumed Contract, as applicable, shall be assigned and transferred to Purchaser and Purchaser shall, following such assignment and transfer, hold the Title Document or Assumed Contract, as applicable, as bare trustee of Vendor and/or the Debtor (or their assignee) to the extent applicable to any Excluded Assets.

## **2.8 Bow River Security Arrangements**

The Purchaser acknowledges that the necessary security, deposits, letters of credit, guarantees or other financial assurances as set forth in Schedule F (collectively the "**Bow River Security Arrangements**") have been provided by the Vendor and/or by the Debtor to secure the payment and/or performance of certain of the Vendor's and/or the Debtor' obligations under the Title Documents. The Purchaser acknowledges that neither the Vendor nor any Debtor has any duty to maintain any Bow River Security Arrangements after the Final Closing. To the extent the Vendor and/or the Debtor have any obligations pursuant to any Bow River Security Arrangement or have pledged or otherwise provided any property that secures any such Bow River Security Arrangement, the Purchaser shall take such

commercially reasonable actions, at or prior to Final Closing, as are necessary to cause such obligations arising under the Bow River Security Arrangements (and the Bow River Security Arrangements) to be released and terminated, and any of the Vendor's or the Debtor' property pledged or otherwise provided to secure such Bow River Security Arrangements returned to the Vendor or the applicable Debtor, in each case concurrent with the Final Closing.

### **ARTICLE 3 PURCHASE PRICE**

#### **3.1 Purchase Price**

The consideration payable by the Purchaser for the Assets shall be the sum of [REDACTED] (collectively, the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Sections 4.2(a) and 3.3(b), and shall not be subject to any adjustment. The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Escrow Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

#### **3.2 Allocation of Purchase Price**

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

- (a) to the Petroleum and Natural Gas Rights, 80%;
- (b) to the Tangibles, 20% less \$10.00; and
- (c) to the Miscellaneous Interests, \$10.00.

#### **3.3 Deposit and Satisfaction of Purchase Price**

- (a) The Parties acknowledge that:
  - (i) on the date hereof, the Purchaser paid the sum of [REDACTED] (the "**Deposit**") to the Vendor;
  - (ii) the Deposit has been delivered to and shall be held in trust by the Vendor; and
  - (iii) the Deposit shall be held and administered by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Escrow Closing, the Purchase Price shall be paid into escrow and satisfied as follows:
  - (i) as to the amount of the Deposit, the Vendor shall retain the amount of the Deposit and apply such amount against the amount of the Purchase Price; and
  - (ii) as to the balance of the Purchase Price, along with any additional amounts owing in respect of applicable GST, the Purchaser shall pay to the Vendor such amount by electronic wire transfer;

and release of the Purchase Price shall be subject to the provisions of Section 4.2.



- (c) If this Agreement is terminated prior to Escrow Closing:
- (i) (A) pursuant to Section 14.1(a) by mutual agreement of the Parties; or (B) pursuant to Sections 14.1(b) or 14.1(c) by the Purchaser; then the Deposit shall be returned to the Purchaser; or
  - (ii) For any other reason other than as contemplated pursuant to Section 14.1 by the Vendor, the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 14.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit, constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Final Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Final Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

## **ARTICLE 4 CLOSING**

### **4.1 Final Closing Date and Place of Closing**

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Final Closing Date, or at such other time as the Parties may agree in writing.

### **4.2 Escrow Closing**

- (a) The Parties agree that the Transaction shall be closed in escrow, whereby fully executed copies of all documents reasonably necessary to convey the Assets to the Purchaser, including those set forth in Section 2.3(a), Section 2.4, Section 4.3, Section 4.4 (the "**Escrow Closing Documents**"), the Closing Payment and the Deposit (which has already been paid to the Vendor) shall on the Escrow Closing Date, be delivered or deposited into trust with the Vendor (the "**Escrow Closing**"). The Vendor shall retain the Escrow Closing Documents, the Closing Payment and the Deposit in accordance with the provisions herein.
- (b) The Vendor and the Purchaser agree that the Escrow Closing Documents shall not have any effect or confer any rights upon Vendor or Purchaser until released from escrow in accordance with the terms hereof.
- (c) If the Escrow Condition is satisfied or waived in writing by the Purchaser on or before the Outside Date, then the Purchaser shall make any security deposit required and agree to any other AER conditions of approval of the Licence Transfers, the Parties shall proceed with Final Closing and the Vendor shall, no later than one (1) Business Day after the AER approves the LTAs, release the Escrow Closing Documents to the applicable Parties and the Closing Payment and the Deposit to the Vendor.

- (d) If the Escrow Condition is not satisfied or waived in writing by the Purchaser on or before the Outside Date, Final Closing shall be deemed not to have been completed, in which event:
- (i) this Agreement shall terminate;
  - (ii) the Vendor and the Purchaser shall jointly cancel the pending LTA;
  - (iii) each Party will bear its respective costs incurred by it prior to such termination; and
  - (iv) the Vendor shall destroy the Escrow Closing Documents;
  - (v) the Vendor shall be entitled to retain the Deposit; and
  - (vi) the Vendor shall return the Closing Payment, less the Deposit, to the Purchaser.

In the event that the Vendor is entitled to retain the Deposit in accordance with the terms of this Section 4.2(d), the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of the LTAs not being approved and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of the LTAs not being approved. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

#### **4.3 Deliveries on Escrow Closing by the Vendor**

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Escrow Closing Date:

- (a) a copy of the Approval and Vesting Order, with a certified copy to be provided once available;
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor;
- (c) all documents listed in Section 4.4 which contemplate execution by the Vendor;
- (d) the certificate of the Vendor referred to in Section 13.2(a); and
- (e) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

#### **4.4 Deliveries on Escrow Closing by the Purchaser**

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Escrow Closing Date:

- (a) payment of all Transfer Taxes payable on Final Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser;
- (c) a joinder, duly executed by the Purchaser, whereby the Purchaser agrees and acknowledges to be bound by, and to observe (and to cause its Representatives to observe) all covenants and restrictions of the recipient party as provided for in the Confidentiality Agreement as if the Purchaser were an original signatory thereto;
- (d) all documents listed in Section 4.2 which contemplate execution by the Purchaser;
- (e) the certificate of the Purchaser referred to in Section 13.3(a); and
- (f) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

## **ARTICLE 5 TRANSFER TAXES**

### **5.1 Transfer Taxes**

The Parties agree that:

- (a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Assets; and
- (b) the Purchaser shall indemnify the Vendor, the Debtor and their respective Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor, the Debtor or their respective Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

## **ARTICLE 6 REPRESENTATIONS AND WARRANTIES**

### **6.1 Vendor's Representations**

The Vendor hereby represents and warrants to the Purchaser that:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order;

- (b) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Vendor of the Transaction;
- (c) it is not a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who is a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) (or a partnership that is not a "Canadian partnership" within the meaning of such term under the *Income Tax Act* (Canada));
- (d) subject to Court Approval being obtained, this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (e) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and
- (f) with respect to the GST imposed under the GST Legislation, the following Debtor are registered under the GST Legislation and will continue to be registered at the Final Closing Date in accordance with the provisions of the GST Legislation and their respective GST registration numbers are:

<b>Debtor</b>	<b>GST Registration Number</b>
BOW RIVER ENERGY LTD.	828997114RT0002

## 6.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;

- (d) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (e) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (h) the Purchaser meets all eligibility requirements of Governmental Authorities to purchase and accept a transfer of the Assets, including without limiting the generality of the foregoing, the eligibility requirements of the AER under its LMR program, or any successor program, as applicable to the Purchaser in connection with the Transactions as contemplated hereunder;
- (i) with respect to the GST imposed under the GST Legislation, the Purchaser is registered under the GST Legislation and will continue to be registered at the Final Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is **839960788RT0001**;
- (j) the Purchaser is a "Canadian" within the meaning of the *Investment Canada Act* (Canada);
- (k) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto;
- (l) the Purchaser is not aware of any fact or circumstance that would prevent or delay the Licence Transfers or the approval of the LTAs as contemplated hereunder; and
- (m) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

### **6.3 Enforcement of Representations and Warranties**

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Final Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Final Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 6 shall survive Final Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of 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.
- (c) The Parties expressly acknowledge and agree that the provisions of this Section 6.3 and the limit on each Party's liability set out in this Section 6.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

## **ARTICLE 7 "AS IS, WHERE IS" AND NO ADDITIONAL REPRESENTATIONS AND WARRANTIES**

### **7.1 Due Diligence Acknowledgement**

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;
- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;
- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:
  - (i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;
  - (ii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives have made any oral or written representation, warranty, promise

or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;

- (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;
- (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;
- (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;
- (vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to disclose to the Purchaser, any information known to it relating to the Assets except as may be required by any Applicable Law; and
- (vii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

## **7.2 "As Is, Where Is", No Additional Representations**

- (a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an "as is, where is" and "without recourse" basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, the Debtor, their respective Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:
  - (i) the title and interest of the Vendor or the Debtor in and to the Assets;

- (ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transactions;
  - (iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
  - (iv) the income to be derived from the Assets, if any;
  - (v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
  - (vi) the rates of production of Petroleum Substances from the Lands;
  - (vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles or any personal property);
  - (viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
  - (ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);
  - (x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;
  - (xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement;
  - (xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;
  - (xiii) the manner, quality, state of repair or lack of repair of the Assets;
  - (xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Assets or any structures or improvements situated thereon;
  - (xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;
  - (xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;
  - (xvii) the nature and quantum of the Assumed Liabilities; or
  - (xviii) any other matter with respect to the Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 7 is intended to be very broad and, except for its express rights under this Agreement, the



Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.

- (c) 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 common law, tort, contractual and statutory rights and remedies) against the Vendor, the Debtor, their respective Affiliates and their respective Representatives in respect of the Assets and any representations or statements made 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). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

## **ARTICLE 8 RISK AND COSTS AND INSURANCE**

### **8.1 Risk and Costs**

The Assets will be at the sole risk and responsibility of the Vendor and the Debtor until the Final Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

### **8.2 Insurance**

Any property, liability and other insurance maintained by the Vendor and/or the Debtor in relation to the Assets shall not be transferred at Final Closing, but shall remain the responsibility of the Vendor and the Debtor until the Final Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Final Closing Date.

## **ARTICLE 9 INDEMNIFICATION**

### **9.1 Indemnification Given by Purchaser**

If Final Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives related to or in connection with the Assets and the Assumed Liabilities, whether arising or accruing on or after the Effective Date, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets

during the period following the Effective Date; (ii) all Losses and Liabilities arising or accruing on or after the Effective Date under any Assumed Contract as contemplated in Section 2.5(a)(i), including any and all Cure Costs; and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor and the Debtor pursuant to this Agreement, including pursuant to Section 10.2. The Purchaser's indemnity obligations set forth in this Section 9.1 shall survive the Final Closing Date indefinitely pursuant to Section 15.3.

## 9.2 Third Party Claims

- (a) If any of the Vendor, the Debtor, their respective Affiliates or any of their respective Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, the Debtor, their respective Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and Liabilities that has been or may be sustained by the Vendor, the Debtor, their respective Affiliates or their respective Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.
- (b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor or the applicable Debtor(s), respectively, not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 9.2(b), then the Vendor shall, or shall cause the Debtor, their respective Affiliates and/or their respective Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 9.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, the Debtor, their respective Affiliates and/or their respective

Representatives, may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, the Debtor, their respective Affiliates and/or their Representatives with respect to such Third Party Claim.

### **9.3 Failure to Give Timely Notice**

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 9 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

### **9.4 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.

### **9.5 Third Party Beneficiary**

The Vendor's Representatives and the Vendor's Affiliates, the Debtor, their respective Affiliates and all of their respective Representatives are intended third party beneficiaries of this Article 9 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 9 or that are reasonably necessary to give further effect thereto.

## **ARTICLE 10 ENVIRONMENTAL MATTERS**

### **10.1 Acknowledgements Regarding Environmental Condition**

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, any of the Debtor, or any of their respective Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

### **10.2 Assumption of Environmental Liabilities**

If Final Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and

- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Final Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor and the Debtor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Final Closing Date, and hereby releases the Vendor, the Debtor, their respective Affiliates and their respective Representatives from any claims the Purchaser may have against the Vendor or the Debtor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Final Closing Date) in respect of all Wells and Tangibles.

## **ARTICLE 11 COVENANTS**

### **11.1 Court Filings**

- (a) From and after the date of execution of this Agreement and until the Final Closing Date, the Vendor shall use commercially reasonable efforts to deliver to the Purchaser copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that relate, in whole or in part, to this Agreement, or to the Purchaser or its Representatives, that are to be filed by the Vendor in connection with the Court Approval in advance of their filing, before the filing of such papers, and shall provide the Purchaser with a reasonable opportunity to review and comment thereon.
- (b) The Vendor shall act reasonably and in good faith in considering any comments provided by the Purchaser to such papers; *provided, however* that, subject in each case to the foregoing good faith obligations of the Vendor, the Vendor shall have no obligation to accept and incorporate the Purchaser's comments to such papers and neither the Vendor's inadvertent failure to comply with this Section 11.1, nor the Vendor's failure to comply with this Section 11.1 due to emergency circumstances, shall constitute a breach under this Agreement.

### **11.2 Conduct of Business Until Final Closing**

- (a) Except: (A) as expressly provided in this Agreement; (B) with the prior written consent of the Purchaser (not to be unreasonably withheld, conditioned or delayed); (C) as necessary or advisable in connection with the Receivership Proceedings; or (D) as otherwise provided in the Approval and Vesting Order or any other order of the Court in connection with the Receivership Proceedings; following the date hereof and prior to Final Closing, to the extent reasonably practicable having regard to the Receivership Proceedings, the Vendor shall use commercially reasonable efforts to:
  - (i) cause the Assets to be maintained, in accordance with good industry practice, and in material compliance with all Applicable Laws, the directions of Governmental Authorities and the terms and conditions of the Assumed Contracts;

- (ii) not sell, pledge, assign, lease, license, or cause, permit, or suffer the imposition of any Encumbrance (other than Permitted Encumbrances) on, or otherwise dispose of, any of the Assets, except in the ordinary course of normal day-to-day operations of the Assets, consistent with past practices;
  - (iii) not amend or terminate any Title Document or enter into any new agreement or commitment related to the Assets;
  - (iv) not make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets, except in the case of emergency; and
  - (v) not authorize or agree, in writing or otherwise, to take any of the actions in respect of the foregoing.
- (b) Until the Final Closing Date, the Vendor shall provide the Purchaser with all access to the Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Final Closing in accordance herewith.
- (c) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 11.2 will be subject to the Assumed Contracts and all of the Vendor's and the Debtor' site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:
- (i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, the Debtor, their respective Affiliates or their respective Representatives may suffer, sustain, pay or incur; and
  - (ii) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 11.2.

### **11.3 ROFRs**

- (a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. Promptly following the identification of Assets which are the subject of ROFRs, the Purchaser shall provide the Vendor with its bona fide allocation of the amount of the Purchase Price attributable to each of such Assets which are subject to a ROFR.
- (b) The Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of Purchaser's allocation of the Purchase Price attributable thereto pursuant to Section 11.3(a). The Vendor shall utilize the Purchaser's allocation of the Purchase Price attributable to the Assets subject to ROFRs for purposes of preparing

and issuing the ROFR notices. The Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.

- (c) If any such Third Party elects to exercise such a ROFR, then:
  - (i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;
  - (ii) such Assets shall not be conveyed to the Purchaser; and
  - (iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to a ROFR shall be deemed to form part of the Excluded Assets, and the Purchase Price shall not be subject to any reduction in the event of the exercise of any such ROFR by a Third Party.
- (d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.
- (e) Final Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Final Closing Date (such ROFRs being referred to as "**Outstanding ROFRs**"). In such case, the following procedures shall apply:
  - (i) the Parties shall proceed with Final Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);
  - (ii) the Purchaser shall have (as of the Escrow Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the "**Outstanding ROFR Assets**");
  - (iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of Section 11.3(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, *mutatis mutandis*; and
  - (iv) if after Final Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Final Closing Date.

#### **11.4 Document Review**

Prior to Final Closing, Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

#### **11.5 Municipal Taxes**

In making its application for approval of the Approval and Vesting Order by the Court, the Vendor shall include all claims for municipal tax arrears as claims which are to be vested off of title to the Assets; provided, however, that if the Vendor is not successful in having such municipal taxes, or any portion or component thereof, be vested off of title to the Assets, the Purchaser shall be responsible for paying the amount of all such municipal taxes which are not vested off title, and such amounts shall be paid to the Vendor on Final Closing.

### **ARTICLE 12 ADJUSTMENTS**

#### **12.1 Adjustments**

- (a) Subject to all other provisions of this Agreement and without duplication, the Parties will adjust and apportion expenditures and revenues of every kind and nature accruing, payable or paid, receivable or received, in respect of the Assets, including proceeds from the sale of Petroleum Substances (calculated in accordance with the applicable Title Documents), as at the Effective Date, as follows:
  - (i) the following expenditures shall be apportioned between the Vendor and the Purchasers on a per diem basis as at the Effective Date:
    - (A) surface and mineral rentals and any similar payments made by the Vendor to preserve any leases or surface rights; and
    - (B) freehold mineral taxes, property taxes and levies;
  - (ii) advances, cash calls and deposits made by the Vendor for operations pertaining to the Assets prior to the Effective Date standing to the credit of the Vendor at the Effective Date will be a credit in favour of the Vendor and will be transferred to, and be for the benefit of, the Purchaser;
  - (iii) expenditures relating to the Assets which have been authorized prior to the Escrow Closing Date in accordance with Section 11.2, shall be adjusted on the basis of the date upon which the work was performed or the goods were supplied;
  - (iv) all Petroleum Substances in inventory which have been produced from the Lands at the Effective Date, do not comprise part of the Assets and remain the property of the Vendor and the proceeds from the sale thereof shall accrue and belong to the Vendor;

- (v) the Vendor is entitled to the revenues and benefits from the ownership of the Excluded Assets whenever incurred or accrued and is responsible for and will pay for all expenditures pertaining to the ownership, operation and development of the Excluded Assets, and all liabilities associated therewith, whenever incurred or accrued;
  - (vi) the Vendor is entitled to the revenues and benefits from the ownership of the Assets incurred and/or accrued prior to the Effective Date including royalty tax credits and incentives and the benefit of audit queries for any period prior to the Effective Date when resolved and is responsible for and will pay for the expenditures pertaining to the ownership of the Assets incurred and or accrued prior to the Effective Date including expenditures arising from joint venture audits, thirteenth month adjustments on equalizations pertaining to a period preceding the Effective Date;
  - (vii) the Purchaser is entitled to the revenues and benefits from the ownership of the Assets incurred and/or accrued from and after the Effective Date including royalty tax credits and incentives and the benefit of audit queries for any period subsequent to the Effective Date and is responsible for and will pay for the expenditures pertaining to the ownership of the Assets incurred and or accrued from and after the Effective Date, provided that no adjustment shall be made in respect of liabilities accrued in respect of the Excluded Assets or joint venture audits, thirteenth month adjustments or equalizations pertaining to the Assets that are made at any time in respect of any period preceding the Effective Date;
  - (viii) Petroleum Substances attributable to the Assets which were beyond the wellhead, but not sold, as of the Effective Date and any right to receive royalty payments in respect thereof shall be retained by the Vendor and the Vendor shall be responsible without adjustment hereunder, for all royalties, taxes, costs, fees and payments in respect thereof; and
  - (ix) no adjustment shall be made on account of taxes calculated by reference to or assessed based on income or capital that are payable by Vendor or Purchaser.
- (b) The Vendor shall prepare and deliver to the Purchaser a statement no later than Forty Five (45) Business Days following Final Closing following the release of the Escrow Closing Documents, the Closing Payment and the Deposit from escrow that shall set forth a written statement of adjustments to be made in accordance with this Agreement (the "**Final Statement of Adjustments**"), and the Vendor will make available to Representatives of the Purchaser all information reasonably necessary for the Purchaser to confirm the calculations in the statement. The Final Statement of Adjustments shall be based on the Vendor's good faith estimate of the applicable costs and expenses.
- (c) The Purchaser shall provide, or cause to be provided, to the Vendor and its Affiliates full access to the relevant records to aid in the preparation of such statement. The Vendor shall provide to the Purchaser the right to review the Final Statement of Adjustments. If the Purchaser is of the opinion that any change is required to be made to the Final Statement of Adjustments as prepared by the Vendor, it shall, on or before that date which is Ten (10) Business Days after the delivery of the Final Statement of Adjustments by the Vendor to the Purchaser (the "**Objection Date**"), give written notice to the Vendor of any such proposed change, including the reason for such change. If the Purchaser does



not notify the Vendor of any proposed change on or before the Objection Date, then the Purchaser shall be deemed to have accepted the Final Statement of Adjustments as of the Objection Date.

