COURT FILE NUMBER	2603-02889
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF / APPLICANT	ROYAL BANK OF CANADA, as Agent
DEFENDANTS / RESPONDENTS	ENERGERA INC. (formerly known as FRAC SHACK INC.), ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.), ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and SANDTINEL LLC
DOCUMENT	**AFFIDAVIT**

Clerk's stamp

JUDICIAL CENTRE OF EDMONTON
FILED DIGITALLY
2603 02889
Feb 17, 2026
11:02 AM
CLERK OF THE COURT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2 CANADA

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Tel: +1 403.267.8222
Fax: +1 403.264.5973

Lawyers for the Applicant, Royal Bank of Canada
File no.: 1001247662

AFFIDAVIT OF CAMERON BAILEY

Sworn on February 12, 2026

I, Cameron Bailey, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am a Senior Director – Special Loans and Advisory Services with Royal Bank of Canada (**RBC**), which is the successor by amalgamation of HSBC Bank Canada. I have been directly involved with the accounts of the Respondents and have overseen the management of their syndicated secured Credit Facilities (defined below) on behalf of RBC since approximately February 2025. I have also reviewed the books and records maintained by and in the possession of RBC in the ordinary course of business relating to the Respondents. I have personal knowledge of the facts and matters hereinafter deposed-to

except where stated to be based on information and belief, and where so stated, I verily believe the same to be true.

2. RBC amalgamated with HSBC Bank Canada, effective as at March 28, 2024. "RBC" is used throughout this affidavit to reference HSBC Bank Canada before the amalgamation and RBC after the amalgamation.

3. RBC acts as administrative agent (the **Agent**) on behalf of RBC, National Bank of Canada, ATB Financial, and Export Development Canada (collectively, the **Lenders**), as lenders to Energera Inc. (formerly known as Frac Shack Inc., the **Parent Borrower**), Energera International Inc. (formerly known as Frac Shack International Inc., **Energera International**), Energera America Inc. (formerly known as Frac Shack America Inc., **Energera America**, and together with the Parent Borrower and Energera International, the **Borrowers**) and Sandtinel LLC as a guarantor (**Sandtinel**; and together with the Borrowers, the **Loan Parties**).

4. I am authorized to make this affidavit for the Agent (on behalf of the Lenders) in support of an application to enter a consent receivership order with respect to the Loan Parties' assets, undertakings and properties.

5. Capitalized terms used herein but not otherwise defined have the meaning ascribed to them in the Credit Agreement (defined below).

BUSINESS OF THE LOAN PARTIES

6. The Loan Parties carry on an energy technology business in the oilfield services industry. Core operations include the provision of automated, self-contained, and self-sufficient fuel delivery systems for hydraulic fracturing and the separation of solids from produced liquids with reduced methane emissions relative to competitors.

7. The operations of the Loan Parties are integrated and managed from headquarters in Alberta. Services are provided to customers in various provinces and states, including Alberta, Texas, Colorado, Pennsylvania, and North Dakota.

8. The Parent Borrower is a private Alberta corporation. Each of Energera International, Energera America and Sandtinel are direct or indirect wholly-owned subsidiaries of the Parent Borrower. A chart depicting the organizational structure of the Parent Borrower and its

subsidiaries is attached as **Exhibit 1**. I understand that Sand Separation Technologies Inc., which appears on the organization chart, was dissolved effective December 31, 2024.

9. The Parent Borrower owns 100% of the issued and outstanding equity interests in Energera International (a federal corporation) and Energera America (a Delaware corporation). Energera America owns 100% of the membership interests of Sandtinel (a Delaware limited liability company).

10. An Alberta corporate search result for Energera Inc. is attached as **Exhibit 2**. Federal and Alberta corporate search results for Energera International are attached as **Exhibits 3** and **4**. Delaware corporate search results for Energera America and Sandtinel are attached as **Exhibits 5** and **6**.

11. The Parent Borrower formerly owned 100% of the equity interests of Sand Separation Technologies Inc. (an Alberta corporation), which was initially a borrower under the Credit Agreement but was dissolved on December 31, 2024 (as described in paragraph 8 above). The Parent Borrower also owns 51% equity interests of Frac Shack Sociedad Por Acciones Simplificada (**FSSPAS**, an Argentine corporation), which is not a Loan Party.

THE CREDIT AGREEMENT

12. On June 28, 2024, the Borrowers, the Lenders and the Agent entered into a third amended and restated credit agreement (the **Original Credit Agreement**) which was subsequently amended by a first amending agreement dated September 27, 2024 (the **First Amendment**; and the Original Credit Agreement as amended by the First Amendment is the **Credit Agreement**). Attached as **Exhibits 7** and **8** are copies of the Original Credit Agreement (without schedules) and the First Amendment (without schedules).