- (d) If the Purchaser gives written notice to the Vendor of any proposed change to the Final Statement of Adjustments on or before the Objection Date, and if the proposed change is disputed by the Vendor and the Parties fail to resolve the dispute within thirty (30) days after the Objection Date, then an independent accounting firm shall immediately be engaged by the Parties (the "**Accounting Firm**") to resolve forthwith the dispute and such Accounting Firm shall be requested to render its decision without qualifications, other than the usual qualifications relating to engagements of this nature, within fourteen (14) days after the dispute is referred to it. The decision of Accounting Firm shall be final and binding upon the Vendor and the Purchaser and shall not be subject to appeal by either such Party. The fees and expenses of the Accounting Firm shall be borne solely by the Purchaser.
- (e) Upon agreement with respect to all matters in dispute, or upon a decision of the Accounting Firm with respect thereto, such amendments shall be made to the Final Statement of Adjustments as may be necessary to reflect such agreement or such decision, as the case may be. The net amount will then be remitted by the Party who in the net result is obliged to make payment by no later than five (5) Business Days after such agreement or decision.
- (f) If the Vendor or its Affiliates receives any revenues pertaining to the Assets after the Final Closing Date which accrue after the Effective Date, the Vendor shall pay such revenues to the Purchaser within ten (10) Business Days following receipt of such revenues. If the Purchaser or its Affiliates receive after Final Closing any proceeds or other revenues to which the Vendor is entitled under this Section 12.1, the Purchaser shall fully disclose, account for and promptly remit the same to the Vendor.

## **ARTICLE 13 CONDITIONS**

### **13.1 Mutual Conditions**

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Final Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order and the Approval and Vesting Order shall be a Final Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of:
  - (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and
- (c) the Final Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

### **13.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Final Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 6.1 of this Agreement shall be true and correct in all material respects as at the Final Closing Date with the same force and effect as if made at and as of such time, and the Vendor shall have delivered to the Purchaser a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement;
- (c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Final Closing all the documents contemplated in Section 4.3.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

### **13.3 Conditions for the Benefit of the Vendor**

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Final Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 6.2 of this Agreement shall be true and correct in all material respects as at the Final Closing Date with the same force and effect as if made at and as of such time, and the Purchaser shall have delivered to the Vendor a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Final Closing all the documents contemplated in Section 4.4; and
- (d) the Vendor has not lost its ability to convey the Assets due to an order of the Court.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

### **13.4 Satisfaction of Conditions**

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 13.1, 13.2 and 13.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

## **ARTICLE 14 TERMINATION**

### **14.1 Grounds for Termination**

This Agreement may be terminated at any time prior to Final Closing:

- (a) by the written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 13.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;
- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Final Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;
- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 13.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or
- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Final Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

## **14.2 Effect of Termination**

Notwithstanding any termination of this Agreement as permitted under Section 14.1, or as otherwise provided for in this Agreement, the provisions of Sections 3.3 (Deposit), 15.1 (Public Announcements), 15.4 (Governing Law), 15.5 (Consequential Damages), 15.11 (Costs and Expenses) and 15.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

## **ARTICLE 15 GENERAL**

### **15.1 Public Announcements**

- (a) Subject to Section 15.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) Notwithstanding Section 15.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:
  - (i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;
  - (ii) the Vendor may forward a copy of this Agreement and all related documentation to the Orphan Well Association and its Representatives, agents, legal counsel and financial advisors, and may further advise such Persons of the existence and nature of any discussions and negotiations in relation thereto or in relation to the Transaction; provided that the Orphan Well Association and its Representatives agree in advance to be bound by any confidentiality undertakings or similar confidentiality requirements reasonably requested by the Vendor; and
  - (iii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approvals and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

### **15.2 Dissolution of Debtor**

Subject to the Vendor's obligations in Section 2.5 and Article 12, the Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of any of the Debtor subsequent to the Final Closing Date, or otherwise cause or allow any of the Debtor to cease operations in any manner or at any time subsequent to the Final Closing Date as the Vendor may determine in its sole discretion, which

may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Final Closing.

### **15.3 Survival**

Upon Final Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Final Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Section 2.3 (AER Licence Transfers), Section 2.2 (Transfer of Property and Assumption of Liabilities), Section 2.4 (Specific Conveyances), Section 6.3 (Enforcement of Representations and Warranties), Section 11.3 (ROFRs) and Article 5 (Transfer Taxes), Article 7 ("As Is, Where Is" and No Additional Representations and Warranties), Article 9 (Indemnification), Article 10 (Environmental Matters) and Article 15 (General), shall survive Final Closing, shall remain in full force and effect, shall not merge as a result of Final Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

### **15.4 Governing Law**

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.
- (b) Notwithstanding Section 15.4(a), any and all documents or orders that may be filed, made or entered in the Receivership Proceedings, and the rights and obligations of the Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 15.13 shall be deemed effective service of process on such Party.

### **15.5 Consequential Damages**

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 9 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, the Debtor, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

### **15.6 Further Assurances**

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### **15.7 Assignment**

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

### **15.8 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. 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.

### **15.9 Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized Representative of each Party.

### **15.10 Time of the Essence**

Time is of the essence in this Agreement.

### **15.11 Costs and Expenses**

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

## 15.12 Entire Agreement

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

## 15.13 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) in the case of the Vendor:

BDO Canada Limited  
#110, 5800 – 2nd Street SW  
Calgary, Alberta T2H 0H2

Attention: Marc Kelly  
Email: makelly@bdo.ca

With a copy to the Vendor's Solicitors:

Bennett Jones LLP  
4500, 855 - 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Ken Lenz; Keely Cameron  
Email: LenzK@bennettjones.com; Cameronk@bennettjones.com

- (b) In the case of the Purchaser:

Axiom Oil and Gas Inc.  
P.O. Box 1235 Station M  
Calgary, AB T2P 2L2

Attention: Brian Alford (Pres.)  
Email: balford@axiomoilandgas.ca

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be

assumed not to be changed. **Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.**

#### **15.14 Enurement**

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

#### **15.15 Third Party Beneficiaries**

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, the Debtor, their respective Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives, its Affiliates and their respective Representatives and the Debtor, their respective Affiliates and their respective Representatives.

#### **15.16 Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

#### **15.17 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

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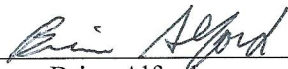


**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per:   
Name: Marc Kelly  
Title: Senior Vice President

**AXIOM OIL AND GAS INC.**

Per:   
Name: Brian Alford  
Title: President

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A**

**Assets Listing**

**Lands**

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00608 A	LSE TYPE: CR PNG CR: 24170 LSE DATE: 1971 Oct 30 EFF DATE: 1971 Oct 30 EXP DATE: 1981 Oct 29 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 040 RGE 03 W4M NE 34 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%  NONCONV ORR ALL 5.0% BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00311 A General 0000 No ROFR Applies	
M00672 A	LSE TYPE: CR PNG CR: 0403110396 LSE DATE: 2003 Nov 27 EFF DATE: 2003 Nov 27 EXP DATE: 2008 Nov 26 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 040 RGE 03 W4M LSD 3 SEC 34 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00607 A	LSE TYPE: CR PNG CR: 0482040021 LSE DATE: 1982 Apr 08 EFF DATE: 1982 Apr 08 EXP DATE: 1987 Apr 07 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 040 RGE 03 W4M LSD 5, 7, 8, 14 SEC 34 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00576 A	LSE TYPE: FH PET LSE DATE: 2000 Dec 16 EFF DATE: 2000 Dec 16 EXP DATE: 2002 Jun 15 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 040 RGE 03 W4M LSD 2, 5, 6, 11 SEC 35 (BRE REQUIRES A LEASE IN LSD 3 TO COMPLETE THE SPACING FOR 00/04-35, 00/05-35 & 02/06-35 WELLS) PETROLEUM FROM TOP SURFACE TC	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR OIL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
		BASE LLOYDMINSTER				
M00595 A	LSE TYPE: FH PET LSE DATE: 1994 Apr 18 EFF DATE: 1994 Apr 18 EXP DATE: 1996 Apr 17 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 040 RGE 03 W4M LSD 4 SEC 35 (EXCL NG DERIVED FROM OR ASSOCIATED WITH COAL) (BRE REQUIRES A LEASE IN LSD 3 TO COMPLETE THE SPACING FOR 00/04-35, 00/05-35 & 02/06-35 WELLS) PETROLEUM FROM TOP SURFACE TC BASE LLOYDMINSTER	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00357 A	LSE TYPE: CR PNG CR: 0409070278 LSE DATE: 2009 Jul 23 EFF DATE: 2009 Jul 23 EXP DATE: 2014 Jul 22 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 02 W4M N & SW SEC 6 PNG FROM TOP MANNVILLE_GROUP TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00357 B	LSE TYPE: CR PNG CR: 0409070278 LSE DATE: 2009 Jul 23 EFF DATE: 2009 Jul 23 EXP DATE: 2014 Jul 22 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 02 W4M SE SEC 6 PNG FROM TOP MANNVILLE_GROUP TO BASE MANNVILLE_GROUP EXCL PETROLEUM IN LOWER_MANNVILLE (AS DEFINED BY THE AGS IS COMPRISED OF THE CUMMINGS AND DINA FORMATIONS)	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00585 A	LSE TYPE: CR PNG CR: 24171A LSE DATE: 1970 Oct 13	TWP 041 RGE 03 W4M LSD 4-6, 10, 11, 13 SEC 02, LSD 1-6, 10-12, 15 SEC 11	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EFF DATE: 1970 Oct 13 EXP DATE: 1980 Oct 12 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	PNG TO BASE MANNVILLE_GROUP		PDBY BOWRIVER 100.0%		
M00583 A	LSE TYPE: FH PNG LSE DATE: 1969 Jul 18 EFF DATE: 1969 Jul 18 EXP DATE: 1979 Jul 17 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 041 RGE 03 W4M NE 03 PNG TO TOP PALEOZOIC	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 15.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00584 A	LSE TYPE: FH PNG LSE DATE: 1969 Jul 18 EFF DATE: 1969 Jul 18 EXP DATE: 1979 Jul 17 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 041 RGE 03 W4M LSD 1, 7, 8 SEC 03 PNG TO TOP PALEOZOIC	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 15.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00713 A	LSE TYPE: CR PNG CR: 0419060010 LSE DATE: 2019 Jun 05 EFF DATE: 2019 Jun 06 EXP DATE: 2024 Jun 05 INT TYPE: WI MNRL INT: 100.0	TWP 041 RGE 03 W4M NW 10 PNG FROM TOP SURFACE TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00712 A	LSE TYPE: CR PNG CR: 0419060009 LSE DATE: 2019 Jun 05 EFF DATE: 2019 Jun 06 EXP DATE: 2024 Jun 05	TWP 041 RGE 03 W4M LSD 1 SEC 10 ALL PNG	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	INT TYPE: WI MNRL INT: 100.0					
M00689 A	LSE TYPE: CR PNG CR: 0405110105 LSE DATE: 2005 Nov 03 EFF DATE: 2005 Nov 03 EXP DATE: 2010 Nov 02 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M LSD 7, 8, 9, 14, 16 SEC 11 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00586 A	LSE TYPE: CR PNG CR: 0489080113 LSE DATE: 1989 Aug 10 EFF DATE: 1989 Aug 10 EXP DATE: 1994 Aug 09 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M LSD 13 SEC 11 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%  NONCONV ORR ALL 5.0% BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00327 A General 0000 No ROFR Applies	
M00586 B	LSE TYPE: CR PNG CR: 0489080113 LSE DATE: 1989 Aug 10 EFF DATE: 1989 Aug 10 EXP DATE: 1994 Aug 09 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M LSD 13 SEC 11 PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%  NONCONV ORR ALL 5.0% BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00327 A General 0000 No ROFR Applies	
M00601 A	LSE TYPE: CR PNG CR: 0491050076 LSE DATE: 1991 May 02 EFF DATE: 1991 May 02 EXP DATE: 1996 May 01	TWP 041 RGE 03 W4M N & SE 14 PNG TO BASE FISH_SCALE-WESTGATE	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15					
M00609 A	LSE TYPE: CR PNG CR: 049105A076 LSE DATE: 1991 May 02 EFF DATE: 1991 May 02 EXP DATE: 1996 May 01 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M SW 14 PNG TO BASE FISH_SCALE-WESTGATE	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00332 A ROFR Unknown	
M00691 A	LSE TYPE: CR PNG CR: 0408020162 LSE DATE: 2008 Feb 07 EFF DATE: 2008 Feb 07 EXP DATE: 2013 Feb 06 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M SW 14 PNG FROM BASE FISH_SCALE-WESTGATE TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		

## Wells

<u>Licence</u>	<u>UWI</u>	<u>Status</u>	<u>Formation</u>	<u>Licensee</u>	<u>Vendor WI%</u>
0098668	100/01-34-040-03W4/2	Abandoned	Mannville	Bow River	100%
0097395	100/02-34-040-03W4/4	Abandoned	Mannville	Bow River	100%
0158048	102/02-34-040-03W4/0	Abandoned	Lloydminster	Bow River	100%
0363262	103/03-34-040-03W4/0	Oil	Cummings	Bow River	100%
0364885	104/03-34-040-03W4/0	Suspended Oil	Cummings	Bow River	100%
0107483	100/04-34-040-03W4/0	Abandoned	Lloydminster	Bow River	100%
0102490	100/05-34-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0098667	100/06-34-040-03W4/2	Suspended WI	Lloydminster	Bow River	100%
0302479	102/07-34-040-03W4/0	Oil	Lloydminster	Bow River	100%
0303348	100/08-34-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0302453	100/09-34-040-03W4/0	Abandoned	Cummings	Bow River	100%
0046952	100/10-34-040-03W4/0	Water Inj	Lloydminster	Bow River	100%
0162595	102/10-34-040-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0162594	100/13-34-040-03W4/0	Abandoned	Lloydminster	Bow River	100%
0302470	104/14-34-040-03W4/2	Oil	Lloydminster	Bow River	100%
0302528	100/15-34-040-03W4/0	Oil	Lloydminster	Bow River	100%
0158328	102/15-34-040-03W4/2	Abandoned	Lloydminster	Bow River	100%
0116308	100/16-34-040-03W4/2	Drilled & Csd	Belly River	Bow River	100%
0269470	102/02-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0269644	103/03-35-040-03W4/0	Water Inj	Lloydminster	Bow River	100%
0108079	100/04-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0245428	100/05-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0269447	102/06-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0256479	100/11-35-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0396869	102/11-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0269815	100/12-35-040-03W4/2	Suspended Oil	Lloydminster	Bow River	100%
0302483	102/12-35-040-03W4/0	Water Inj	Lloydminster	Bow River	100%
0130191	100/14-35-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0166014	102/14-35-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0170353	103/14-35-040-03W4/0	Abandoned		Bow River	100%
0486475	100/15-06-041-02W4/2	Oil	Rex	Bow River	100%
0155960	100/03-02-041-03W4/2	Abandoned	Cummings	Bow River	100%
0159216	102/03-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0159701	105/03-02-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0158861	102/04-02-041-03W4/0	Abandoned		Bow River	100%
0158859	103/04-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0160247	104/04-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0065769	100/05-02-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0119593	102/05-02-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0156004	103/05-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%



0156050	104/05-02-041-03W4/0	Oil	Lloydminster	Bow River	100%
0090589	100/06-02-041-03W4/3	Water Inj	Lloydminster	Bow River	100%
0155959	102/06-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0166665	103/06-02-041-03W4/2	Abandoned		Bow River	100%
0119596	102/10-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0065768	100/11-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0155983	102/11-02-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0159631	103/11-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0119594	102/12-02-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0065770	100/13-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0119595	102/13-02-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0119574	103/13-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0177563	104/13-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0037986	100/14-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0119573	102/14-02-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0142861	1F2/14-02-041-03W4/0	Abandoned		Bow River	100%
0039062	100/15-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0106172	1F1/15-02-041-03W4/0	Abandoned	Ribstone	Bow River	100%
0204260	100/01-03-041-03W4/0	Oil	Lloydminster	Bow River	100%
0204263	102/01-03-041-03W4/2	Abandoned		Bow River	100%
0206989	100/07-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0206987	103/07-03-041-03W4/2	Suspended Oil	Lloydminster	Bow River	100%
0364883	104/07-03-041-03W4/2	Oil	Lloydminster	Bow River	100%
0040056	100/08-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0180849	102/08-03-041-03W4/2	Drilled & Csd		Bow River	100%
0067002	100/09-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0181223	102/09-03-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0201958	103/09-03-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0204388	104/09-03-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0204472	105/09-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0206298	106/09-03-041-03W4/2	Suspended Oil	Cummings	Bow River	100%
0365723	102/10-03-041-03W4/0	Oil	Cummings	Bow River	100%
0039014	100/16-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0204475	102/16-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0210367	103/16-03-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0123979	102/01-10-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0128095	103/01-10-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0363500	100/11-10-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0334798	100/12-10-041-03W4/2	Suspended Oil	Cummings	Bow River	100%
0363455	100/13-10-041-03W4/2	Suspended Oil	Cummings	Bow River	100%
0362955	100/14-10-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0158686	100/01-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0166664	102/01-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%

0431277	103/01-11-041-03W4/0	Aband & Whip		Bow River	100%
0037677	100/02-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0119576	102/02-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0065771	100/03-11-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0119579	103/03-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0159265	104/03-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0063354	100/04-11-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0119580	103/04-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0119575	104/04-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0065644	100/05-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0129795	102/05-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0129794	103/05-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0120119	104/05-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0202862	106/05-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0036892	100/06-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0153256	102/06-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0156001	103/06-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0158696	104/06-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0107112	1F1/06-11-041-03W4/0	Abandoned	Ribstone	Bow River	100%
0403099	104/07-11-041-03W4/0	Oil	Rex	Bow River	100%
0431277	106/07-11-041-03W4/2	Oil	Rex	Bow River	100%
0036605	100/10-11-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0156006	102/10-11-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0158726	103/10-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0181432	105/10-11-041-03W4/3	Suspended Gas	McLaren	Bow River	100%
0152360	102/11-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0167269	103/11-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0414732	104/11-11-041-03W4/0	Oil	Rex	Bow River	100%
0152361	100/12-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0154636	1A0/12-11-041-03W4/2	Suspended Gas	Fish Scale	Bow River	100%
0154637	1B0/12-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0149723	100/13-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0380183	103/14-11-041-03W4/0	Oil	Rex	Bow River	100%
0127924	100/15-11-041-03W4/2	Suspended Gas	Lloydminster	Bow River	100%
0181431	103/15-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0181430	104/15-11-041-03W4/0	Abandoned		Bow River	100%
0414747	100/06-14-041-03W4/0	Oil	Rex	Bow River	100%
0433658	102/06-14-041-03W4/0	Suspended Oil	Rex	Bow River	100%
0433696	103/06-14-041-03W4/0	Oil	Rex	Bow River	100%
0186056	102/09-14-041-03W4/3	Suspended Gas	Fish Scale	Bow River	100%

## Facilities

Licence Number	Facility ID	Licence Status	Surface Location	Description
F22786	FC6054	Issued	02/15-02-041-03W4	Oil Satellite
F27291	FC12191	Abandoned	00/02-35-040-03W4	Crude Oil Single-well Battery
F27292	ABBT0068127	Abandoned	00/03-35-040-03W4	Crude Oil Single-well Battery
F27293	ABBT0068126	Abandoned	00/06-35-040-03W4	Crude Oil Single-well Battery
W0334798	ABBT0087516	Suspended	00/13-10-041-03W4	Crude Oil Single-well Battery
W0363455	ABBT0095410	Suspended	00/13-10-041-03W4	Crude Oil Single-well Battery
F35169	ABBT0088740	Suspended	00/13-10-041-03W4	Crude Oil Single-well Battery
F37509	FC20483	Issued	00/11-10-041-03W4	Crude Oil Single-well Battery
W0363500	ABBT0092531	Suspended	00/11-10-041-03W4	Crude Oil Single-well Battery
F37512	FC20510	Issued	00/14-10-041-03W4	Crude Oil Single-well Battery
W0362955	ABBT0092532	Suspended	00/14-10-041-03W4	Crude Oil Single-well Battery
F37519	FC8075	Abandoned	02/13-10-041-03W4	Oil Battery - Multiwell
F38222	FC12658	Issued	00/02-34-040-03W4	Oil Satellite
W0097395	ABBT0081810	Suspended	00/02-34-040-03W4	Gas Single-well Battery
W0097395	ABBT0081812	Suspended	00/02-34-040-03W4	Gas Single-well Battery
F50428	ABBT0147435	Active	00/01-12-041-03W4	Crude Oil Single-well Battery
F8375	FC8526	Issued	00/06-02-041-03W4	Oil Satellite
	ABBT0046260	Suspended	00/06-02-041-03W4	Crude Oil Single-well Battery
	ABBT0046261	Suspended	00/06-02-041-03W4	Crude Oil Single-well Battery
	ABIF0008101	Suspended	00/06-02-041-03W4	Enhanced Recovery Scheme Inj/Disp
F8382	ABBT2730001	Active	00/15-02-041-03W4	Crude Oil Multiwell Proration Battery
	ABBT0093941	Suspended	00/15-02-041-03W4	Multiwell Gas Battery
	ABIF0008105	Active	00/15-02-041-03W4	Enhanced Recovery Scheme Inj/Disp
F8395	FC3292	Abandoned	00/11-11-041-03W4	Oil Satellite

## Pipelines

Licence Number	Line Number	Licence Line	Licence Date	From	From Type	To
8069	1	8069-1	2003-06-16	15-02-41-03 W4M	BE	10-02-41-03 W4M
8069	2	8069-2		15-02-41-03 W4M	BE	10-02-41-03 W4M
8069	3	8069-3	1995-03-21	14-02-41-03 W4M	BE	06-02-41-03 W4M
8069	4	8069-4	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M

8069	5	8069-5	2010-05-19	02-11-41-03 W4M	BE	05-11-41-03 W4M
8069	6	8069-6	2010-05-19	02-11-41-03 W4M	BE	04-11-41-03 W4M
8069	7	8069-7	2010-05-19	02-11-41-03 W4M	BE	03-11-41-03 W4M
8069	8	8069-8	2010-05-19	15-02-41-03 W4M	BE	13-02-41-03 W4M
8069	9	8069-9		15-02-41-03 W4M	BE	12-02-41-03 W4M
8069	10	8069-10	1995-03-21	15-02-41-03 W4M	B	14-02-41-03 W4M
8069	11	8069-11		15-02-41-03 W4M	BE	12-02-41-03 W4M
8069	12	8069-12	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	13	8069-13		15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	14	8069-14	1995-03-21	15-02-41-03 W4M	B	14-02-41-03 W4M
8069	15	8069-15	1994-12-08	15-02-41-03 W4M	IP	14-02-41-03 W4M
8069	16	8069-16	1994-12-08	15-02-41-03 W4M	IP	14-02-41-03 W4M
8069	17	8069-17	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	18	8069-18	2010-05-19	15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	19	8069-19	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	20	8069-20	1994-12-08	15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	21	8069-21	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	22	8069-22	1994-12-08	15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	23	8069-23	1995-03-21	15-02-41-03 W4M	B	02-11-41-03 W4M
8069	24	8069-24	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M
8069	25	8069-25	1995-03-21	15-02-41-03 W4M	B	02-11-41-03 W4M
8069	26	8069-26	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M
8069	27	8069-27	1995-03-21	15-02-41-03 W4M	B	02-11-41-03 W4M
8069	28	8069-28	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M
8069	29	8069-29	1995-09-15	06-02-41-03 W4M	PL	06-02-41-03 W4M
8069	30	8069-30	1995-12-05	15-02-41-03 W4M	B	05-11-41-03 W4M
8069	31	8069-31	1997-05-15	15-02-41-03 W4M	B	10-34-40-03 W4M
8069	32	8069-32	1998-03-02	06-11-41-03 W4M	PL	05-11-41-03 W4M
8069	33	8069-33	2008-07-29	02-11-41-03 W4M	BE	10-11-41-03 W4M
8069	34	8069-34	1998-03-12	13-02-41-03 W4M	PL	12-02-41-03 W4M
8069	35	8069-35	1999-03-01	12-02-41-03 W4M	PL	09-03-41-03 W4M
8069	36	8069-36	2000-09-11	01-10-41-03 W4M	WE	04-11-41-03 W4M
8069	37	8069-37	2006-06-23	15-02-41-03 W4M	IP	03-11-41-03 W4M
8069	38	8069-38	2006-06-23	15-02-41-03 W4M	IP	06-02-41-03 W4M
8069	39	8069-39	2006-10-19	03-11-41-03 W4M	PL	04-11-41-03 W4M
8069	40	8069-40	2006-10-19	02-11-41-03 W4M	PL	02-11-41-03 W4M
8069	41	8069-41	2006-10-19	15-02-41-03 W4M	IP	13-02-41-03 W4M
8069	42	8069-42	2007-08-27	10-34-40-03 W4M	PL	09-34-40-03 W4M
8069	43	8069-43		10-34-40-03 W4M	BE	02-34-40-03 W4M
15380	2	15380-2	1993-11-23	06-11-41-03 W4M	BE	02-11-41-03 W4M
15380	4	15380-4		14-02-41-03 W4M	BE	15-02-41-03 W4M
15380	5	15380-5	1993-11-23	15-02-41-03 W4M	PL	15-02-41-03 W4M
15380	6	15380-6	1993-11-23	15-02-41-03 W4M	BE	15-02-41-03 W4M

15380	7	15380-7	1993-11-23	15-02-41-03 W4M	BE	02-11-41-03 W4M
15380	8	15380-8	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
15380	10	15380-10	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
15380	11	15380-11	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
15382	1	15382-1	1996-08-22	15-02-41-03 W4M	BE	03-11-41-03 W4M
20154	1	20154-1	2006-05-24	14-36-40-03 W4M	BE	09-02-41-03 W4M
20154	3	20154-3	2006-05-24	09-02-41-03 W4M	BE	15-02-41-03 W4M
20154	6	20154-6	1994-04-05	05-02-41-03 W4M	PL	06-02-41-03 W4M
20154	7	20154-7	1995-03-21	15-02-41-03 W4M	B	05-02-41-03 W4M
20154	8	20154-8	1994-04-05	15-02-41-03 W4M	PL	15-02-41-03 W4M
21902	1	21902-1		16-34-40-03 W4M	BE	10-34-40-03 W4M
21902	2	21902-2	1995-02-03	10-34-40-03 W4M	BE	16-34-40-03 W4M
21902	3	21902-3	1995-02-03	02-34-40-03 W4M	BE	10-34-40-03 W4M
21902	5	21902-5		10-34-40-03 W4M	BE	02-34-40-03 W4M
21902	6	21902-6	2003-06-16	02-34-40-03 W4M	BE	10-34-40-03 W4M
21902	7	21902-7	2006-05-24	16-34-40-03 W4M	BE	02-34-40-03 W4M
21902	8	21902-8	2003-06-16	02-34-40-03 W4M	BE	06-34-40-03 W4M
24951	1	24951-1	1991-09-04	01-10-41-03 W4M	B	01-10-41-03 W4M
26002	1	26002-1		13-11-41-03 W4M	BE	11-11-41-03 W4M
26002	2	26002-2	2006-05-24	11-11-41-03 W4M	BE	11-11-41-03 W4M
26002	3	26002-3	1992-11-13	06-11-41-03 W4M	BE	11-11-41-03 W4M
26002	5	26002-5	2006-05-24	12-11-41-03 W4M	BE	11-11-41-03 W4M
26002	6	26002-6	1993-06-22	12-11-41-03 W4M	BE	11-11-41-03 W4M
26002	7	26002-7		13-11-41-03 W4M	BE	13-11-41-03 W4M
26002	9	26002-9		06-11-41-03 W4M	BE	11-11-41-03 W4M
26002	10	26002-10		11-11-41-03 W4M	BE	11-11-41-03 W4M
26010	1	26010-1	1992-11-13	05-11-41-03 W4M	PL	12-11-41-03 W4M
26090	3	26090-3		06-35-40-03 W4M	WE	14-35-40-03 W4M
26090	4	26090-4	2001-12-03	06-35-40-03 W4M	WE	14-35-40-03 W4M
26090	5	26090-5	2003-05-05	02-35-40-03 W4M	WE	03-35-40-03 W4M
26090	6	26090-6	2003-05-05	03-35-40-03 W4M	WE	03-35-40-03 W4M
26090	7	26090-7	2003-05-05	02-35-40-03 W4M	WE	06-35-40-03 W4M
26090	8	26090-8	2003-05-05	11-35-40-03 W4M	BE	06-35-40-03 W4M
26090	10	26090-10		03-35-40-03 W4M	PL	06-35-40-03 W4M
26090	11	26090-11	2009-11-19	11-35-40-03 W4M	WE	06-35-40-03 W4M
37263	1	37263-1		11-35-40-03 W4M	WE	11-35-40-03 W4M
37263	2	37263-2	2002-04-10	11-35-40-03 W4M	WE	11-35-40-03 W4M
39225	1	39225-1	2003-05-05	06-35-40-03 W4M	BE	02-35-40-03 W4M
39225	2	39225-2	2003-05-05	06-35-40-03 W4M	BE	12-35-40-03 W4M
39226	1	39226-1	2003-05-05	06-02-41-03 W4M	WE	03-35-40-03 W4M
40351	3	40351-3		15-11-41-03 W4M	BE	10-11-41-03 W4M
40351	4	40351-4		10-11-41-03 W4M	BE	15-02-41-03 W4M
40351	5	40351-5		09-14-41-03 W4M	BE	15-11-41-03 W4M

40351	6	40351-6	2008-08-25	12-11-41-03 W4M	BE	10-11-41-03 W4M
40351	7	40351-7	2008-08-25	02-11-41-03 W4M	PL	15-02-41-03 W4M
58985	1	58985-1	1994-07-28	04-35-40-03 W4M	WE	03-35-40-03 W4M
58985	2	58985-2	2010-04-26	14-26-40-03 W4M	BE	03-35-40-03 W4M
58985	3	58985-3	2010-04-26	03-35-40-03 W4M	BE	14-26-40-03 W4M
58986	1	58986-1	2008-01-08	03-34-40-03 W4M	WE	02-34-40-03 W4M
58986	2	58986-2	2008-01-08	03-34-40-03 W4M	WE	02-34-40-03 W4M
59103	1	59103-1		03-34-40-03 W4M	BE	02-34-40-03 W4M
59103	2	59103-2	1996-06-17	02-34-40-03 W4M	BE	02-34-40-03 W4M
59103	3	59103-3	1986-03-11	05-34-40-03 W4M	BE	02-34-40-03 W4M
59103	4	59103-4		04-34-40-03 W4M	BE	02-34-40-03 W4M
59103	5	59103-5	1993-11-01	14-34-40-03 W4M	BE	03-34-40-03 W4M
59103	6	59103-6		10-34-40-03 W4M	BE	02-34-40-03 W4M
59103	7	59103-7	1995-09-27	03-34-40-03 W4M	BE	02-34-40-03 W4M
59103	8	59103-8	1997-05-15	02-34-40-03 W4M	B	06-02-41-03 W4M
59108	1	59108-1		03-02-41-03 W4M	BE	06-02-41-03 W4M
59108	2	59108-2		03-02-41-03 W4M	BE	06-02-41-03 W4M
59108	3	59108-3	1994-05-11	05-02-41-03 W4M	BE	06-02-41-03 W4M
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59108	5	59108-5	1994-05-11	05-02-41-03 W4M	BE	06-02-41-03 W4M
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59108	7	59108-7	1994-05-11	06-02-41-03 W4M	BE	15-02-41-03 W4M
59108	8	59108-8	2002-07-25	06-02-41-03 W4M	BE	06-02-41-03 W4M
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59108	12	59108-12	2002-04-29	04-11-41-03 W4M	BE	15-02-41-03 W4M
59108	13	59108-13	1997-01-29	05-11-41-03 W4M	BE	15-02-41-03 W4M
59108	14	59108-14	1994-03-04	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	15	59108-15	1994-03-04	02-11-41-03 W4M	WE	15-02-41-03 W4M
59108	16	59108-16		06-11-41-03 W4M	BE	07-11-41-03 W4M
59108	17	59108-17	1994-03-04	10-11-41-03 W4M	BE	15-02-41-03 W4M
59108	18	59108-18	1994-03-04	02-11-41-03 W4M	WE	15-02-41-03 W4M
59108	19	59108-19	1994-03-04	03-11-41-03 W4M	WE	15-02-41-03 W4M
59108	20	59108-20	1994-03-04	04-11-41-03 W4M	BE	02-11-41-03 W4M
59108	21	59108-21	1994-03-04	03-11-41-03 W4M	WE	15-02-41-03 W4M
59108	22	59108-22	1994-03-04	15-02-41-03 W4M	WE	15-02-41-03 W4M
59108	23	59108-23		13-02-41-03 W4M	BE	14-02-41-03 W4M
59108	24	59108-24	2002-04-29	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	25	59108-25	1994-03-04	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	26	59108-26		12-02-41-03 W4M	BE	14-02-41-03 W4M
59108	27	59108-27	2002-04-29	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	28	59108-28	2002-04-29	14-02-41-03 W4M	BE	15-02-41-03 W4M

59108	29	59108-29	1994-03-04	10-02-41-03 W4M	BE	15-02-41-03 W4M
59108	30	59108-30	1994-03-04	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	31	59108-31	1999-02-01	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	32	59108-32	1994-03-04	09-03-41-03 W4M	BE	16-03-41-03 W4M
59108	33	59108-33	1994-03-04	08-03-41-03 W4M	BE	16-03-41-03 W4M
59108	34	59108-34	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	35	59108-35	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	36	59108-36	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	37	59108-37	1994-03-04	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	38	59108-38		05-11-41-03 W4M	BE	04-11-41-03 W4M
59108	39	59108-39		05-11-41-03 W4M	BE	04-11-41-03 W4M
59108	40	59108-40	1994-03-04	04-11-41-03 W4M	BE	02-11-41-03 W4M
59108	41	59108-41	1994-05-11	10-11-41-03 W4M	BE	15-02-41-03 W4M
59108	42	59108-42	1994-05-11	10-11-41-03 W4M	BE	07-11-41-03 W4M
59108	43	59108-43	2004-08-17	10-11-41-03 W4M	WE	10-11-41-03 W4M
59108	44	59108-44	2004-08-17	10-11-41-03 W4M	WE	10-11-41-03 W4M
59108	45	59108-45	2004-08-17	06-11-41-03 W4M	WE	07-11-41-03 W4M
59108	46	59108-46	1994-05-11	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	47	59108-47	1994-05-11	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	48	59108-48	1994-05-11	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	49	59108-49	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	50	59108-50	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	51	59108-51	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	52	59108-52	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	53	59108-53	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	54	59108-54	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	55	59108-55	2002-04-29	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	56	59108-56	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
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59108	62	59108-62	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	63	59108-63	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	64	59108-64	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	65	59108-65	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	66	59108-66	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	67	59108-67	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	68	59108-68	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	69	59108-69	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	70	59108-70	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	71	59108-71	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M

59108	72	59108-72	1994-05-11	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	73	59108-73	1994-05-11	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	74	59108-74	1994-05-11	11-02-41-03 W4M	BE	11-02-41-03 W4M
59108	75	59108-75	1994-05-11	11-02-41-03 W4M	BE	11-02-41-03 W4M
59108	76	59108-76		12-02-41-03 W4M	BE	11-02-41-03 W4M
59108	77	59108-77		12-02-41-03 W4M	BE	11-02-41-03 W4M
59108	78	59108-78	1994-05-11	11-02-41-03 W4M	BE	14-02-41-03 W4M
59108	79	59108-79	1994-05-11	11-02-41-03 W4M	PL	14-02-41-03 W4M
59108	80	59108-80	1994-05-11	05-11-41-03 W4M	BE	04-11-41-03 W4M
59108	81	59108-81	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	82	59108-82	2004-08-17	06-11-41-03 W4M	BE	07-11-41-03 W4M
59108	83	59108-83	1995-09-14	14-35-40-03 W4M	BE	15-02-41-03 W4M
59108	84	59108-84	1994-11-14	14-35-40-03 W4M	BE	15-02-41-03 W4M
59108	85	59108-85	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	86	59108-86	1994-03-04	15-02-41-03 W4M	PL	15-02-41-03 W4M
59108	87	59108-87	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	88	59108-88	1994-03-04	02-11-41-03 W4M	PL	15-02-41-03 W4M
59108	89	59108-89	1995-09-14	11-02-41-03 W4M	WE	11-02-41-03 W4M
59108	90	59108-90	1995-09-14	11-02-41-03 W4M	WE	11-02-41-03 W4M
59108	91	59108-91	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	92	59108-92	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	93	59108-93	2002-04-29	03-11-41-03 W4M	BE	04-11-41-03 W4M
59108	94	59108-94	1994-11-14	03-11-41-03 W4M	BE	04-11-41-03 W4M
59108	95	59108-95	1995-09-14	10-02-41-03 W4M	BE	15-02-41-03 W4M
59108	96	59108-96	2004-08-17	10-02-41-03 W4M	WE	15-02-41-03 W4M
59108	97	59108-97		08-11-41-03 W4M	BE	09-11-41-03 W4M
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59108	99	59108-99	1996-08-02	15-11-41-03 W4M	BE	10-11-41-03 W4M
59108	100	59108-100	1996-08-02	15-11-41-03 W4M	BE	10-11-41-03 W4M
59108	101	59108-101	1996-08-02	08-03-41-03 W4M	BE	08-03-41-03 W4M
59108	102	59108-102	1996-08-02	08-03-41-03 W4M	BE	09-03-41-03 W4M
59108	103	59108-103		09-03-41-03 W4M	BE	09-03-41-03 W4M
59108	104	59108-104	1996-08-02	09-03-41-03 W4M	BE	09-03-41-03 W4M
59108	105	59108-105	1996-08-12	12-11-41-03 W4M	WE	11-11-41-03 W4M
59108	106	59108-106		11-11-41-03 W4M	BE	11-11-41-03 W4M
59108	107	59108-107	2007-07-25	06-11-41-03 W4M	WE	11-11-41-03 W4M
59108	108	59108-108		13-02-41-03 W4M	BE	12-02-41-03 W4M
59108	109	59108-109	1998-01-29	05-11-41-03 W4M	BE	05-11-41-03 W4M
59108	110	59108-110	2004-08-17	09-03-41-03 W4M	WE	09-03-41-03 W4M
59108	111	59108-111	1998-03-04	13-11-41-03 W4M	WE	11-11-41-03 W4M
59108	112	59108-112	1998-03-04	11-11-41-03 W4M	WE	11-11-41-03 W4M
59108	113	59108-113	2007-07-25	11-11-41-03 W4M	WE	11-11-41-03 W4M
59108	114	59108-114	2007-07-25	06-11-41-03 W4M	WE	11-11-41-03 W4M



59108	115	59108-115	1998-03-10	16-03-41-03 W4M	BE	04-11-41-03 W4M
59108	116	59108-116	1998-07-13	16-03-41-03 W4M	BE	16-03-41-03 W4M
59108	117	59108-117	1998-07-13	16-03-41-03 W4M	BE	16-03-41-03 W4M
59108	118	59108-118	1999-03-25	09-03-41-03 W4M	BE	09-03-41-03 W4M
59108	119	59108-119	2004-08-17	09-03-41-03 W4M	WE	09-03-41-03 W4M
59108	120	59108-120	1998-07-13	07-03-41-03 W4M	BE	08-03-41-03 W4M
59108	121	59108-121	1998-07-13	07-03-41-03 W4M	BE	08-03-41-03 W4M
59108	122	59108-122	1998-07-13	08-03-41-03 W4M	BE	05-02-41-03 W4M
59108	123	59108-123	2004-08-17	09-03-41-03 W4M	WE	09-03-41-03 W4M
59108	124	59108-124		07-11-41-03 W4M	BE	02-11-41-03 W4M
59108	125	59108-125		02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	126	59108-126	2000-09-05	01-10-41-03 W4M	BE	16-03-41-03 W4M
59108	127	59108-127	2005-02-17	14-34-40-03 W4M	WE	10-34-40-03 W4M
59108	128	59108-128	2005-02-17	14-34-40-03 W4M	WE	02-34-40-03 W4M
59108	129	59108-129	2005-02-17	09-34-40-03 W4M	BE	10-34-40-03 W4M
59108	130	59108-130	2005-02-17	09-34-40-03 W4M	BE	10-34-40-03 W4M
59108	131	59108-131	2005-02-17	07-34-40-03 W4M	WE	07-34-40-03 W4M
59108	132	59108-132	2005-02-17	07-34-40-03 W4M	WE	07-34-40-03 W4M
59108	133	59108-133		01-10-41-03 W4M	WE	16-03-41-03 W4M
59108	134	59108-134	2006-06-27	14-35-40-03 W4M	WE	06-02-41-03 W4M
59108	135	59108-135	2006-06-27	14-35-40-03 W4M	WE	06-02-41-03 W4M
59108	136	59108-136	2006-06-27	05-02-41-03 W4M	WE	06-02-41-03 W4M
59108	137	59108-137	2006-06-27	05-02-41-03 W4M	WE	06-02-41-03 W4M
59108	138	59108-138	2006-06-27	01-03-41-03 W4M	WE	05-02-41-03 W4M
59108	139	59108-139	2006-06-27	01-03-41-03 W4M	WE	05-02-41-03 W4M
59108	140	59108-140	2006-06-27	08-03-41-03 W4M	WE	01-03-41-03 W4M
59108	141	59108-141	2006-06-27	08-03-41-03 W4M	WE	01-03-41-03 W4M
59108	142	59108-142	2006-06-27	07-03-41-03 W4M	WE	08-03-41-03 W4M
59108	143	59108-143	2006-06-27	07-03-41-03 W4M	WE	08-03-41-03 W4M
59108	144	59108-144	2006-06-27	11-02-41-03 W4M	WE	06-02-41-03 W4M
59108	145	59108-145	2006-06-27	11-02-41-03 W4M	WE	06-02-41-03 W4M
59108	146	59108-146	2006-06-27	06-02-41-03 W4M	S	15-02-41-03 W4M
59108	147	59108-147	2006-06-27	09-03-41-03 W4M	BE	16-03-41-03 W4M
59108	148	59108-148	2006-06-27	09-03-41-03 W4M	BE	16-03-41-03 W4M
59108	149	59108-149	2006-06-27	16-03-41-03 W4M	BE	01-10-41-03 W4M
59108	150	59108-150	2006-06-27	16-03-41-03 W4M	BE	01-10-41-03 W4M
59108	151	59108-151	2006-06-27	01-10-41-03 W4M	BE	04-11-41-03 W4M
59108	152	59108-152	2006-06-27	01-10-41-03 W4M	WE	04-11-41-03 W4M
59108	153	59108-153	2006-06-27	03-11-41-03 W4M	WE	04-11-41-03 W4M
59108	154	59108-154	2006-06-27	04-11-41-03 W4M	PL	15-02-41-03 W4M
59108	155	59108-155	2006-06-27	04-11-41-03 W4M	PL	15-02-41-03 W4M
59108	156	59108-156	2006-07-19	10-02-41-03 W4M	WE	15-02-41-03 W4M
59108	157	59108-157	2006-07-19	02-11-41-03 W4M	WE	15-02-41-03 W4M

59108	158	59108-158	2006-07-19	02-11-41-03 W4M	WE	15-02-41-03 W4M
59108	159	59108-159	2006-07-24	11-11-41-03 W4M	S	04-11-41-03 W4M
59108	160	59108-160	2008-01-09	07-03-41-03 W4M	WE	07-03-41-03 W4M
59108	161	59108-161	2008-01-09	10-03-41-03 W4M	WE	07-03-41-03 W4M
59108	162	59108-162	2008-01-09	07-03-41-03 W4M	WE	07-03-41-03 W4M
59108	163	59108-163	2008-01-09	10-03-41-03 W4M	WE	07-03-41-03 W4M
59108	164	59108-164	2009-01-30	01-11-41-03 W4M	WE	02-11-41-03 W4M
59108	165	59108-165	2009-12-18	01-11-41-03 W4M	WE	02-11-41-03 W4M
59108	166	59108-166	2009-05-01	11-11-41-03 W4M	S	04-11-41-03 W4M
59108	167	59108-167	2010-11-20	14-11-41-03 W4M	WE	11-11-41-03 W4M
59108	168	59108-168	2010-11-20	14-11-41-03 W4M	WE	11-11-41-03 W4M

**SCHEDULE B**

**Form of Approval and Vesting Order**

(attached)

WSLEGAL\068775\00005\27287690v1

ENL\_DMS\1207250512  
ENL\_DMS\1207250512 property name.