13. Pursuant to the terms of the Credit Agreement:

(a) the Lenders made available a syndicated non-revolving term credit facility in the maximum principal amount of Cdn. $49,700,000 to the Borrowers, with a maturity date of September 27, 2026 (the **Syndicated Facility**); and

(b) RBC, in its capacity as the sole operating lender, made available an operating facility in the maximum principal amount of Cdn. $7,500,000.00 to the

Borrowers, with a maturity date of September 27, 2026 (the **Operating Facility** and together with the Syndicated Facility, the **Credit Facilities**).

14. The obligations, indebtedness and liabilities of the Loan Parties to the Lenders include:

(a) obligations, indebtedness and liabilities of the Parent Borrower, the other Borrowers and the other subsidiaries (collectively, the **Energera Group**) to the Lenders or the Agent under, pursuant or relating to the Credit Agreement, the Credit Facilities and the other Documents (as defined in the Credit Agreement), including all principal, interest, fees, legal and other costs, charges and expenses, and other amounts payable by the Borrowers under the Credit Agreement (collectively with all other Obligations, as defined in the Credit Agreement, **Obligations**);

(b) obligations, indebtedness and liabilities of the Energera Group under, pursuant to or relating to any Financial Instrument (as defined in the Credit Agreement) entered into between a Lender or an affiliate thereof (collectively, the **Lender Financial Instrument Providers**; and such obligations, indebtedness and liabilities being the **Financial Instrument Obligations**); and

(c) obligations, indebtedness and liabilities of the Energera Group arising under or in connection with facilities or services related to cash management (collectively, the **Bank Product Obligations**) provided by any Lender or an affiliate thereof (collectively, the **Bank Product Providers**; and collectively with the Lender Financial Instrument Providers, the Lenders and the Agent, the **Secured Parties**),

(collectively with all other Secured Obligations (as defined in the Credit Agreement), the **Secured Obligations**).

15. The terms of the Credit Agreement include, *inter alia*:

(a) interest and fees on the Credit Facilities to be calculated and payable at the rates set out in the Credit Agreement;

(b) financial covenants to be maintained by the Parent Borrower, which are:

(i) a maximum Consolidated Net Funded Debt to EBITDA Ratio (as defined in the Credit Agreement);

(ii) a minimum Fixed Charge Coverage Ratio (as defined in the Credit Agreement); and

(iii) a maximum Consolidated Net Senior Debt to EBITDA Ratio (as defined in the Credit Agreement);

(collectively, the **Financial Covenants**)

(c) certain reporting covenants regarding regular reporting by the Parent Borrower to the Agent, including, *inter alia*, an annual business plan, annual capital and operating budgets, annual and quarterly financial statements, and monthly Borrowing Base Certificates (as defined in the Credit Agreement);

(d) certain affirmative covenants requiring the Energera Group to, *inter alia*, comply with applicable law, provide notice of certain events, pay taxes, maintain insurance, and enter into mandatory hedging, subject in each case to certain carveouts, thresholds and exceptions; and

(e) certain negative covenants restricting the Borrower Group from, *inter alia*, incurring debt, granting or otherwise incurring non-permitted liens or other security interests, disposing of assets, giving financial assistance, paying dividends or making other distributions, making investments, acquisitions or capital expenditures, subject in each case to certain carveouts, thresholds and exceptions.

16. It is an express term of the Credit Agreement that, if an Event of Default (as defined in the Credit Agreement) has occurred and is continuing, all of the Obligations would, upon notice in writing from the Agent to the Parent Borrower, become immediately due and payable.

THE SECURITY AND GUARANTEES

17. As security for the payment and performance of the Secured Obligations, the Parent Borrower and all of its subsidiaries (being the Loan Parties) (excluding FSSPAS) have given certain guarantees and/or granted security interests on, to and against all or substantially all of their respective present and future property, assets and undertaking, in each case to and in favour of the Agent for its own benefit and for the benefit of the Secured Parties pursuant to the following documents:

(a) a guarantee dated December 4, 2020 granted by Sandtinel, as guarantor, in favour of the Secured Parties;

(b) a guarantee dated July 8, 2019 granted by the Parent Borrower, as guarantor, in favour of the Secured Parties;

(c) a guarantee dated July 8, 2019 granted by Energera America, as guarantor, in favour of the Secured Parties;

(d) a guarantee dated July 8, 2019 granted by Energera International, as guarantor, in favour of the Secured Parties;

(e) a general security agreement dated July 8, 2019 between the Parent Borrower, as debtor, and the Agent, as secured party;

(f) a general security agreement dated July 8, 2019 between Energera International, as debtor, and the Agent, as secured party;

(g) a pledge and security agreement dated July 8, 2019 among the Loan Parties, as grantors, and the Agent, as amended by supplement no. 1 dated January 22, 2020 and supplement no. 2 dated December 4, 2020;

(h) a fixed and floating charge demand debenture dated July 8, 2019 granted by the Parent Borrower in favour of the Agent for the benefit of the Beneficiaries;

(i) a debenture pledge agreement dated July 8, 2019 granted by the Parent Borrower in favour of the Agent for the benefit of the Beneficiaries;

(j) a fixed and floating charge demand debenture dated July 8, 2019 granted by Energera International in favour of the Agent for the benefit of the Beneficiaries;

(k) a debenture pledge agreement dated July 8, 2019 granted by Energera International in favour of the Agent for the benefit of the Beneficiaries; and

(l) a mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing dated August 10, 2022 between Energera America, as mortgagor, and the Agent, as mortgagee.