CLERK'S STAMP

COURT FILE NUMBER 2001-13391

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **APPROVAL AND VESTING ORDER**  
(Sale by Receiver of certain assets to Axiom Oil and Gas Inc.)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Keely Cameron  
Telephone No.: 403-298-3324  
Fax No.: 403-265-7219  
Client File No.: 068775.0005

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 26, 2021

**NAME OF JUDGE WHO MADE THIS ORDER:** Justice R.A. Neufeld

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** of BDO Canada Limited, solely in its capacity as Court-appointed receiver and manager ("**Receiver**") of the current and future assets, undertakings and properties of the Respondent (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and Axiom Oil and Gas Inc. (the "**Purchaser**") dated April 15, 2021, (the "**Sale Agreement**") and appended to the Confidential Supplement dated ●, 2021 (the "**Confidential Supplement**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement as the Assets (the "**Purchased Assets**") but excluding all of the Debtor's other assets and interests;

**AND UPON HAVING READ** the Receivership Order dated October 29, 2020 (the "**Receivership Order**"), the Second Report of the Receiver dated ●, 2021, and the Confidential Supplement; **AND UPON** hearing counsel for the Receiver and any other interested parties that may be present; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application; **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action;

**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 TRANSACTION**

2. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

**VESTING OF PROPERTY**

3. Subject only to approval by the AER of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed at **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have

attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta);
- (d) any linear or non-linear municipal tax claims under the *Municipal Government Act*, or otherwise;
- (e) any outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
- (f) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")).

For greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

- (i) cancel existing Certificates of Title for those lands and premises municipally or legally described as "Land Title Lands" in Schedule B (the "**Lands**");
  - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee);
  - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and
  - (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- (b) Alberta Energy ("**Energy Ministry**") shall and is hereby authorized, requested and directed to forthwith:
- (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and
  - (ii) transfer all Crown leases conveyed under the Sale Agreement standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances; and
- (c) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, other than any required approval by the AER referenced in paragraph 3 above.
7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims excluding Permitted Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.



9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) 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, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

#### **MISCELLANEOUS MATTERS**

14. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtor; and

(d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

15. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
17. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website, and service on any other person is hereby dispensed with.

18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of Queen's  
Bench of Alberta

**Schedule "A"**

**FORM OF RECEIVER'S CERTIFICATE**

CLERK'S STAMP

COURT FILE NUMBER	2001-13391
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ORPHAN WELL ASSOCIATION
RESPONDENT	BOW RIVER ENERGY LTD.
DOCUMENT	<b><u>RECEIVER'S CERTIFICATE</u></b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<b>BENNETT JONES LLP</b> Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7  Attention: Keely Cameron Telephone No.: 403-298-3324 Fax No.: 403-265-7219 Client File No.: 068775.0005

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice D.L. Shelley of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**"), dated October 29, 2020, BDO Canada Limited was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Court dated ●, 2021 (the "**Vesting Order**"), the Court approved the Transaction (as defined in the Vesting Order) between the Receiver and Axiom Oil and Gas Inc. (the "**Purchaser**") dated as of April 15, 2021 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of Bow River's right, title and interest in and to the Purchased Assets (as defined in the Vesting Order), 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 (as defined in the Sale Agreement) for the Purchased Assets; (ii) that the conditions to closing as set out in 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 (or its nominee) has paid and the Receiver has received the Purchase Price (as defined in the Sale Agreement) for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver to the Purchaser at [TIME] on [DATE].

**BDO CANADA LIMITED in its capacity as Receiver of the undertaking, property and assets of Bow River Energy Ltd., and not in its personal capacity.**

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

Name:

Title:

## **Schedule "B"**

### **List of Purchased Assets**

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein), including, without limitation, (i) the Petroleum and Natural Gas Rights within the Lands described in the attachments to this Schedule "B", and (ii) the Wells and the Facilities described in the attachments to this Schedule "B".

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00608 A	LSE TYPE: CR PNG CR: 24170 LSE DATE: 1971 Oct 30 EFF DATE: 1971 Oct 30 EXP DATE: 1981 Oct 29 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 040 RGE 03 W4M NE 34 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%  NONCONV ORR ALL 5.0% BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00311 A General 0000 No ROFR Applies	
M00672 A	LSE TYPE: CR PNG CR: 0403110396 LSE DATE: 2003 Nov 27 EFF DATE: 2003 Nov 27 EXP DATE: 2008 Nov 26 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 040 RGE 03 W4M LSD 3 SEC 34 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00607 A	LSE TYPE: CR PNG CR: 0482040021 LSE DATE: 1982 Apr 08 EFF DATE: 1982 Apr 08 EXP DATE: 1987 Apr 07 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 040 RGE 03 W4M LSD 5, 7, 8, 14 SEC 34 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00576 A	LSE TYPE: FH PET LSE DATE: 2000 Dec 16 EFF DATE: 2000 Dec 16 EXP DATE: 2002 Jun 15 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 040 RGE 03 W4M LSD 2, 5, 6, 11 SEC 35 (BRE REQUIRES A LEASE IN LSD 3 TO COMPLETE THE SPACING FOR 00/04-35, 00/05-35 & 02/06-35 WELLS) PETROLEUM FROM TOP SURFACE TC	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR OIL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
		BASE LLOYDMINSTER				
M00595 A	LSE TYPE: FH PET LSE DATE: 1994 Apr 18 EFF DATE: 1994 Apr 18 EXP DATE: 1996 Apr 17 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 040 RGE 03 W4M LSD 4 SEC 35 (EXCL NG DERIVED FROM OR ASSOCIATED WITH COAL) (BRE REQUIRES A LEASE IN LSD 3 TO COMPLETE THE SPACING FOR 00/04-35, 00/05-35 & 02/06-35 WELLS) PETROLEUM FROM TOP SURFACE TC BASE LLOYDMINSTER	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 20.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00357 A	LSE TYPE: CR PNG CR: 0409070278 LSE DATE: 2009 Jul 23 EFF DATE: 2009 Jul 23 EXP DATE: 2014 Jul 22 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 02 W4M N & SW SEC 6 PNG FROM TOP MANNVILLE_GROUP TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00357 B	LSE TYPE: CR PNG CR: 0409070278 LSE DATE: 2009 Jul 23 EFF DATE: 2009 Jul 23 EXP DATE: 2014 Jul 22 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 02 W4M SE SEC 6 PNG FROM TOP MANNVILLE_GROUP TO BASE MANNVILLE_GROUP EXCL PETROLEUM IN LOWER_MANNVILLE (AS DEFINED BY THE AGS IS COMPRISED OF THE CUMMINGS AND DINA FORMATIONS)	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00585 A	LSE TYPE: CR PNG CR: 24171A LSE DATE: 1970 Oct 13	TWP 041 RGE 03 W4M LSD 4-6, 10, 11, 13 SEC 02, LSD 1-6, 10-12, 15 SEC 11	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0%		



**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EFF DATE: 1970 Oct 13 EXP DATE: 1980 Oct 12 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	PNG TO BASE MANNVILLE_GROUP		PDBY BOWRIVER 100.0%		
M00583 A	LSE TYPE: FH PNG LSE DATE: 1969 Jul 18 EFF DATE: 1969 Jul 18 EXP DATE: 1979 Jul 17 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 041 RGE 03 W4M NE 03 PNG TO TOP PALEOZOIC	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 15.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00584 A	LSE TYPE: FH PNG LSE DATE: 1969 Jul 18 EFF DATE: 1969 Jul 18 EXP DATE: 1979 Jul 17 INT TYPE: WI MNRL INT: 100.0 EXT CODE: PEND	TWP 041 RGE 03 W4M LSD 1, 7, 8 SEC 03 PNG TO TOP PALEOZOIC	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 15.0% BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00713 A	LSE TYPE: CR PNG CR: 0419060010 LSE DATE: 2019 Jun 05 EFF DATE: 2019 Jun 06 EXP DATE: 2024 Jun 05 INT TYPE: WI MNRL INT: 100.0	TWP 041 RGE 03 W4M NW 10 PNG FROM TOP SURFACE TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00712 A	LSE TYPE: CR PNG CR: 0419060009 LSE DATE: 2019 Jun 05 EFF DATE: 2019 Jun 06 EXP DATE: 2024 Jun 05	TWP 041 RGE 03 W4M LSD 1 SEC 10 ALL PNG	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	INT TYPE: WI MNRL INT: 100.0					
M00689 A	LSE TYPE: CR PNG CR: 0405110105 LSE DATE: 2005 Nov 03 EFF DATE: 2005 Nov 03 EXP DATE: 2010 Nov 02 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M LSD 7, 8, 9, 14, 16 SEC 11 PNG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00586 A	LSE TYPE: CR PNG CR: 0489080113 LSE DATE: 1989 Aug 10 EFF DATE: 1989 Aug 10 EXP DATE: 1994 Aug 09 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M LSD 13 SEC 11 NG TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%  NONCONV ORR ALL 5.0% BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00327 A General 0000 No ROFR Applies	
M00586 B	LSE TYPE: CR PNG CR: 0489080113 LSE DATE: 1989 Aug 10 EFF DATE: 1989 Aug 10 EXP DATE: 1994 Aug 09 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M LSD 13 SEC 11 PET TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%  NONCONV ORR ALL 5.0% BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00327 A General 0000 No ROFR Applies	
M00601 A	LSE TYPE: CR PNG CR: 0491050076 LSE DATE: 1991 May 02 EFF DATE: 1991 May 02 EXP DATE: 1996 May 01	TWP 041 RGE 03 W4M N & SE 14 PNG TO BASE FISH_SCALE-WESTGATE	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S PDBY BOWRIVER 100.0%		

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Axiom PSA Mineral Lands**

Report Id: RP-0053

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15					
M00609 A	LSE TYPE: CR PNG CR: 049105A076 LSE DATE: 1991 May 02 EFF DATE: 1991 May 02 EXP DATE: 1996 May 01 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M SW 14 PNG TO BASE FISH_SCALE-WESTGATE	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%	ROYALTY LINKS C00332 A ROFR Unknown	
M00691 A	LSE TYPE: CR PNG CR: 0408020162 LSE DATE: 2008 Feb 07 EFF DATE: 2008 Feb 07 EXP DATE: 2013 Feb 06 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 15	TWP 041 RGE 03 W4M SW 14 PNG FROM BASE FISH_SCALE-WESTGATE TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		

**Wells**

<u>Licence</u>	<u>UWI</u>	<u>Status</u>	<u>Formation</u>	<u>Licensee</u>	<u>Vendor WI%</u>
0098668	100/01-34-040-03W4/2	Abandoned	Mannville	Bow River	100%
0097395	100/02-34-040-03W4/4	Abandoned	Mannville	Bow River	100%
0158048	102/02-34-040-03W4/0	Abandoned	Lloydminster	Bow River	100%
0363262	103/03-34-040-03W4/0	Oil	Cummings	Bow River	100%
0364885	104/03-34-040-03W4/0	Suspended Oil	Cummings	Bow River	100%
0107483	100/04-34-040-03W4/0	Abandoned	Lloydminster	Bow River	100%
0102490	100/05-34-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0098667	100/06-34-040-03W4/2	Suspended WI	Lloydminster	Bow River	100%
0302479	102/07-34-040-03W4/0	Oil	Lloydminster	Bow River	100%
0303348	100/08-34-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0302453	100/09-34-040-03W4/0	Abandoned	Cummings	Bow River	100%
0046952	100/10-34-040-03W4/0	Water Inj	Lloydminster	Bow River	100%
0162595	102/10-34-040-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0162594	100/13-34-040-03W4/0	Abandoned	Lloydminster	Bow River	100%
0302470	104/14-34-040-03W4/2	Oil	Lloydminster	Bow River	100%
0302528	100/15-34-040-03W4/0	Oil	Lloydminster	Bow River	100%
0158328	102/15-34-040-03W4/2	Abandoned	Lloydminster	Bow River	100%
0116308	100/16-34-040-03W4/2	Drilled & Csd	Belly River	Bow River	100%
0269470	102/02-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0269644	103/03-35-040-03W4/0	Water Inj	Lloydminster	Bow River	100%
0108079	100/04-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0245428	100/05-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0269447	102/06-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0256479	100/11-35-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0396869	102/11-35-040-03W4/0	Oil	Lloydminster	Bow River	100%
0269815	100/12-35-040-03W4/2	Suspended Oil	Lloydminster	Bow River	100%
0302483	102/12-35-040-03W4/0	Water Inj	Lloydminster	Bow River	100%
0130191	100/14-35-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0166014	102/14-35-040-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0170353	103/14-35-040-03W4/0	Abandoned		Bow River	100%
0486475	100/15-06-041-02W4/2	Oil	Rex	Bow River	100%
0155960	100/03-02-041-03W4/2	Abandoned	Cummings	Bow River	100%
0159216	102/03-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0159701	105/03-02-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0158861	102/04-02-041-03W4/0	Abandoned		Bow River	100%
0158859	103/04-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%

0160247	104/04-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0065769	100/05-02-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0119593	102/05-02-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0156004	103/05-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0156050	104/05-02-041-03W4/0	Oil	Lloydminster	Bow River	100%
0090589	100/06-02-041-03W4/3	Water Inj	Lloydminster	Bow River	100%
0155959	102/06-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0166665	103/06-02-041-03W4/2	Abandoned		Bow River	100%
0119596	102/10-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0065768	100/11-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0155983	102/11-02-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0159631	103/11-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0119594	102/12-02-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0065770	100/13-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0119595	102/13-02-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0119574	103/13-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0177563	104/13-02-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0037986	100/14-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0119573	102/14-02-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0142861	1F2/14-02-041-03W4/0	Abandoned		Bow River	100%
0039062	100/15-02-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0106172	1F1/15-02-041-03W4/0	Abandoned	Ribstone	Bow River	100%
0204260	100/01-03-041-03W4/0	Oil	Lloydminster	Bow River	100%
0204263	102/01-03-041-03W4/2	Abandoned		Bow River	100%
0206989	100/07-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0206987	103/07-03-041-03W4/2	Suspended Oil	Lloydminster	Bow River	100%
0364883	104/07-03-041-03W4/2	Oil	Lloydminster	Bow River	100%
0040056	100/08-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0180849	102/08-03-041-03W4/2	Drilled & Csd		Bow River	100%
0067002	100/09-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0181223	102/09-03-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0201958	103/09-03-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0204388	104/09-03-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0204472	105/09-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0206298	106/09-03-041-03W4/2	Suspended Oil	Cummings	Bow River	100%
0365723	102/10-03-041-03W4/0	Oil	Cummings	Bow River	100%
0039014	100/16-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0204475	102/16-03-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0210367	103/16-03-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0123979	102/01-10-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%

0128095	103/01-10-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0363500	100/11-10-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0334798	100/12-10-041-03W4/2	Suspended Oil	Cummings	Bow River	100%
0363455	100/13-10-041-03W4/2	Suspended Oil	Cummings	Bow River	100%
0362955	100/14-10-041-03W4/0	Suspended Oil	Cummings	Bow River	100%
0158686	100/01-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0166664	102/01-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0431277	103/01-11-041-03W4/0	Aband & Whip		Bow River	100%
0037677	100/02-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0119576	102/02-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0065771	100/03-11-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0119579	103/03-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0159265	104/03-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0063354	100/04-11-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0119580	103/04-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0119575	104/04-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0065644	100/05-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0129795	102/05-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0129794	103/05-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0120119	104/05-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0202862	106/05-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0036892	100/06-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0153256	102/06-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0156001	103/06-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0158696	104/06-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0107112	1F1/06-11-041-03W4/0	Abandoned	Ribstone	Bow River	100%
0403099	104/07-11-041-03W4/0	Oil	Rex	Bow River	100%
0431277	106/07-11-041-03W4/2	Oil	Rex	Bow River	100%
0036605	100/10-11-041-03W4/0	Suspended WI	Lloydminster	Bow River	100%
0156006	102/10-11-041-03W4/0	Abandoned Zn	Lloydminster	Bow River	100%
0158726	103/10-11-041-03W4/0	Abandoned	Lloydminster	Bow River	100%
0181432	105/10-11-041-03W4/3	Suspended Gas	McLaren	Bow River	100%
0152360	102/11-11-041-03W4/0	Oil	Lloydminster	Bow River	100%
0167269	103/11-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0414732	104/11-11-041-03W4/0	Oil	Rex	Bow River	100%
0152361	100/12-11-041-03W4/0	Water Inj	Lloydminster	Bow River	100%
0154636	1A0/12-11-041-03W4/2	Suspended Gas	Fish Scale	Bow River	100%
0154637	1B0/12-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0149723	100/13-11-041-03W4/0	Oil	Lloydminster	Bow River	100%

0380183	103/14-11-041-03W4/0	Oil	Rex	Bow River	100%
0127924	100/15-11-041-03W4/2	Suspended Gas	Lloydminster	Bow River	100%
0181431	103/15-11-041-03W4/0	Suspended Oil	Lloydminster	Bow River	100%
0181430	104/15-11-041-03W4/0	Abandoned		Bow River	100%
0414747	100/06-14-041-03W4/0	Oil	Rex	Bow River	100%
0433658	102/06-14-041-03W4/0	Suspended Oil	Rex	Bow River	100%
0433696	103/06-14-041-03W4/0	Oil	Rex	Bow River	100%
0186056	102/09-14-041-03W4/3	Suspended Gas	Fish Scale	Bow River	100%

### Facilities

<b>Licence Number</b>	<b>Facility ID</b>	<b>Licence Status</b>	<b>Surface Location</b>	<b>Description</b>
F22786	FC6054	Issued	02/15-02-041-03W4	Oil Satellite
F27291	FC12191	Abandoned	00/02-35-040-03W4	Crude Oil Single-well Battery
F27292	ABBT0068127	Abandoned	00/03-35-040-03W4	Crude Oil Single-well Battery
F27293	ABBT0068126	Abandoned	00/06-35-040-03W4	Crude Oil Single-well Battery
W0334798	ABBT0087516	Suspended	00/13-10-041-03W4	Crude Oil Single-well Battery
W0363455	ABBT0095410	Suspended	00/13-10-041-03W4	Crude Oil Single-well Battery
F35169	ABBT0088740	Suspended	00/13-10-041-03W4	Crude Oil Single-well Battery
F37509	FC20483	Issued	00/11-10-041-03W4	Crude Oil Single-well Battery
W0363500	ABBT0092531	Suspended	00/11-10-041-03W4	Crude Oil Single-well Battery
F37512	FC20510	Issued	00/14-10-041-03W4	Crude Oil Single-well Battery
W0362955	ABBT0092532	Suspended	00/14-10-041-03W4	Crude Oil Single-well Battery
F37519	FC8075	Abandoned	02/13-10-041-03W4	Oil Battery - Multiwell
F38222	FC12658	Issued	00/02-34-040-03W4	Oil Satellite

W0097395	ABBT0081810	Suspended	00/02-34-040-03W4	Gas Single-well Battery
W0097395	ABBT0081812	Suspended	00/02-34-040-03W4	Gas Single-well Battery
F50428	ABBT0147435	Active	00/01-12-041-03W4	Crude Oil Single-well Battery
F8375	FC8526	Issued	00/06-02-041-03W4	Oil Satellite
	ABBT0046260	Suspended	00/06-02-041-03W4	Crude Oil Single-well Battery
	ABBT0046261	Suspended	00/06-02-041-03W4	Crude Oil Single-well Battery
	ABIF0008101	Suspended	00/06-02-041-03W4	Enhanced Recovery Scheme Inj/Disp
F8382	ABBT2730001	Active	00/15-02-041-03W4	Crude Oil Multiwell Proration Battery
	ABBT0093941	Suspended	00/15-02-041-03W4	Multiwell Gas Battery
	ABIF0008105	Active	00/15-02-041-03W4	Enhanced Recovery Scheme Inj/Disp
F8395	FC3292	Abandoned	00/11-11-041-03W4	Oil Satellite

## Pipelines

Licence Number	Line Number	Licence Line	Licence Date	From	From Type	To
8069	1	8069-1	2003-06-16	15-02-41-03 W4M	BE	10-02-41-03 W4M
8069	2	8069-2		15-02-41-03 W4M	BE	10-02-41-03 W4M
8069	3	8069-3	1995-03-21	14-02-41-03 W4M	BE	06-02-41-03 W4M
8069	4	8069-4	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M
8069	5	8069-5	2010-05-19	02-11-41-03 W4M	BE	05-11-41-03 W4M
8069	6	8069-6	2010-05-	02-11-41-03	BE	04-11-41-03 W4M



			19	W4M		
8069	7	8069-7	2010-05-19	02-11-41-03 W4M	BE	03-11-41-03 W4M
8069	8	8069-8	2010-05-19	15-02-41-03 W4M	BE	13-02-41-03 W4M
8069	9	8069-9		15-02-41-03 W4M	BE	12-02-41-03 W4M
8069	10	8069-10	1995-03-21	15-02-41-03 W4M	B	14-02-41-03 W4M
8069	11	8069-11		15-02-41-03 W4M	BE	12-02-41-03 W4M
8069	12	8069-12	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	13	8069-13		15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	14	8069-14	1995-03-21	15-02-41-03 W4M	B	14-02-41-03 W4M
8069	15	8069-15	1994-12-08	15-02-41-03 W4M	IP	14-02-41-03 W4M
8069	16	8069-16	1994-12-08	15-02-41-03 W4M	IP	14-02-41-03 W4M
8069	17	8069-17	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	18	8069-18	2010-05-19	15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	19	8069-19	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	20	8069-20	1994-12-08	15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	21	8069-21	1995-03-21	15-02-41-03 W4M	B	15-02-41-03 W4M
8069	22	8069-22	1994-12-08	15-02-41-03 W4M	BE	15-02-41-03 W4M
8069	23	8069-23	1995-03-21	15-02-41-03 W4M	B	02-11-41-03 W4M
8069	24	8069-24	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M
8069	25	8069-25	1995-03-21	15-02-41-03 W4M	B	02-11-41-03 W4M
8069	26	8069-26	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M

8069	27	8069-27	1995-03-21	15-02-41-03 W4M	B	02-11-41-03 W4M
8069	28	8069-28	2010-05-19	15-02-41-03 W4M	BE	02-11-41-03 W4M
8069	29	8069-29	1995-09-15	06-02-41-03 W4M	PL	06-02-41-03 W4M
8069	30	8069-30	1995-12-05	15-02-41-03 W4M	B	05-11-41-03 W4M
8069	31	8069-31	1997-05-15	15-02-41-03 W4M	B	10-34-40-03 W4M
8069	32	8069-32	1998-03-02	06-11-41-03 W4M	PL	05-11-41-03 W4M
8069	33	8069-33	2008-07-29	02-11-41-03 W4M	BE	10-11-41-03 W4M
8069	34	8069-34	1998-03-12	13-02-41-03 W4M	PL	12-02-41-03 W4M
8069	35	8069-35	1999-03-01	12-02-41-03 W4M	PL	09-03-41-03 W4M
8069	36	8069-36	2000-09-11	01-10-41-03 W4M	WE	04-11-41-03 W4M
8069	37	8069-37	2006-06-23	15-02-41-03 W4M	IP	03-11-41-03 W4M
8069	38	8069-38	2006-06-23	15-02-41-03 W4M	IP	06-02-41-03 W4M
8069	39	8069-39	2006-10-19	03-11-41-03 W4M	PL	04-11-41-03 W4M
8069	40	8069-40	2006-10-19	02-11-41-03 W4M	PL	02-11-41-03 W4M
8069	41	8069-41	2006-10-19	15-02-41-03 W4M	IP	13-02-41-03 W4M
8069	42	8069-42	2007-08-27	10-34-40-03 W4M	PL	09-34-40-03 W4M
8069	43	8069-43		10-34-40-03 W4M	BE	02-34-40-03 W4M
15380	2	15380-2	1993-11-23	06-11-41-03 W4M	BE	02-11-41-03 W4M
15380	4	15380-4		14-02-41-03 W4M	BE	15-02-41-03 W4M
15380	5	15380-5	1993-11-23	15-02-41-03 W4M	PL	15-02-41-03 W4M
15380	6	15380-6	1993-11-23	15-02-41-03 W4M	BE	15-02-41-03 W4M

15380	7	15380-7	1993-11-23	15-02-41-03 W4M	BE	02-11-41-03 W4M
15380	8	15380-8	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
15380	10	15380-10	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
15380	11	15380-11	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
15382	1	15382-1	1996-08-22	15-02-41-03 W4M	BE	03-11-41-03 W4M
20154	1	20154-1	2006-05-24	14-36-40-03 W4M	BE	09-02-41-03 W4M
20154	3	20154-3	2006-05-24	09-02-41-03 W4M	BE	15-02-41-03 W4M
20154	6	20154-6	1994-04-05	05-02-41-03 W4M	PL	06-02-41-03 W4M
20154	7	20154-7	1995-03-21	15-02-41-03 W4M	B	05-02-41-03 W4M
20154	8	20154-8	1994-04-05	15-02-41-03 W4M	PL	15-02-41-03 W4M
21902	1	21902-1		16-34-40-03 W4M	BE	10-34-40-03 W4M
21902	2	21902-2	1995-02-03	10-34-40-03 W4M	BE	16-34-40-03 W4M
21902	3	21902-3	1995-02-03	02-34-40-03 W4M	BE	10-34-40-03 W4M
21902	5	21902-5		10-34-40-03 W4M	BE	02-34-40-03 W4M
21902	6	21902-6	2003-06-16	02-34-40-03 W4M	BE	10-34-40-03 W4M
21902	7	21902-7	2006-05-24	16-34-40-03 W4M	BE	02-34-40-03 W4M
21902	8	21902-8	2003-06-16	02-34-40-03 W4M	BE	06-34-40-03 W4M
24951	1	24951-1	1991-09-04	01-10-41-03 W4M	B	01-10-41-03 W4M
26002	1	26002-1		13-11-41-03 W4M	BE	11-11-41-03 W4M
26002	2	26002-2	2006-05-24	11-11-41-03 W4M	BE	11-11-41-03 W4M
26002	3	26002-3	1992-11-13	06-11-41-03 W4M	BE	11-11-41-03 W4M

26002	5	26002-5	2006-05-24	12-11-41-03 W4M	BE	11-11-41-03 W4M
26002	6	26002-6	1993-06-22	12-11-41-03 W4M	BE	11-11-41-03 W4M
26002	7	26002-7		13-11-41-03 W4M	BE	13-11-41-03 W4M
26002	9	26002-9		06-11-41-03 W4M	BE	11-11-41-03 W4M
26002	10	26002-10		11-11-41-03 W4M	BE	11-11-41-03 W4M
26010	1	26010-1	1992-11-13	05-11-41-03 W4M	PL	12-11-41-03 W4M
26090	3	26090-3		06-35-40-03 W4M	WE	14-35-40-03 W4M
26090	4	26090-4	2001-12-03	06-35-40-03 W4M	WE	14-35-40-03 W4M
26090	5	26090-5	2003-05-05	02-35-40-03 W4M	WE	03-35-40-03 W4M
26090	6	26090-6	2003-05-05	03-35-40-03 W4M	WE	03-35-40-03 W4M
26090	7	26090-7	2003-05-05	02-35-40-03 W4M	WE	06-35-40-03 W4M
26090	8	26090-8	2003-05-05	11-35-40-03 W4M	BE	06-35-40-03 W4M
26090	10	26090-10		03-35-40-03 W4M	PL	06-35-40-03 W4M
26090	11	26090-11	2009-11-19	11-35-40-03 W4M	WE	06-35-40-03 W4M
37263	1	37263-1		11-35-40-03 W4M	WE	11-35-40-03 W4M
37263	2	37263-2	2002-04-10	11-35-40-03 W4M	WE	11-35-40-03 W4M
39225	1	39225-1	2003-05-05	06-35-40-03 W4M	BE	02-35-40-03 W4M
39225	2	39225-2	2003-05-05	06-35-40-03 W4M	BE	12-35-40-03 W4M
39226	1	39226-1	2003-05-05	06-02-41-03 W4M	WE	03-35-40-03 W4M
40351	3	40351-3		15-11-41-03 W4M	BE	10-11-41-03 W4M
40351	4	40351-4		10-11-41-03 W4M	BE	15-02-41-03 W4M

40351	5	40351-5		09-14-41-03 W4M	BE	15-11-41-03 W4M
40351	6	40351-6	2008-08-25	12-11-41-03 W4M	BE	10-11-41-03 W4M
40351	7	40351-7	2008-08-25	02-11-41-03 W4M	PL	15-02-41-03 W4M
58985	1	58985-1	1994-07-28	04-35-40-03 W4M	WE	03-35-40-03 W4M
58985	2	58985-2	2010-04-26	14-26-40-03 W4M	BE	03-35-40-03 W4M
58985	3	58985-3	2010-04-26	03-35-40-03 W4M	BE	14-26-40-03 W4M
58986	1	58986-1	2008-01-08	03-34-40-03 W4M	WE	02-34-40-03 W4M
58986	2	58986-2	2008-01-08	03-34-40-03 W4M	WE	02-34-40-03 W4M
59103	1	59103-1		03-34-40-03 W4M	BE	02-34-40-03 W4M
59103	2	59103-2	1996-06-17	02-34-40-03 W4M	BE	02-34-40-03 W4M
59103	3	59103-3	1986-03-11	05-34-40-03 W4M	BE	02-34-40-03 W4M
59103	4	59103-4		04-34-40-03 W4M	BE	02-34-40-03 W4M
59103	5	59103-5	1993-11-01	14-34-40-03 W4M	BE	03-34-40-03 W4M
59103	6	59103-6		10-34-40-03 W4M	BE	02-34-40-03 W4M
59103	7	59103-7	1995-09-27	03-34-40-03 W4M	BE	02-34-40-03 W4M
59103	8	59103-8	1997-05-15	02-34-40-03 W4M	B	06-02-41-03 W4M
59108	1	59108-1		03-02-41-03 W4M	BE	06-02-41-03 W4M
59108	2	59108-2		03-02-41-03 W4M	BE	06-02-41-03 W4M
59108	3	59108-3	1994-05-11	05-02-41-03 W4M	BE	06-02-41-03 W4M
59108	4	59108-4	1994-05-11	05-02-41-03 W4M	BE	06-02-41-03 W4M
59108	5	59108-5	1994-05-11	05-02-41-03 W4M	BE	06-02-41-03 W4M

59108	6	59108-6	1994-05-11	05-02-41-03 W4M	BE	06-02-41-03 W4M
59108	7	59108-7	1994-05-11	06-02-41-03 W4M	BE	15-02-41-03 W4M
59108	8	59108-8	2002-07-25	06-02-41-03 W4M	BE	06-02-41-03 W4M
59108	9	59108-9	2002-04-29	06-02-41-03 W4M	BE	06-02-41-03 W4M
59108	10	59108-10	2002-04-29	05-02-41-03 W4M	BE	14-02-41-03 W4M
59108	11	59108-11	1994-03-04	13-02-41-03 W4M	BE	14-02-41-03 W4M
59108	12	59108-12	2002-04-29	04-11-41-03 W4M	BE	15-02-41-03 W4M
59108	13	59108-13	1997-01-29	05-11-41-03 W4M	BE	15-02-41-03 W4M
59108	14	59108-14	1994-03-04	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	15	59108-15	1994-03-04	02-11-41-03 W4M	WE	15-02-41-03 W4M
59108	16	59108-16		06-11-41-03 W4M	BE	07-11-41-03 W4M
59108	17	59108-17	1994-03-04	10-11-41-03 W4M	BE	15-02-41-03 W4M
59108	18	59108-18	1994-03-04	02-11-41-03 W4M	WE	15-02-41-03 W4M
59108	19	59108-19	1994-03-04	03-11-41-03 W4M	WE	15-02-41-03 W4M
59108	20	59108-20	1994-03-04	04-11-41-03 W4M	BE	02-11-41-03 W4M
59108	21	59108-21	1994-03-04	03-11-41-03 W4M	WE	15-02-41-03 W4M
59108	22	59108-22	1994-03-04	15-02-41-03 W4M	WE	15-02-41-03 W4M
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59108	25	59108-25	1994-03-04	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	26	59108-26		12-02-41-03 W4M	BE	14-02-41-03 W4M

59108	27	59108-27	2002-04-29	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	28	59108-28	2002-04-29	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	29	59108-29	1994-03-04	10-02-41-03 W4M	BE	15-02-41-03 W4M
59108	30	59108-30	1994-03-04	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	31	59108-31	1999-02-01	16-03-41-03 W4M	BE	14-02-41-03 W4M
59108	32	59108-32	1994-03-04	09-03-41-03 W4M	BE	16-03-41-03 W4M
59108	33	59108-33	1994-03-04	08-03-41-03 W4M	BE	16-03-41-03 W4M
59108	34	59108-34	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	35	59108-35	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	36	59108-36	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	37	59108-37	1994-03-04	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	38	59108-38		05-11-41-03 W4M	BE	04-11-41-03 W4M
59108	39	59108-39		05-11-41-03 W4M	BE	04-11-41-03 W4M
59108	40	59108-40	1994-03-04	04-11-41-03 W4M	BE	02-11-41-03 W4M
59108	41	59108-41	1994-05-11	10-11-41-03 W4M	BE	15-02-41-03 W4M
59108	42	59108-42	1994-05-11	10-11-41-03 W4M	BE	07-11-41-03 W4M
59108	43	59108-43	2004-08-17	10-11-41-03 W4M	WE	10-11-41-03 W4M
59108	44	59108-44	2004-08-17	10-11-41-03 W4M	WE	10-11-41-03 W4M
59108	45	59108-45	2004-08-17	06-11-41-03 W4M	WE	07-11-41-03 W4M
59108	46	59108-46	1994-05-11	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	47	59108-47	1994-05-11	02-11-41-03 W4M	BE	15-02-41-03 W4M

59108	48	59108-48	1994-05-11	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	49	59108-49	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	50	59108-50	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	51	59108-51	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	52	59108-52	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	53	59108-53	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	54	59108-54	2002-04-29	02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	55	59108-55	2002-04-29	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	56	59108-56	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	57	59108-57	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	58	59108-58	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	59	59108-59	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	60	59108-60	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	61	59108-61	1994-05-11	04-11-41-03 W4M	PL	04-11-41-03 W4M
59108	62	59108-62	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	63	59108-63	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	64	59108-64	2002-04-29	15-02-41-03 W4M	BE	15-02-41-03 W4M
59108	65	59108-65	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	66	59108-66	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	67	59108-67	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	68	59108-68	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M



59108	69	59108-69	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	70	59108-70	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	71	59108-71	2002-04-29	14-02-41-03 W4M	BE	14-02-41-03 W4M
59108	72	59108-72	1994-05-11	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	73	59108-73	1994-05-11	14-02-41-03 W4M	BE	15-02-41-03 W4M
59108	74	59108-74	1994-05-11	11-02-41-03 W4M	BE	11-02-41-03 W4M
59108	75	59108-75	1994-05-11	11-02-41-03 W4M	BE	11-02-41-03 W4M
59108	76	59108-76		12-02-41-03 W4M	BE	11-02-41-03 W4M
59108	77	59108-77		12-02-41-03 W4M	BE	11-02-41-03 W4M
59108	78	59108-78	1994-05-11	11-02-41-03 W4M	BE	14-02-41-03 W4M
59108	79	59108-79	1994-05-11	11-02-41-03 W4M	PL	14-02-41-03 W4M
59108	80	59108-80	1994-05-11	05-11-41-03 W4M	BE	04-11-41-03 W4M
59108	81	59108-81	1994-05-11	04-11-41-03 W4M	BE	04-11-41-03 W4M
59108	82	59108-82	2004-08-17	06-11-41-03 W4M	BE	07-11-41-03 W4M
59108	83	59108-83	1995-09-14	14-35-40-03 W4M	BE	15-02-41-03 W4M
59108	84	59108-84	1994-11-14	14-35-40-03 W4M	BE	15-02-41-03 W4M
59108	85	59108-85	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	86	59108-86	1994-03-04	15-02-41-03 W4M	PL	15-02-41-03 W4M
59108	87	59108-87	1994-03-04	14-02-41-03 W4M	PL	15-02-41-03 W4M
59108	88	59108-88	1994-03-04	02-11-41-03 W4M	PL	15-02-41-03 W4M
59108	89	59108-89	1995-09-14	11-02-41-03 W4M	WE	11-02-41-03 W4M

59108	90	59108-90	1995-09-14	11-02-41-03 W4M	WE	11-02-41-03 W4M
59108	91	59108-91	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	92	59108-92	2009-05-11	02-11-41-03 W4M	BE	02-11-41-03 W4M
59108	93	59108-93	2002-04-29	03-11-41-03 W4M	BE	04-11-41-03 W4M
59108	94	59108-94	1994-11-14	03-11-41-03 W4M	BE	04-11-41-03 W4M
59108	95	59108-95	1995-09-14	10-02-41-03 W4M	BE	15-02-41-03 W4M
59108	96	59108-96	2004-08-17	10-02-41-03 W4M	WE	15-02-41-03 W4M
59108	97	59108-97		08-11-41-03 W4M	BE	09-11-41-03 W4M
59108	98	59108-98		08-11-41-03 W4M	BE	09-11-41-03 W4M
59108	99	59108-99	1996-08-02	15-11-41-03 W4M	BE	10-11-41-03 W4M
59108	100	59108-100	1996-08-02	15-11-41-03 W4M	BE	10-11-41-03 W4M
59108	101	59108-101	1996-08-02	08-03-41-03 W4M	BE	08-03-41-03 W4M
59108	102	59108-102	1996-08-02	08-03-41-03 W4M	BE	09-03-41-03 W4M
59108	103	59108-103		09-03-41-03 W4M	BE	09-03-41-03 W4M
59108	104	59108-104	1996-08-02	09-03-41-03 W4M	BE	09-03-41-03 W4M
59108	105	59108-105	1996-08-12	12-11-41-03 W4M	WE	11-11-41-03 W4M
59108	106	59108-106		11-11-41-03 W4M	BE	11-11-41-03 W4M
59108	107	59108-107	2007-07-25	06-11-41-03 W4M	WE	11-11-41-03 W4M
59108	108	59108-108		13-02-41-03 W4M	BE	12-02-41-03 W4M
59108	109	59108-109	1998-01-29	05-11-41-03 W4M	BE	05-11-41-03 W4M
59108	110	59108-110	2004-08-17	09-03-41-03 W4M	WE	09-03-41-03 W4M

59108	111	59108-111	1998-03-04	13-11-41-03 W4M	WE	11-11-41-03 W4M
59108	112	59108-112	1998-03-04	11-11-41-03 W4M	WE	11-11-41-03 W4M
59108	113	59108-113	2007-07-25	11-11-41-03 W4M	WE	11-11-41-03 W4M
59108	114	59108-114	2007-07-25	06-11-41-03 W4M	WE	11-11-41-03 W4M
59108	115	59108-115	1998-03-10	16-03-41-03 W4M	BE	04-11-41-03 W4M
59108	116	59108-116	1998-07-13	16-03-41-03 W4M	BE	16-03-41-03 W4M
59108	117	59108-117	1998-07-13	16-03-41-03 W4M	BE	16-03-41-03 W4M
59108	118	59108-118	1999-03-25	09-03-41-03 W4M	BE	09-03-41-03 W4M
59108	119	59108-119	2004-08-17	09-03-41-03 W4M	WE	09-03-41-03 W4M
59108	120	59108-120	1998-07-13	07-03-41-03 W4M	BE	08-03-41-03 W4M
59108	121	59108-121	1998-07-13	07-03-41-03 W4M	BE	08-03-41-03 W4M
59108	122	59108-122	1998-07-13	08-03-41-03 W4M	BE	05-02-41-03 W4M
59108	123	59108-123	2004-08-17	09-03-41-03 W4M	WE	09-03-41-03 W4M
59108	124	59108-124		07-11-41-03 W4M	BE	02-11-41-03 W4M
59108	125	59108-125		02-11-41-03 W4M	BE	15-02-41-03 W4M
59108	126	59108-126	2000-09-05	01-10-41-03 W4M	BE	16-03-41-03 W4M
59108	127	59108-127	2005-02-17	14-34-40-03 W4M	WE	10-34-40-03 W4M
59108	128	59108-128	2005-02-17	14-34-40-03 W4M	WE	02-34-40-03 W4M
59108	129	59108-129	2005-02-17	09-34-40-03 W4M	BE	10-34-40-03 W4M
59108	130	59108-130	2005-02-17	09-34-40-03 W4M	BE	10-34-40-03 W4M
59108	131	59108-131	2005-02-17	07-34-40-03 W4M	WE	07-34-40-03 W4M

59108	132	59108-132	2005-02-17	07-34-40-03 W4M	WE	07-34-40-03 W4M
59108	133	59108-133		01-10-41-03 W4M	WE	16-03-41-03 W4M
59108	134	59108-134	2006-06-27	14-35-40-03 W4M	WE	06-02-41-03 W4M
59108	135	59108-135	2006-06-27	14-35-40-03 W4M	WE	06-02-41-03 W4M
59108	136	59108-136	2006-06-27	05-02-41-03 W4M	WE	06-02-41-03 W4M
59108	137	59108-137	2006-06-27	05-02-41-03 W4M	WE	06-02-41-03 W4M
59108	138	59108-138	2006-06-27	01-03-41-03 W4M	WE	05-02-41-03 W4M
59108	139	59108-139	2006-06-27	01-03-41-03 W4M	WE	05-02-41-03 W4M
59108	140	59108-140	2006-06-27	08-03-41-03 W4M	WE	01-03-41-03 W4M
59108	141	59108-141	2006-06-27	08-03-41-03 W4M	WE	01-03-41-03 W4M
59108	142	59108-142	2006-06-27	07-03-41-03 W4M	WE	08-03-41-03 W4M
59108	143	59108-143	2006-06-27	07-03-41-03 W4M	WE	08-03-41-03 W4M
59108	144	59108-144	2006-06-27	11-02-41-03 W4M	WE	06-02-41-03 W4M
59108	145	59108-145	2006-06-27	11-02-41-03 W4M	WE	06-02-41-03 W4M
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59108	151	59108-151	2006-06-27	01-10-41-03 W4M	BE	04-11-41-03 W4M
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59108	160	59108-160	2008-01-09	07-03-41-03 W4M	WE	07-03-41-03 W4M
59108	161	59108-161	2008-01-09	10-03-41-03 W4M	WE	07-03-41-03 W4M
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59108	166	59108-166	2009-05-01	11-11-41-03 W4M	S	04-11-41-03 W4M
59108	167	59108-167	2010-11-20	14-11-41-03 W4M	WE	11-11-41-03 W4M
59108	168	59108-168	2010-11-20	14-11-41-03 W4M	WE	11-11-41-03 W4M

**Schedule "C"**

**Claims**

## Schedule "D"

### Permitted Encumbrances

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement, provided that such agreements can be terminated on less than 1 month's notice;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;

- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;

provided that in no circumstance shall any amounts owing by the Debtor to a Governmental Authority prior to the Closing Date in respect of taxes on linear or non-linear property (as defined in the Municipal Government Act (Alberta)) be a Permitted Encumbrance.

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## SCHEDULE C

### Form of General Conveyance, Assignment and Assumption Agreement

#### GENERAL CONVEYANCE, ASSIGNMENT, AND ASSUMPTION AGREEMENT

**THIS** General Conveyance, Assignment, and Assumption Agreement (this "**Agreement**") is made as of the [•] day of [•], [•].

#### AMONG:

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of **BOW RIVER ENERGY LTD.**, and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

[•], a corporation existing under the laws of the Province of Alberta (the "**Purchaser**")

#### RECITALS:

- A. In accordance with the terms of that certain Asset Purchase and Sale Agreement dated as of [•], by and between the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell, assign, and transfer the Assets to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor;
- B. the Purchaser has agreed to assume the Assumed Liabilities; and
- C. this Agreement is delivered pursuant to the Purchase Agreement.

**NOW THEREFORE**, for good and valuable consideration now paid by the Purchaser to the Vendor pursuant to the Purchase Agreement (the receipt and sufficiency of which is hereby acknowledged by the Vendor) the parties hereto agree as follows:

#### 1. Definitions

All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Purchase Agreement.

#### 2. Certain Rules of Interpretation

- (i) In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (ii) The division of this Agreement into Sections and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

- (iii) The terms "hereof," "hereunder," and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- (iv) Unless something in the subject matter or context is inconsistent therewith, references herein to "Sections" are to sections of this Agreement.
- (v) The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

### **3. Conveyance**

Provided that Final Closing occurs, the Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, accepts and receives from the Vendor, upon the terms and subject to the conditions of the Purchase Agreement, the Vendor's Interest in and to the Assets, free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable, with effect as of the Effective Date on the date hereof, to have and to hold the Assets and all such right, title, interest, property, claim, and demand unto and to the use of the Purchaser.

### **4. Assumption of Assumed Liabilities**

Effective as of the Effective Date, provided Final Closing occurs, the Purchaser hereby assumes and agrees to pay, perform, and discharge, when due, the Assumed Liabilities.

### **5. Further Assurances**

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### **6. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

### **7. Entire Agreement**

This Agreement, the Purchase Agreement, and the documents referred to therein and contemplated thereby constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement, the Purchase Agreement, the Confidentiality Agreement and the documents referred to therein and contemplated thereby.

**8. Successors and Assigns**

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

**9. Counterparts**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

**10. Amendments**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized Representative of each Party. Any amendment effected in accordance with this Section 10 will be binding upon the Parties and their respective successors and permitted assigns.

**11. Paramountcy**

This Agreement is delivered pursuant to, and is subject to, all of the terms and conditions contained in the Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

**12. Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

**[Signature Page Follows.]**

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_  
Name:  
Title:

•

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE D**

**Form of Bring-Down Certificate**

**TO:** [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")]

**RE:** Agreement of Purchase and Sale dated [●] between the Vendor and the Purchaser (the "Agreement")

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "**Certificate**").

I, [Name], [Position] of [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")] hereby certify that as of the date of this Certificate:

1. The undersigned is personally familiar, in [his][her] capacity as an officer of [Vendor][Purchaser], with the matters hereinafter mentioned.
2. Each of the covenants, representations and warranties of the [Vendor][Purchaser] contained in Section [6.1 / 6.2] of the Agreement were true and correct in all material respects when made and are true and correct in all material respects as of the Final Closing Date.
3. All obligations of [Vendor][Purchaser] contained in the Agreement to be performed prior to or at Final Closing have been timely performed in all material respects.
4. This Certificate is made for and on behalf of the [Vendor][Purchaser] and is binding upon it, and I am not incurring, and will not incur, any personal liability whatsoever with respect to it.
5. This Certificate is made with full knowledge that the [Vendor][Purchaser] is relying on the same for the Final Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, [●].

[Name of Vendor/Purchaser]

Per: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE E**

### **Excluded Assets**

#### Part 1 – Excluded Assets

[●]

#### Part 2 – Surplus Equipment

[●]

**SCHEDULE F**

**Bow River Security Arrangements**

[•]

# APPENDIX “D”



**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER  
OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD. AND  
NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

**- and -**

**DARK WARRIOR RESOURCES LTD., A BODY CORPORATE WITH AN OFFICE IN THE  
City of Calgary, Alberta**

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**ASSET PURCHASE AND SALE AGREEMENT**

**April 16, 2021**

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## AGREEMENT OF PURCHASE AND SALE

**THIS AGREEMENT OF PURCHASE AND SALE** dated as of April 16, 2021,

**BETWEEN:**

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Bow River Energy Ltd. ("**Bow River**" or the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

**DARK WARRIOR RESOURCES LTD.**, a corporation existing under the laws of **Alberta** (herein referred to as the "**Purchaser**")

**WHEREAS:**

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- B. the Purchaser, subject to Court Approval, has agreed to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets, on the terms and conditions set forth herein.

**NOW THEREFORE**, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
  - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such

obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

- (b) "**Accounts Receivable**" means all trade and other accounts receivable, notes receivable, unbilled accounts and other debts due or accruing due to the Vendor and/or the Debtor in relation to the Assets;
- (c) "**AER**" means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;
- (d) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;
- (e) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;
- (f) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;
- (g) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and vesting all of the Vendor's Interest in and to the Assets in the Purchaser free and clear of all Claims, Encumbrances (other than Permitted Encumbrances) and interests, such order to be substantially in the form attached hereto as Schedule B together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;
- (h) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests, but specifically excluding the Excluded Assets;
- (i) "**Assumed Contracts**" means, other than contracts which are Excluded Assets:

- (i) the contracts referenced in subsection (i) of the definition of Miscellaneous Interests; and
- (ii) and (ii) any other contract, agreement, commitment, understanding, arrangement, license or lease entered into by the Vendor or the Debtor (whether oral or written) or affecting or related to the Assets or the Assumed Liabilities or by which either the Vendor or the Debtor are bound or by which any property of the Debtor is subject to an Encumbrance;

which contracts shall be assigned by the Vendor in its own right or for and on behalf of the Debtor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;

- (j) "**Assumed Liabilities**" means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets, including:
  - (i) all Environmental Liabilities and Abandonment and Reclamation Obligations;
  - (ii) any Losses and Liabilities of the Vendor and/or the Debtor under, and the Cure Costs in respect of, Assumed Contracts;
- (k) "**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (l) "**Cash and Cash Equivalents**" means cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by the Debtor or the Vendor for and on behalf of the Debtor;
- (m) "**Claim**" means any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against any Vendor, any of their respective Affiliates and their respective Representatives, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature;
- (n) "**Closing**" means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

- (o) "**Closing Date**" means the date on which Closing occurs, being the later of April 27, 2021 or the date which is two Business Days following the date upon which all conditions in Sections 11.1, 11.2 and 11.3 have been satisfied or waived, or such other date as the Parties may agree in writing; provided, however, that the Closing Date shall not be later than the Outside Date;
- (p) "**Confidentiality Agreement**" means the confidentiality agreement between Vendor and Purchaser dated December 7, 2020;
- (q) "**Consequential Damages**" has the meaning ascribed to that term in Section 14.5;
- (r) "**Court**" means the Court of Queen's Bench of Alberta, Judicial Centre of Calgary;
- (s) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Assets, and such Approval and Vesting Order having become a Final Order;
- (t) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of the Vendor's or the Debtor' monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws;
- (u) "**Debtor**" means, Bow River Energy Ltd.;
- (v) "**Deposit**" has the meaning ascribed to that term in Section 3.3(a)(i);
- (w) "**Due Diligence Information**" means all information made available (by the Vendor, the Debtor or otherwise) for the Purchaser's review in paper or electronic form in relation to the Debtor, its Affiliates and/or the Assets;
- (x) "**Encumbrances**" means all mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein;
- (y) "**Environment**" means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (z) "**Environmental Laws**" means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or

use of, or release or threatened release into the Environment of, any Hazardous Substances;

(aa) "**Environmental Liabilities**" means all past, present and future Losses and Liabilities, Claims and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:

- (i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
- (ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
- (iii) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;
- (iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
- (v) the protection, reclamation, remediation or restoration of the Environment;

that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;

(bb) "**Excluded Assets**" has the meaning set forth in Section 2.6;

(cc) "**Facilities**" means the Vendor's Interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, including those facilities and pipelines identified in Part 2 of Schedule A;

(dd) "**Final Order**" means an order of the Court that has not been vacated, stayed, set aside, amended, reversed, annulled or modified, as to which no appeal or application for leave to appeal therefrom has been filed and the applicable appeal period with respect thereto shall have expired without the filing of any appeal or application for leave to appeal, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of with no further right of appeal and all opportunities for rehearing, reargument, petition for certiorari and appeal being exhausted or having expired without any appeal, motion or petition having been filed and remaining pending, any requests for



rehearing have been denied, and no order having been entered and remaining pending staying, enjoining, setting aside, annulling, reversing, remanding, or superseding the same, and all conditions to effectiveness prescribed therein or otherwise by Applicable Law or order having been satisfied;

- (ee) "**General Conveyance, Assignment and Assumption Agreement**" means an agreement providing for the assignment by the Vendor of the Vendor's Interest in and to the Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule C, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule C;
- (ff) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the AER;
- (gg) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;
- (hh) "**Hazardous Substances**" means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (ii) "**Lands**" means the lands set out and described in Part 1 of Schedule A, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations), but excluding the Excluded Assets;
- (jj) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (kk) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (ll) "**Licence Transfers**" means the transfer from the Vendor and/or the Debtor to the Purchaser of any permits, approvals, licences and authorizations granted by the AER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells or the Facilities, as applicable.
- (mm) "**LMR**" means the licensee liability rating program and the license transfer process as set forth by the AER under AER's Directive 006, 011, 068 and Bulletin 2016-21 and related AER regulations, guidelines, directives, information letters, programs and policies, as the same may be amended, supplemented or replaced from time to time;

- (nn) "**LTAs**" has the meaning set forth in Section 2.3(a);
- (oo) "**Losses and Liabilities**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (pp) "**Miscellaneous Interests**" means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
  - (i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
  - (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
  - (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;
  - (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
  - (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and

- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

but excluding the Excluded Assets and provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor or the Debtor to an assignee;

- (qq) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);
- (rr) "**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);
- (ss) "**Outside Date**" means June 30, 2021 or such other date as the Parties may agree;
- (tt) "**Outstanding ROFR Assets**" has the meaning set forth in Section 10.3(e)(ii);
- (uu) "**Outstanding ROFRs**" has the meaning set forth in Section 10.3(e);
- (vv) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;
- (ww) "**Permitted Encumbrances**" means:
  - (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
  - (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
  - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
  - (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
  - (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
  - (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement;

- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;
- (xx) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;
- (yy) "**Petroleum and Natural Gas Rights**" means the Vendor's Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), but excluding the Excluded Assets;
- (zz) "**Petroleum Substances**" means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (aaa) "**Prime Rate**" means an annual rate of interest equal to the annual rate of interest announced from time to time by the main branch of the Royal Bank of Canada in Calgary, Alberta, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans provided that such rate shall be determined on the last day of each month and applied to the next succeeding month;
- (bbb) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;

- (ccc) "**Purchaser**" has the meaning ascribed to that term in the preamble hereto;
- (ddd) "**Purchaser's Solicitors**" means DLA Piper LLC.
- (eee) "**Receivership Order**" means the order of the Court dated June 8, 2020, pursuant to which the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (fff) "**Receivership Proceedings**" means the court proceedings brought in the Court pursuant to Court Action No. 2001-13391, pursuant to which the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (ggg) "**Representative**" means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;
- (hhh) "**ROFR**" means a right of first refusal, right of first offer or other pre-emptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;
- (iii) "**ROFR Disclosure Letter**" means the letter delivered by the Vendor to the Purchaser concurrent with the execution of this Agreement identifying any applicable ROFRs;
- (jjj) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor's Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or the Debtor, as applicable, with respect to the Assets (excluding the Licence Transfers);
- (kkk) "**Surplus Equipment**" means those Assets identified as such in Part 2 of Schedule E hereto, which, if sold by the Vendor to a Third Party prior to Closing, shall constitute Excluded Assets, and if unsold by the Vendor prior to Closing, shall constitute Assets;<sup>1</sup>
- (lll) "**Tangibles**" means the Vendor's Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them, but excluding the Excluded Assets;
- (mmm) "**Third Party**" means any Person who is not a Party or an Affiliate of a Party;
- (nnn) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor or any of the Debtor for which the Purchaser has indemnified the Vendor and the Debtor or is otherwise responsible pursuant to this Agreement;
- (ooo) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements,

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<sup>1</sup> Note to Purchaser: To be determined if applicable.

royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;

- (ppp) "**Transaction**" means the transaction for the purchase and sale of the Vendor's Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;
- (qqq) "**Transfer Taxes**" means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST; and which, for certainty, shall not include freehold mineral taxes;
- (rrr) "**Bow River Security Arrangements**" has the meaning ascribed to that term in Section 2.8;
- (sss) "**Vendor**" has the meaning ascribed to that term in the preamble hereto;
- (ttt) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property;
- (uuu) "**Vendor's Solicitors**" means the law firm of Bennett Jones LLP, or such other firm or firms of solicitors as are retained or engaged by the Vendor from time to time and notice of which is provided to the Purchaser; and
- (vvv) "**Wells**" means the Vendor's Interest in and to the wells listed 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) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.

- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (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) 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.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

### **1.3 Schedules**

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A	Assets Listing Part 1 – Lands Part 2 – Wells, Facilities and Tangibles
Schedule B	Form of Approval and Vesting Order
Schedule C	Form of General Conveyance
Schedule D	Form of Bring-Down Certificate
Schedule E	Excluded Assets Part 1 – Excluded Assets Part 2 – Surplus Equipment
Schedule F	Bow River Security Arrangements

### **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.

## **ARTICLE 2 PURCHASE AND SALE**

### **2.1 Agreement of Purchase and Sale**

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Vendor's Interest in and to the Assets.

### **2.2 Transfer of Property and Assumption of Liabilities**

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable.

### **2.3 AER License Transfers**

- (a) Promptly following the granting by the Court of the Approval and Vesting Order, the Vendor shall electronically submit applications to the AER for the Licence Transfers ("LTAs"), and, in each case, will provide a screen shot or other evidence indicating such submission to the Purchaser, and in addition the Vendor shall provide any information and documentation along with such LTAs to the AER which are required to be provided by the transferor in connection with the foregoing. The Purchaser shall accept or ratify such LTAs without delay, provided that, if the Purchaser in good faith determines or believes that any of the LTAs are not complete and accurate, or the AER refuses to process any such LTAs because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate LTAs as soon as practicable and, thereafter, the Vendor shall promptly re-submit such LTAs and the Purchaser shall accept or ratify such re-submitted LTAs without delay. Each Party shall be responsible for its own costs relating to LTAs hereunder. The Purchaser shall provide any information and documentation in respect of such LTAs to the AER which are required to be provided by the transferee in connection with the foregoing. Following submission of the LTAs, each of the Parties shall use reasonable commercial efforts to obtain the AER's approval of the LTAs and registration of the License Transfers, subject to the specific requirements of this Sections 2.3.
- (b) If the AER denies any of the LTAs because of misdescription or other minor deficiencies contained therein, the Vendor shall, within two Business Days of such denial, correct the LTA(s) and amend and re-submit the LTA(s), and the Purchaser shall accept or ratify such re-submitted LTAs without delay.
- (c) If, for any reason, the AER requires the Purchaser to make a deposit, furnish any other form of security, provide any undertakings, information or other documentation or to take



any action as a condition of or a prerequisite for the approval of any of the LTAs, then immediately after receiving notice of such requirements and at its sole cost, the Purchaser shall make such deposits, furnish such security, provide such undertakings, information or other documentation and/or take such action, as the case may be.

- (d) If the Purchaser fails to make a deposit or furnish security it is required to make or furnish under Section 2.3(c) within 10 days of the Purchaser's receipt of notification from the applicable Governmental Authority or the Vendor that such deposit or security is required, the Vendor shall have the right to make such deposit or furnish such security. In such event, the Purchaser shall (as applicable) reimburse the amount of such deposit or the costs of such security to the Vendor plus interest thereon at the Prime Rate plus three percent (3%) from the date such deposit or security is made or furnished by the Vendor until such reimbursement is made and, in the case of security, cause the security to be returned to the Vendor as soon as possible and indemnify the Vendor for the amount and costs of any draws on the security plus interest thereon at the Prime Rate from the date such draw is made until such indemnification is made. In addition to all other rights to enforce such reimbursement otherwise available to the Vendor, it shall have the right to set-off the amount of such reimbursement or indemnification (including interest) against other monies due to the Purchaser pursuant to this Agreement.
- (e) The Purchaser shall on a timely and continuing basis keep the Vendor fully apprised and informed regarding all communications the Purchaser may have with the AER in connection with the Transaction, including all communications respecting LTAs, and without limiting the generality of the foregoing the Purchaser shall provide copies to the Vendor of all related correspondence from the Purchaser to the AER, and the Purchaser shall request that the AER provide copies to the Vendor of all related correspondence from the AER to the Purchaser.

## **2.4 Specific Conveyances**

- (a) The Parties shall cooperate in the preparation of the Specific Conveyances. A reasonable time following its receipt of the Title Documents from Vendor, Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or the Debtor or of which the Vendor or the Debtor gain possession or control prior to Closing.
- (c) Notwithstanding Sections 2.4(a) and 2.4(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by Alberta Energy shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Closing.

## 2.5 Post-Closing Maintenance of Assets

- (a) Following Closing, if and to the extent that Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of Vendor's and/or the Debtor's interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:
- (i) each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, subject to partial contribution from the Purchaser as provided for in Section 3.1, the Vendor shall be responsible for and shall pay all such Cure Costs;
  - (ii) the Vendor and/or the applicable Debtor shall hold the rights, entitlements, benefits, remedies, duties and obligations in respect of the applicable Assets in trust for the exclusive benefit of the Purchaser as bare trustee and agent;
  - (iii) the Vendor will, at the request and expense and under the direction of the Purchaser, in the name of the Vendor and/or the applicable Debtor or otherwise as the Purchaser shall reasonably specify, take all such reasonable actions and do all such reasonable things as shall, in the reasonable opinion of the Purchaser, be necessary or desirable in order that the rights, entitlements, benefits, remedies, duties and obligations of the applicable Debtor in respect of any applicable Assets may be enjoyed, received or performed, as the case may be, in accordance with the terms of the Title Documents and Assumed Contracts, including that all monies receivable under any Title Documents and Assumed Contracts may be received by the Purchaser and that all rights and licenses under any Title Documents and Assumed Contracts may be exercised by the Purchaser;
  - (iv) the Vendor shall, no later than 30 days after receipt of funds, pay over to the Purchaser all such monies collected by the Vendor and/or the applicable Debtor in respect of the Assets following the Closing Date, net of any unpaid related costs or expenses (including any taxes that are payable in respect of the receipt of such amounts);
  - (v) to the extent permitted by any applicable Assumed Contract:
    - (A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Closing under such Assumed Contract, on behalf of the Vendor and/or any applicable Debtor, until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser; and
    - (B) the Vendor shall, or shall cause the applicable Debtor to, use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates;

- (vi) neither the Vendor nor the Debtor shall have any liability as a consequence of the Vendor or any applicable Debtor taking any action or causing anything to be done under this Section 2.5(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor, the Debtor and their respective Representatives against, all costs and expenses reasonably incurred by the Vendor, the Debtor, their Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.5(a); and
  - (vii) the Vendor shall cause the applicable Debtor to maintain their existence, and continue to be licensed, registered or otherwise qualified and authorized to conduct its affairs and carry on business as is necessary to fulfill its obligations as set out in this Section 2.5(a) until the later of: (i) the earlier of the expiry or assignment to the Purchaser of the last applicable Assumed Contract, and (ii) the AER having approved the LTAs and registered the License Transfers; *provided, however*, that the obligations of the Vendor and any applicable Debtor under this Section 2.5(a) shall expire and terminate and cease to be in effect on the date that is 90 days following Closing.
  - (viii) Nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.
- (b) Both before and after Closing, each of the Parties shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties under the Assumed Contracts or Applicable Laws to permit the transfer of the Assets, including the Assumed Contracts, to the Purchaser.

## **2.6 Assumed Liabilities**

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

## **2.7 Excluded Assets**

Nothing contained herein or in any agreements, instruments, or other documents to be delivered at the Closing shall be deemed to sell, transfer, assign, convey or deliver the Excluded Assets to the Purchaser or any Affiliate of the Purchaser, and the Vendor and the Debtor, as applicable, shall retain all right, title, and interest to, in, and under the Excluded Assets, and neither the Purchaser nor any Affiliate of the Purchaser shall have any liability therefor. "**Excluded Assets**" shall mean the Vendor's Interest in any and all assets (whether tangible or intangible), properties, contracts or rights of the Vendor and/or the

Debtor which are not specifically included in the Assets including, for greater certainty, the following assets (whether tangible or intangible), properties and rights of the Vendor and the Debtor, as applicable:

- (a) the Bow River Security Arrangements;
- (b) any Accounts Receivable and any Cash and Cash Equivalents; and
- (c) any assets listed in Schedule E (which are not Surplus Equipment comprising Assets).

To the extent any Title Documents or Assumed Contracts apply to both Assets and Excluded Assets, such Title Document or Assumed Contract, as applicable, shall be assigned and transferred to Purchaser and Purchaser shall, following such assignment and transfer, hold the Title Document or Assumed Contract, as applicable, as bare trustee of Vendor and/or the Debtor (or their assignee) to the extent applicable to any Excluded Assets.

## **2.8 Bow River Security Arrangements**

The Purchaser acknowledges that the necessary security, deposits, letters of credit, guarantees or other financial assurances as set forth in Schedule F (collectively the "**Bow River Security Arrangements**") have been provided by the Vendor and/or by the Debtor to secure the payment and/or performance of certain of the Vendor's and/or the Debtor' obligations under the Title Documents. The Purchaser acknowledges that neither the Vendor nor any Debtor has any duty to maintain any Bow River Security Arrangements after the Closing. To the extent the Vendor and/or the Debtor have any obligations pursuant to any Bow River Security Arrangement or have pledged or otherwise provided any property that secures any such Bow River Security Arrangement, the Purchaser shall take such commercially reasonable actions, at or prior to Closing, as are necessary to cause such obligations arising under the Bow River Security Arrangements (and the Bow River Security Arrangements) to be released and terminated, and any of the Vendor's or the Debtor' property pledged or otherwise provided to secure such Bow River Security Arrangements returned to the Vendor or the applicable Debtor, in each case concurrent with the Closing.

## **ARTICLE 3 PURCHASE PRICE**

### **3.1 Purchase Price**

The consideration payable by the Purchaser for the Assets shall be the sum of [REDACTED] plus an amount of [REDACTED] which shall be used by the Vendor to satisfy a portion of the Cure Costs (collectively, the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Sections 2.5(a)(i) and 3.3(b), and shall not be subject to any adjustment. The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

### **3.2 Allocation of Purchase Price**

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

- (a) to the Petroleum and Natural Gas Rights, 80%;
- (b) to the Tangibles, 20% less \$10.00; and

- (c) to the Miscellaneous Interests, \$10.00.

### **3.3 Deposit and Satisfaction of Purchase Price**

- (a) The Parties acknowledge that:
  - (i) on the date hereof, the Purchaser paid the sum of \$ [REDACTED] (the "**Deposit**") to the Vendor;
  - (ii) the Deposit has been delivered to and shall be held in trust by the Vendor; and
  - (iii) the Deposit shall be held and administered by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Closing, the Purchase Price shall be paid and satisfied as follows:
  - (i) as to the amount of the Deposit, the Vendor shall retain the amount of the Deposit and apply such amount against the amount of the Purchase Price; and
  - (ii) as to the balance of the Purchase Price, along with any additional amounts owing in respect of applicable GST, the Purchaser shall pay to the Vendor such amount by electronic wire transfer.
- (c) If this Agreement is terminated:
  - (i) (A) pursuant to Section 13.1(a) by mutual agreement of the Parties; (B) pursuant to Sections 13.1(b) or 13.1(c) by the Purchaser; (C) pursuant to Section 13.1(e) by the Vendor; or (D) for any other reason other than as contemplated under Section 3.3(c)(ii); then the Deposit shall be returned to the Purchaser; or
  - (ii) pursuant to Section 13.1(d) by the Vendor, the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 13.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit, constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

## **ARTICLE 4 TRANSFER TAXES**

### **4.1 Transfer Taxes**

The Parties agree that:

- (a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Assets; and
- (b) the Purchaser shall indemnify the Vendor, the Debtor and their respective Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor, the Debtor or their respective Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

### **5.1 Vendor's Representations**

The Vendor hereby represents and warrants to the Purchaser that:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order;
- (b) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Vendor of the Transaction;
- (c) it is not a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who is a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) (or a partnership that is not a "Canadian partnership" within the meaning of such term under the *Income Tax Act* (Canada));
- (d) subject to Court Approval being obtained, this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (e) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and
- (f) with respect to the GST imposed under the GST Legislation, the following Debtor are registered under the GST Legislation and will continue to be registered at the Closing

Date in accordance with the provisions of the GST Legislation and their respective GST registration numbers are:

**Debtor**  
BOW RIVER ENERGY LTD.

**GST Registration Number**  
828997114RT0002

## 5.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;
- (d) except for: (i) the Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (e) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (h) the Purchaser meets all eligibility requirements of Governmental Authorities to purchase and accept a transfer of the Assets, including without limiting the generality of the foregoing, the eligibility requirements of the AER under its LMR program, or any

successor program, as applicable to the Purchaser in connection with the transactions as contemplated hereunder;

- (i) as of the date of submission of the LTAs the Purchaser will not have a LMR in respect of its assets and interests located in the Province of Alberta that is less than [2.0];<sup>2</sup>
- (j) with respect to the GST imposed under the GST Legislation, the Purchaser is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is 803122688RT0001;
- (k) the Purchaser is a "Canadian" within the meaning of the *Investment Canada Act* (Canada);
- (l) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto;
- (m) the Purchaser is not aware of any fact or circumstance that would prevent or delay the Licence Transfers or the approval of the LTAs as contemplated hereunder; and
- (n) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

### **5.3 Enforcement of Representations and Warranties**

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 5 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of 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.
- (c) The Parties expressly acknowledge and agree that the provisions of this Section 5.3 and the limit on each Party's liability set out in this Section 5.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter

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<sup>2</sup> Note to Purchaser: LMR subject to review and requirements imposed by the AER (including with regard to whether the Purchaser has applied for and obtained any discretionary waiver with respect to LMR transfer requirements).



hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

**ARTICLE 6**  
**"AS IS, WHERE IS" AND NO ADDITIONAL**  
**REPRESENTATIONS AND WARRANTIES**

**6.1 Due Diligence Acknowledgement**

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;
- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;
- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:
  - (i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;
  - (ii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;
  - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;
  - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;
  - (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;

- (vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to disclose to the Purchaser, any information known to it relating to the Assets except as may be required by any Applicable Law; and
- (vii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

## **6.2 "As Is, Where Is", No Additional Representations**

- (a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an "as is, where is" and "without recourse" basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, the Debtor, their respective Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:
  - (i) the title and interest of the Vendor or the Debtor in and to the Assets;
  - (ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transactions;
  - (iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
  - (iv) the income to be derived from the Assets, if any;
  - (v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
  - (vi) the rates of production of Petroleum Substances from the Lands;
  - (vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles or any personal property);
  - (viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
  - (ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);

- (x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;
  - (xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement;
  - (xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;
  - (xiii) the manner, quality, state of repair or lack of repair of the Assets;
  - (xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Assets or any structures or improvements situated thereon;
  - (xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;
  - (xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;
  - (xvii) the nature and quantum of the Assumed Liabilities; or
  - (xviii) any other matter with respect to the Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 6 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.
- (c) 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 common law, tort, contractual and statutory rights and remedies) against the Vendor, the Debtor, their respective Affiliates and their respective Representatives in respect of the Assets and any representations or statements made 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). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

**ARTICLE 7  
RISK AND COSTS AND INSURANCE**

**7.1 Risk and Costs**

The Assets will be at the sole risk and responsibility of the Vendor and the Debtor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

**7.2 Insurance**

Any property, liability and other insurance maintained by the Vendor and/or the Debtor in relation to the Assets shall not be transferred at Closing, but shall remain the responsibility of the Vendor and the Debtor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

**ARTICLE 8  
INDEMNIFICATION**

**8.1 Indemnification Given by Purchaser**

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives related to or in connection with the Assets and the Assumed Liabilities, whether arising or accruing on or after the Closing Date, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets during the period following the Closing Date; (ii) all Losses and Liabilities arising or accruing on or after the Closing Date under any Assumed Contract as contemplated in Section 2.5(a)(vi); and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor and the Debtor pursuant to this Agreement, including pursuant to Section 9.2. The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely pursuant to Section 14.3.

**8.2 Third Party Claims**

- (a) If any of the Vendor, the Debtor, their respective Affiliates or any of their respective Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, the Debtor, their respective Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and

Liabilities that has been or may be sustained by the Vendor, the Debtor, their respective Affiliates or their respective Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.

- (b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor or the applicable Debtor(s), respectively, not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 8.2(b), then the Vendor shall, or shall cause the Debtor, their respective Affiliates and/or their respective Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 8.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, the Debtor, their respective Affiliates and/or their Representatives with respect to such Third Party Claim.

### **8.3 Failure to Give Timely Notice**

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

#### **8.4 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.

#### **8.5 Third Party Beneficiary**

The Vendor's Representatives and the Vendor's Affiliates, the Debtor, their respective Affiliates and all of their respective Representatives are intended third party beneficiaries of this Article 8 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 8 or that are reasonably necessary to give further effect thereto.

### **ARTICLE 9 ENVIRONMENTAL MATTERS**

#### **9.1 Acknowledgements Regarding Environmental Condition**

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, any of the Debtor, or any of their respective Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

#### **9.2 Assumption of Environmental Liabilities**

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor and the Debtor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Closing Date, and hereby releases the Vendor, the Debtor, their respective Affiliates and their respective Representatives from any claims the Purchaser may have against the Vendor or the Debtor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and

Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Tangibles.

## **ARTICLE 10 COVENANTS**

### **10.1 Court Filings**

- (a) From and after the date of execution of this Agreement and until the Closing Date, the Vendor shall use commercially reasonable efforts to deliver to the Purchaser copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that relate, in whole or in part, to this Agreement, or to the Purchaser or its Representatives, that are to be filed by the Vendor in connection with the Court Approval in advance of their filing, before the filing of such papers, and shall provide the Purchaser with a reasonable opportunity to review and comment thereon.
- (b) The Vendor shall act reasonably and in good faith in considering any comments provided by the Purchaser to such papers; *provided, however* that, subject in each case to the foregoing good faith obligations of the Vendor, the Vendor shall have no obligation to accept and incorporate the Purchaser's comments to such papers and neither the Vendor's inadvertent failure to comply with this Section 10.1, nor the Vendor's failure to comply with this Section 10.1 due to emergency circumstances, shall constitute a breach under this Agreement.

### **10.2 Conduct of Business Until Closing**

- (a) Except: (A) as expressly provided in this Agreement; (B) with the prior written consent of the Purchaser (not to be unreasonably withheld, conditioned or delayed); (C) as necessary or advisable in connection with the Receivership Proceedings; or (D) as otherwise provided in the Approval and Vesting Order or any other order of the Court in connection with the Receivership Proceedings; following the date hereof and prior to Closing, to the extent reasonably practicable having regard to the Receivership Proceedings, the Vendor shall use commercially reasonable efforts to:
  - (i) cause the Assets to be maintained, in accordance with good industry practice, and in material compliance with all Applicable Laws, the directions of Governmental Authorities and the terms and conditions of the Assumed Contracts;
  - (ii) not sell, pledge, assign, lease, license, or cause, permit, or suffer the imposition of any Encumbrance (other than Permitted Encumbrances) on, or otherwise dispose of, any of the Assets, except in the ordinary course of normal day-to-day operations of the Assets, consistent with past practices;
  - (iii) not authorize or agree, in writing or otherwise, to take any of the actions in respect of the foregoing.
- (b) Until the Closing Date, the Vendor shall provide the Purchaser with all access to the Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Closing in accordance herewith.

- (c) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 10.2 will be subject to the Assumed Contracts and all of the Vendor's and the Debtor' site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:
  - (i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, the Debtor, their respective Affiliates or their respective Representatives may suffer, sustain, pay or incur; and
  - (ii) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 10.2.

### **10.3 ROFRs**

- (a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. Promptly following the identification of Assets which are the subject of ROFRs, the Purchaser shall provide the Vendor with its bona fide allocation of the amount of the Purchase Price attributable to each of such Assets which are subject to a ROFR.
- (b) The Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of Purchaser's allocation of the Purchase Price attributable thereto pursuant to Section 10.3(a). The Vendor shall utilize the Purchaser's allocation of the Purchase Price attributable to the Assets subject to ROFRs for purposes of preparing and issuing the ROFR notices. The Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.
- (c) If any such Third Party elects to exercise such a ROFR, then:
  - (i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;
  - (ii) such Assets shall not be conveyed to the Purchaser; and
  - (iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to a ROFR shall be deemed to form part of the Excluded Assets, and the Purchase Price shall not be subject to any reduction in the event of the exercise of any such ROFR by a Third Party.
- (d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.



- (e) Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Closing Date (such ROFRs being referred to as "**Outstanding ROFRs**"). In such case, the following procedures shall apply:
- (i) the Parties shall proceed with Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);
  - (ii) the Purchaser shall have (as of the Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the "**Outstanding ROFR Assets**");
  - (iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of Section 10.3(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, *mutatis mutandis*; and
  - (iv) if after Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Closing Date.

#### **10.4 Document Review**

Prior to Closing, Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

#### **10.5 Municipal Taxes**

In making its application for approval of the Approval and Vesting Order by the Court, the Vendor shall include all claims for municipal taxes as claims which are to be vested off of title to the Assets; *provided, however*, that if the Vendor is not successful in having such municipal taxes, or any portion or component thereof, be vested off of title to the assets, the Purchaser shall be responsible for paying the amount of all such municipal taxes which are not vested off title, and such amounts shall be paid to the Vendor on Closing.

## **ARTICLE 11 CONDITIONS**

### **11.1 Mutual Conditions**

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order and the Approval and Vesting Order shall be a Final Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

### **11.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 5.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time, and the Vendor shall have delivered to the Purchaser a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement;
- (c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 12.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

### **11.3 Conditions for the Benefit of the Vendor**

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 5.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time, and the Purchaser shall have delivered to the Vendor a certificate to that effect substantially similar in form to that attached hereto as Schedule D;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 12.3; and
- (d) the Vendor has not lost its ability to convey the Assets due to an order of the Court.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

#### **11.4 Satisfaction of Conditions**

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 11.1, 11.2 and 11.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

### **ARTICLE 12 CLOSING**

#### **12.1 Closing Date and Place of Closing**

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

#### **12.2 Deliveries on Closing by the Vendor**

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Closing Date:

- (a) a Court certified copy of the Approval and Vesting Order;
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor;
- (c) all documents listed in Section 12.3 which contemplate execution by the Vendor;
- (d) the certificate of the Vendor referred to in Section 11.2(a); and
- (e) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

### **12.3 Deliveries on Closing by the Purchaser**

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Closing Date:

- (a) payment of all Transfer Taxes payable on Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);
- (b) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser;
- (c) a joinder, duly executed by the Purchaser, whereby the Purchaser agrees and acknowledges to be bound by, and to observe (and to cause its Representatives to observe) all covenants and restrictions of the recipient party as provided for in the Confidentiality Agreement as if the Purchaser were an original signatory thereto;
- (d) all documents listed in Section 12.2 which contemplate execution by the Purchaser;
- (e) the certificate of the Purchaser referred to in Section 11.3(a); and
- (f) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

## **ARTICLE 13 TERMINATION**

### **13.1 Grounds for Termination**

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

- (a) by the written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;
- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;

- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or
- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

### **13.2 Effect of Termination**

Notwithstanding any termination of this Agreement as permitted under Section 13.1, or as otherwise provided for in this Agreement, the provisions of Sections 3.3 (Deposit), 14.1 (Public Announcements), 14.4 (Governing Law), 14.5 (Consequential Damages), 14.11 (Costs and Expenses) and 14.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

## **ARTICLE 14 GENERAL**

### **14.1 Public Announcements**

- (a) Subject to Section 14.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) Notwithstanding Section 14.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:
  - (i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;
  - (ii) the Vendor may forward a copy of this Agreement and all related documentation to the Orphan Well Association and its Representatives, agents, legal counsel and financial advisors, and may further advise such Persons of the existence and nature of any discussions and negotiations in relation thereto or in relation to the Transaction; provided that the Orphan Well Association and its Representatives agree in advance to be bound by any confidentiality undertakings or similar confidentiality requirements reasonably requested by the Vendor; and

- (iii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approvals and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

## **14.2 Dissolution of Debtor**

Subject to the Vendor's obligations in Section 2.5, the Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of any of the Debtor subsequent to the Closing Date, or otherwise cause or allow any of the Debtor to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in its sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing.

## **14.3 Survival**

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Section 2.3 (AER Licence Transfers), Section 2.3 (Assignment of Assumed Contracts and Third Party Consents), Section 2.4 (Specific Conveyances), Section 5.3 (Enforcement of Representations and Warranties), Section 10.3 (ROFRs) and Article 4 (Transfer Taxes), Article 6 ("As Is, Where Is" and No Additional Representations and Warranties), Article 8 (Indemnification), Article 9 (Environmental Matters) and Article 14 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

## **14.4 Governing Law**

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.
- (b) Notwithstanding Section 14.4(a), any and all documents or orders that may be filed, made or entered in the Receivership Proceedings, and the rights and obligations of the Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.13 shall be deemed effective service of process on such Party.

#### **14.5 Consequential Damages**

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 8 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, the Debtor, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

#### **14.6 Further Assurances**

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

#### **14.7 Assignment**

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

#### **14.8 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. 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.

#### **14.9 Amendment**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

**14.10 Time of the Essence**

Time is of the essence in this Agreement.

**14.11 Costs and Expenses**

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

**14.12 Entire Agreement**

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

**14.13 Notices**

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) in the case of the Vendor:

BDO Canada Limited  
#110, 5800 – 2nd Street SW  
Calgary, Alberta T2H 0H2

Attention: Marc Kelly  
Email: makelly@bdo.ca

With a copy to the Vendor's Solicitors:

Bennett Jones LLP  
4500, 855 - 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Keely Cameron  
Email: Cameronk@bennettjones.com



(b) In the case of the Purchaser

Dark Warrior Resources Ltd.  
1000, 555 – 4<sup>th</sup> Ave. SW  
Calgary, Alberta T2P3E7

Attention: Randy Rey  
Email: rr@dkwarrior.com

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed.

#### **14.14 Enurement**

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

#### **14.15 Third Party Beneficiaries**

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, the Debtor, their respective Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives, its Affiliates and their respective Representatives and the Debtor, their respective Affiliates and their respective Representatives.

#### **14.16 Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

**14.17 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

**[THE BALANCE OF THIS PAGE INTENTIONALLY BLANK]**

**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per:   
Name: Marc Kelly  
Title: Senior Vice President

**DARK WARRIOR RESOURCES LTD.**

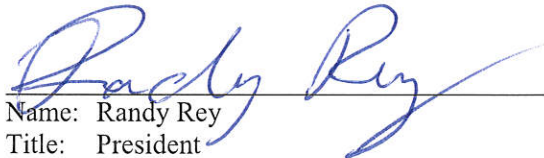
Per: \_\_\_\_\_  
Name: Randy Rey  
Title: President

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_  
Name:  
Title:

**DARK WARRIOR RESOURCES LTD.**

Per:   
Name: Randy Rey  
Title: President

\_\_\_\_\_

## SCHEDULE A

### Assets Listing

#### LANDS

Title Document	Land Description	Working Interest	Encumbrances
Alberta Crown  Petroleum and Natural Gas Lease #049907480	Twp 38 Rge 1 W4M:  NW Sec 29  All P&NG to base Mannville ex NG in Mannville Group	100%	Alberta Crown Lessor Royalty;
Alberta Crown  Petroleum and Natural Gas Lease #049907480	Twp 38 Rge 1 W4M:  LSD 3 Sec 29  All P&NG to base Mannville ex NG in Mannville Group	100%	Alberta Crown Lessor Royalty;
Alberta Crown  Petroleum and Natural Gas Lease #0405110098	Twp 38 Rge 1 W4M:  LSD 5,6 Sec 29  All P&NG to base Mannville ex NG in Mannville Group	100%	Alberta Crown Lessor Royalty;

## Wells

<b>Licence #</b>	<b>Location</b>	<b>Status</b>	<b>Vendors Interest</b>
0334535	100/11-29-038-01W4/0	Suspended Oil	100%
0334433	102/13-29-038-01W4/0	Suspended Oil	100%

**SCHEDULE B**

**Form of Approval and Vesting Order**

(attached)

CLERK'S STAMP

COURT FILE NUMBER 2001-13391

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **APPROVAL AND VESTING ORDER**  
(Sale by Receiver of certain assets to Dark Warrior Resources Ltd.)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Keely Cameron  
Telephone No.: 403-298-3324  
Fax No.: 403-265-7219  
Client File No.: 068775.0005

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 26, 2021

**NAME OF JUDGE WHO MADE THIS ORDER:** Justice R.A. Neufeld

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** of BDO Canada Limited, solely in its capacity as Court-appointed receiver and manager ("**Receiver**") of the current and future assets, undertakings and properties of the Respondent (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and Dark Warrior Resources Ltd. (the "**Purchaser**") dated April 16, 2021, (the "**Sale Agreement**") and appended to the Confidential Supplement dated ●, 2021 (the "**Confidential Supplement**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement as the Assets (the "**Purchased Assets**") but excluding all of the Debtor's other assets and interests;



**AND UPON HAVING READ** the Receivership Order dated October 29, 2020 (the "**Receivership Order**"), the Second Report of the Receiver dated ●, 2021, and the Confidential Supplement; **AND UPON** hearing counsel for the Receiver and any other interested parties that may be present; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application; **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action;

**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 TRANSACTION**

2. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

**VESTING OF PROPERTY**

3. Subject only to approval by the AER of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed at **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have

attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta);
- (d) any linear or non-linear municipal tax claims under the *Municipal Government Act*, or otherwise;
- (e) any outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
- (f) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")).

For greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

- (i) cancel existing Certificates of Title for those lands and premises municipally or legally described as "Land Title Lands" in Schedule B (the "**Lands**");
  - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee);
  - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and
  - (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- (b) Alberta Energy ("**Energy Ministry**") shall and is hereby authorized, requested and directed to forthwith:
- (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and
  - (ii) transfer all Crown leases conveyed under the Sale Agreement standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances; and
- (c) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, other than any required approval by the AER referenced in paragraph 3 above.
7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims excluding Permitted Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) 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, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

#### **MISCELLANEOUS MATTERS**

14. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtor; and

(d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

15. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
17. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website, and service on any other person is hereby dispensed with.

18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of Queen's  
Bench of Alberta

**Schedule "A"**

**FORM OF RECEIVER'S CERTIFICATE**

CLERK'S STAMP

COURT FILE NUMBER	2001-13391
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ORPHAN WELL ASSOCIATION
RESPONDENT	BOW RIVER ENERGY LTD.
DOCUMENT	<b><u>RECEIVER'S CERTIFICATE</u></b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<b>BENNETT JONES LLP</b> Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7  Attention: Keely Cameron Telephone No.: 403-298-3324 Fax No.: 403-265-7219 Client File No.: 068775.0005

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice D.L. Shelley of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**"), dated October 29, 2020, BDO Canada Limited was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Court dated ●, 2021 (the "**Vesting Order**"), the Court approved the Transaction (as defined in the Vesting Order) between the Receiver and Dark Warrior Resources Ltd. (the "**Purchaser**") dated as of ●, 2021 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of Bow River's right, title and interest in and to the Purchased Assets (as defined in the Vesting Order), 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 (as defined in the Sale Agreement) for the Purchased Assets; (ii) that the conditions to closing as set out in 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 (or its nominee) has paid and the Receiver has received the Purchase Price (as defined in the Sale Agreement) for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver to the Purchaser at [TIME] on [DATE].

**BDO CANADA LIMITED in its capacity as Receiver of the undertaking, property and assets of Bow River Energy Ltd., and not in its personal capacity.**

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

Name:

Title:

## Schedule "B"

### List of Purchased Assets

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein).

#### Wells

Licence #	Location	Status	Vendors Interest
0334535	100/11-29-038-01W4/0	Suspended Oil	100%
0334433	102/13-29-038-01W4/0	Suspended Oil	100%

#### LANDS

Title Document	Land Description	Working Interest	Encumbrances
Alberta Crown Petroleum and Natural Gas Lease #049907480	Twp 38 Rge 1 W4M: NW Sec 29  All P&NG to base Mannville ex NG in Mannville Group	100%	Alberta Crown Lessor Royalty;
Alberta Crown Petroleum and Natural Gas Lease #049907480	Twp 38 Rge 1 W4M: LSD 3 Sec 29  All P&NG to base Mannville ex NG in Mannville Group	100%	Alberta Crown Lessor Royalty;
Alberta Crown Petroleum and Natural Gas Lease #0405110098	Twp 38 Rge 1 W4M: LSD 5,6 Sec 29  All P&NG to base Mannville ex NG in Mannville Group	100%	Alberta Crown Lessor Royalty;

**Schedule "C"**

**Claims**

## Schedule "D"

### Permitted Encumbrances

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement, provided that such agreements can be terminated on less than 1 month's notice;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;

- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;

provided that in no circumstance shall any amounts owing by the Debtor to a Governmental Authority prior to the Closing Date in respect of taxes on linear or non linear property (as defined in the Municipal Government Act (Alberta)) be a Permitted Encumbrance.

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## SCHEDULE C

### Form of General Conveyance, Assignment and Assumption Agreement

#### GENERAL CONVEYANCE, ASSIGNMENT, AND ASSUMPTION AGREEMENT

**THIS** General Conveyance, Assignment, and Assumption Agreement (this "**Agreement**") is made as of the [•] day of [•], [•].

**AMONG:**

**BDO CANADA LIMITED**, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of **BOW RIVER ENERGY LTD.**, and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

**Dark Warrior Resources Ltd.**, a corporation existing under the laws of the Province of Alberta (the "**Purchaser**")

**RECITALS:**

- A. In accordance with the terms of that certain Asset Purchase and Sale Agreement dated as of April 14, 2021, by and between the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell, assign, and transfer the Assets to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor;
- B. the Purchaser has agreed to assume the Assumed Liabilities; and
- C. this Agreement is delivered pursuant to the Purchase Agreement.

**NOW THEREFORE**, for good and valuable consideration now paid by the Purchaser to the Vendor pursuant to the Purchase Agreement (the receipt and sufficiency of which is hereby acknowledged by the Vendor) the parties hereto agree as follows:

**1. Definitions**

All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Purchase Agreement.

**2. Certain Rules of Interpretation**

- (i) In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- (ii) The division of this Agreement into Sections and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

- (iii) The terms "hereof," "hereunder," and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- (iv) Unless something in the subject matter or context is inconsistent therewith, references herein to "Sections" are to sections of this Agreement.
- (v) The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

### **3. Conveyance**

The Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, accepts and receives from the Vendor, upon the terms and subject to the conditions of the Purchase Agreement, the Vendor's Interest in and to the Assets, free and clear of any and all Encumbrances of any and every kind, nature, and description, other than Permitted Encumbrances, as applicable, with effect as of the Closing on the date hereof, to have and to hold the Assets and all such right, title, interest, property, claim, and demand unto and to the use of the Purchaser.

### **4. Assumption of Assumed Liabilities**

Effective as of the Closing on the date hereof, the Purchaser hereby assumes and agrees to pay, perform, and discharge, when due, the Assumed Liabilities.

### **5. Further Assurances**

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

### **6. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

### **7. Entire Agreement**

This Agreement, the Purchase Agreement, and the documents referred to therein and contemplated thereby constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement, the Purchase Agreement, the Confidentiality Agreement and the documents referred to therein and contemplated thereby.

**8. Successors and Assigns**

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

**9. Counterparts**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

**10. Amendments**

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party. Any amendment effected in accordance with this Section 10 will be binding upon the Parties and their respective successors and permitted assigns.

**11. Paramountcy**

This Agreement is delivered pursuant to, and is subject to, all of the terms and conditions contained in the Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

**12. Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

**[Signature Page Follows.]**



**IN WITNESS WHEREOF** this Agreement has been properly executed by the Parties as of the date first above written.

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per: \_\_\_\_\_  
Name:  
Title:

Dark Warrior Resources Ltd.

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE D**

**Form of Bring-Down Certificate**

**TO:** [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")]

**RE:** Agreement of Purchase and Sale dated [●] between the Vendor and the Purchaser (the "Agreement")

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "**Certificate**").

I, [Name], [Position] of [Name of Vendor/Purchaser] [(the "Vendor")] [(the "Purchaser")] hereby certify that as of the date of this Certificate:

1. The undersigned is personally familiar, in [his][her] capacity as an officer of [Vendor][Purchaser], with the matters hereinafter mentioned.
2. Each of the covenants, representations and warranties of the [Vendor][Purchaser] contained in Section [5.1 / 5.2] of the Agreement were true and correct in all material respects when made and are true and correct in all material respects as of the Closing Date.
3. All obligations of [Vendor][Purchaser] contained in the Agreement to be performed prior to or at Closing have been timely performed in all material respects.
4. This Certificate is made for and on behalf of the [Vendor][Purchaser] and is binding upon it, and I am not incurring, and will not incur, any personal liability whatsoever with respect to it.
5. This Certificate is made with full knowledge that the [Vendor][Purchaser] is relying on the same for the Closing of the Transaction.

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, [●].

[Name of Vendor/Purchaser]

Per: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE E**

### **Excluded Assets**

#### Part 1 – Excluded Assets

[•]

#### Part 2 – Surplus Equipment

[•]

**SCHEDULE F**

**Bow River Security Arrangements**

[•]

# APPENDIX “E”

## ASSIGNMENT AGREEMENT

**THIS ASSIGNMENT AGREEMENT** (this "**Agreement**") is made as of April 14, 2021,

**BETWEEN:**

**BDO CANADA LIMITED, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF BOW RIVER ENERGY LTD. AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY** (the "**Assignor**")

- and -

**PARTNERS ENERGY DEVELOPMENT CORP.** (the "**Assignee**")

**WHEREAS:**

- A. Bow River Energy Ltd. (the "**Debtor**") and West Lake Energy Corp. are parties to or bound by the agreements described in Schedule "A" attached hereto and made a part hereof (such agreements, including all amendments thereto, if any, referred to as the "**said agreement**");
- B. pursuant to the an order of the Court of Queen's Bench of Alberta (the "**Court**") dated June 8, 2020, pursuant to which the Assignor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- C. the Assignee, subject to Court Approval, has agreed to purchase and acquire and the Assignor has agreed to sell, transfer and assign to the Assignee, all of the Assignor's right, title and interest in and to the said agreement ("**interest of Assignor**"), on the terms and conditions set forth herein;
- D. Assignee has agreed to assume all of the obligations of Assignor under the said agreement as and from the Effective Date and Assignor and Assignee shall be jointly and severally liable for such obligations;

The parties agree as follows:

1. In consideration for the payment of ██████████ (the "**Purchase Price**") by the Assignee to the Assignor, Assignor hereby assigns, transfers, conveys and sets over unto Assignee all of the Assignor's right, title and interest in and to the said agreement, free and clear of any and all liens, charges or encumbrances, TO HAVE AND TO HOLD the same for its sole use and benefit absolutely from and after April 29, 2021 (the "**Effective Date**").
2. The assignment of the said agreement contemplated herein shall be conditional upon:
  - (a) payment of the amount of ██████████ (the "**Deposit**") by the Assignee to the Assignor concurrently with the execution and delivery of this Agreement;
  - (b) issuance by the Court of the approval and vesting order approving of the sale and transfer of the said agreement as contemplated in this Agreement (the "**AVO**") approving of the sale and transfer of the said agreement as contemplated in this Agreement, and vesting all of the Assignor's right, title and interest in and to the said agreement in the Assignor free and clear of any and all claims, encumbrances (other than permitted encumbrances as

identified in the AVO) and interests, such order to be substantially in the form attached hereto as Schedule "B"; and

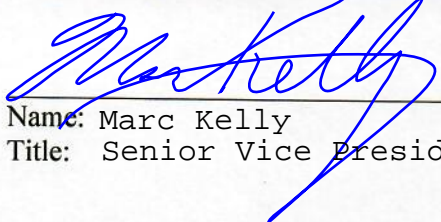
- (c) payment of the balance of the Purchase Price by no later than two (2) business days following the issuance of the AVO by the Court;
3. In the event that:
- (d) the Purchase Price is not paid in accordance with Section 4 below, the Assignor shall be entitled to retain the Deposit and the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's losses and liabilities as a result of the closing of the transactions contemplated herein ("**Closing**") not occurring and agree that the Assignor shall not be entitled to recover from the Assignee any amounts that are in excess of the Deposit as a result of Closing not occurring. The Assignee hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Assignor's damages; and
  - (e) the AVO is not issued by the Court within 30 days of the Effective Date, the Deposit shall be immediately returned to the Assignee.
4. Assignee hereby accepts the assignment herein provided and covenants and agrees with Assignor that it shall at all times from and after the Effective Date be bound by, observe and perform all of the covenants and obligations thereafter accruing on the part of Assignor under the said agreement to the same extent and with the same force and effect as though Assignee had been named party to the said agreement as of the Effective Date in the place and stead of Assignor.
5. The Assignee acknowledges and agrees that the Assignor has made no representations or warranties to the Assignee with respect to the said agreement and that the said agreement is being transferred by the Assignor on an "as-is/where-is" and "without recourse" basis.
6. The address of Assignee for notices and other communications under the said agreement shall be:
- Partners Energy Development Corp.  
500, 736 – 8<sup>th</sup> Avenue SW  
Calgary, Alberta  
T2P 1H4
- Attention: Daryl Wightman  
Email: daryl.wightman@partnersenergy.ca
7. Each of Assignor and Assignee shall from time to time and at all times hereafter, without further consideration, do and perform all such further acts and execute and deliver all such further assignments, notices, release and other documents and instruments as may reasonably be required to more fully effect or assure the assignment as provided herein.
8. This agreement shall be governed by the laws of the Province of Alberta and be binding upon and enure to the benefit of the parties hereto and their respective receivers, receiver managers, successors and assigns.
9. This agreement may be executed in counterparts, and if executed in counterparts, all executed counterparts together shall constitute one agreement and all parties shall be deemed to have executed the same document.

The parties executed this agreement as of the date first written above.

**BDO CANADA LIMITED, SOLELY IN ITS  
CAPACITY AS THE RECEIVER AND  
MANAGER OF THE ASSETS, PROPERTY  
AND UNDERTAKING OF BOW RIVER  
ENERGY LTD. AND NOT IN ITS  
PERSONAL OR CORPORATE CAPACITY**

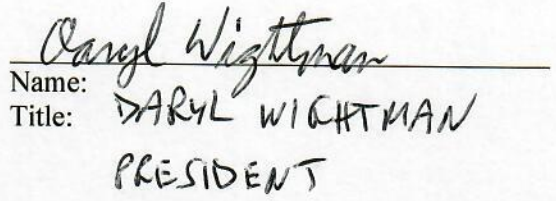
**PARTNERS ENERGY DEVELOPMENT CORP.**

Per:



Name: Marc Kelly  
Title: Senior Vice President

Per:



Name: DARYL WIGHTMAN  
Title: PRESIDENT



**Schedule "A"**

Attached to and made part of an Assignment Agreement between Assignor (Assignor) and Assignee (Assignee) dated as of April 14, 2021

"said agreement"

Farmout Agreement between NuVista Energy Ltd. and Black Shire Energy Inc. dated the 31st day of July, 2012

**Schedule "B"**

**Approval and Vesting Order**

(attached)

CLERK'S STAMP

COURT FILE NUMBER 2001-13391

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **APPROVAL AND VESTING ORDER**  
**(Sale by Receiver of certain assets Partners Energy Development Corp.)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Keely Cameron  
Telephone No.: 403-298-3324  
Fax No.: 403-265-7219  
Client File No.: 068775.0005

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 26, 2021

**NAME OF JUDGE WHO MADE THIS ORDER:** Justice R.A. Neufeld

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** of BDO Canada Limited, solely in its capacity as Court-appointed receiver and manager ("**Receiver**") of the current and future assets, undertakings and properties of the Respondent (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an Assignment Agreement between the Receiver and Partners Energy Development Corp. (the "**Purchaser**") dated April 14, 2021, (the "**Sale Agreement**") and appended to the Confidential Supplement dated ●, 2021 (the "**Confidential Supplement**"), and vesting in the Purchaser (or its nominee) the Debtor's right, title and interest in and to the assets described in the Sale Agreement as the Assets (the "**Purchased Assets**") but excluding all of the Debtor's other assets and interests;

**AND UPON HAVING READ** the Receivership Order dated October 29, 2020 (the "**Receivership Order**"), the Second Report of the Receiver dated ●, 2021, and the Confidential Supplement; **AND UPON** hearing counsel for the Receiver and any other interested parties that may be present; **AND UPON IT APPEARING** that all interested and affected parties have been served with notice of this Application; **AND UPON** having read the pleadings, proceedings, orders and other materials filed in this action;

**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 TRANSACTION**

2. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

**VESTING OF PROPERTY**

3. Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed at **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
  - (a) any encumbrances or charges created by the Receivership Order;

- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta);
- (d) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")).

For greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:
  - (i) cancel existing Certificates of Title for those lands and premises municipally or legally described as "Land Title Lands" in Schedule B (the "**Lands**");
  - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee);
  - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and

- (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
  - (b) Alberta Energy ("**Energy Ministry**") shall and is hereby authorized, requested and directed to forthwith:
    - (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and
    - (c) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial number goods.
- 5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims excluding Permitted Encumbrances.
- 6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
- 7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that

the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.

8. For the purposes of determining the nature and priority of Claims, net proceeds from 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 from and after delivery of the Receiver's Closing Certificate and all Claims excluding Permitted Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.
9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

11. The Purchaser (or its nominee) 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, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

#### **MISCELLANEOUS MATTERS**

14. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtor; and
  - (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

15. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.



16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
17. Service of this Order shall be deemed good and sufficient by:
- (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website,  
and service on any other person is hereby dispensed with.
18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of Queen's  
Bench of Alberta

**Schedule "A"**

**FORM OF RECEIVER'S CERTIFICATE**

CLERK'S STAMP

COURT FILE NUMBER	2001-13391
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ORPHAN WELL ASSOCIATION
RESPONDENT	BOW RIVER ENERGY LTD.
DOCUMENT	<b><u>RECEIVER'S CERTIFICATE</u></b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<b>BENNETT JONES LLP</b> Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7  Attention: Keely Cameron Telephone No.: 403-298-3324 Fax No.: 403-265-7219 Client File No.: 068775.0005

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice D.L. Shelley of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**"), dated October 29, 2020, BDO Canada Limited was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Court dated ●, 2021 (the "**Vesting Order**"), the Court approved the Transaction (as defined in the Vesting Order) between the Receiver and Partners Energy Development Corp. (the "**Purchaser**") dated as of April 14, 2021 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of Bow River's right, title and interest in and to the Purchased Assets (as defined in the Vesting Order), 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 (as defined in the Sale Agreement) for the Purchased Assets; (ii) that the conditions to closing as set out in 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 (or its nominee) has paid and the Receiver has received the Purchase Price (as defined in the Sale Agreement) for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver to the Purchaser at [TIME] on [DATE].

**BDO CANADA LIMITED in its capacity as Receiver of the undertaking, property and assets of Bow River Energy Ltd., and not in its personal capacity.**

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

Name:

Title:

**Schedule "B"**

**List of Purchased Assets**

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein).

Farmout Agreement between NuVista Energy Ltd. and Black Shire Energy Inc. dated the 31st day of July, 2012

**Schedule "C"**

**Claims**

## Schedule "D"

### Permitted Encumbrances

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (i) all Encumbrances, including any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor, subsequent to the date of this Agreement, provided that such agreements can be terminated on less than 1 month's notice;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;

- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;

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# APPENDIX “F”



**Bow River Energy Ltd., in receivership (ALBERTA)**  
**Statement of Receipts and Disbursements**  
**as at April 15, 2021**

**Receipts**

Revenues	\$ 4,048,654.43
Cash in bank	1,443,001.53
GST collected	203,250.42
Wage subsidy refunds	181,576.00
Settlement	100,000.00
Insurance proceeds	83,947.62
Accounts receivable	81,406.66
Miscellaneous refunds	54,244.02
GST recovered	40,465.90
Sales of pipe	14,854.00

6,251,400.58

**Disbursements**

Field operating expenses	885,103.76
Operational consultants and field operators	690,835.39
Utilities	432,899.53
Security deposits	261,013.61
Royalties	254,691.64
GST remitted	140,060.40
Insurance	121,162.97
GST paid	111,271.17
Receiver's fees	79,478.00
Oil and gas software	79,035.12
Leases	63,529.20
Rent	54,218.15
Legal fees and disbursements	19,904.64
Consulting	12,498.62
Sales agent	7,500.00
Miscellaneous	8,410.31

3,221,612.51

Cash on hand

\$ 3,029,788.07

# APPENDIX “G”

**Bow River Energy Ltd., in receivership (ALBERTA)  
Summary of Professional Fees and Disbursements**

<u>Receiver's Fees and Disbursements</u>	<u>Invoice #</u>	<u>Date</u>	<u>Amount</u>	<u>GST</u>	<u>Total</u>
	CINV1057581	5-Apr-21	\$ 79,478.00	\$ 3,973.90	\$ 83,451.90
<u>Legal Fees and Disbursements</u>					
	1362630	11-Nov-20	\$ 640.00	\$ 32.00	\$ 672.00
	1368818	11-Dec-20	8,752.75	437.64	9,190.39
	1373431	31-Dec-20	3,870.89	193.54	4,064.43
	1379278	8-Feb-21	2,910.00	140.55	3,050.55
	1384621	15-Mar-21	1,118.00	55.90	1,173.90
	1387440	9-Apr-21	2,613.00	130.65	2,743.65
			<u>\$ 19,904.64</u>	<u>\$ 990.28</u>	<u>\$ 20,894.92</u>