(collectively, the **Security**).

18. The document(s) referred to in paragraph(s):

(a) 17(a) through 17(d) are collectively referred to as the **Guarantees**;

(b) 17(e) and 17(f) are collectively referred to as the **Canadian GSAs**;

(c) 17(g) is referred to as the **US GSA**;

(d) 17(h) and 17(j) are collectively referred to as the **Debentures**;

(e) 17(i) and 17(k) are collectively referred to as the **Debenture Pledges**; and

(f) 17(l) is referred to as the **US Mortgage**.

19. Certain of the Security is attached as follows;

(a) the Guarantees, pursuant to which each of the Loan Parties has guaranteed the payment and performance of the Secured Obligations to the Agent for the benefit of the Secured Parties on the terms set forth therein (**Exhibits 9** to **12**);

(b) the Canadian GSAs, pursuant to which the Parent Borrower and Energera International granted to the Agent for the benefit of the Secured Parties a security interest in all present and after-acquired personal property real and personal property (excluding certain assets as further specified therein) (**Exhibits 13** and **14**);

(c) the US GSA, pursuant to which the Parent Borrower, Energera America and Sandtinel granted to the Agent for the benefit of the Secured Parties a security interest in all present and after-acquired personal property of the Parent Borrower, Energera America and Sandtinel, as applicable (excluding certain assets as further specified therein) (**Exhibits 15** to **17**);

(d) the Debentures, pursuant to which the Parent Borrower and Energera International granted in favour of the Agent for the benefit of the Secured Parties, a security interest and mortgage in all of the lands referenced on schedule "A" thereto and all present and after-acquired real and personal property (excluding certain assets as further specified therein) (**Exhibits 18** and **19**);

(e) the Debenture Pledges, pursuant to which the Parent Borrower and Energera International each granted a security interest in, deposited with, and pledged to the Agent the Debenture of each such Loan Party (**Exhibits 20** and **21**); and

(f) the US Mortgage, pursuant to which Energera America granted in favour of the Agent a security interest and mortgage the real property located in the County of McKenzie, State of North Dakota, described on Exhibit A thereto, together with certain other collateral as further described therein (**Exhibit 22**).

20. The security interests and mortgages granted in favour of the Agent for the benefit of the Secured Parties pursuant to the Security were registered as follows:

(a) by filing financing statements at the Alberta, British Columbia and Saskatchewan Personal Property Registries against each of the Loan Parties, which registrations are evidenced by the search results dated January 26, 2026 attached as **Exhibits 23** to **26**;

(b) by filing financing statements with the Delaware Department of State pursuant to the Uniform Commercial Code against Energera America and Sandtinel, which registrations are evidenced by the search results dated January 27, 2026 attached as **Exhibits 27** and **28**;

(c) by filing financing statements with the Secretary of the District of Columbia pursuant to the Uniform Commercial Code against the Parent Borrower and Energera International, which registrations are evidenced by the search results dated January 27, 2026 attached as **Exhibits 29** and **30**; and

(d) by filing the US Mortgage with the County Recorder, McKenzie County, Wattford City, North Dakota.

21. The terms of the Guarantees include, *inter alia*, an unconditional and irrevocable guarantee to the Beneficiaries of the payment and performance of all of the Secured Obligations, together with interest thereon, subject to certain limitations as further described therein.

22. The Security terms include, *inter alia*, the right of the Agent to enforce the security interests created by such Security if an Event of Default (as defined in the Credit Agreement) has occurred and is continuing, and pursuant to the Canadian GSAs, the right of the Agent to appoint a receiver or receiver and manager of the assets charged by the Canadian GSAs after the security interest granted pursuant thereto has become enforceable.

INTERCREDITOR ARRANGEMENTS

23. The Security and the enforcement thereof are subject to the terms of an intercreditor agreement made as of September 29, 2021 between the Agent, as the senior agent, RBC in its capacity as a junior creditor (in such capacity, the **Junior Creditor**), and the Borrowers (the **Intercreditor Agreement**). Attached as **Exhibit 31** is a true copy of the Intercreditor Agreement.

24. The terms of the Intercreditor Agreement include, *inter alia*:

(a) *pari passu* ranking of the security interests granted by the Loan Parties to the Agent and the Junior Creditor, respectively;

(b) subordination and postponement of payment of the indebtedness, obligations and liabilities of the Loan Parties owing to the Junior Creditor pursuant to the Junior Debt (as defined in the Intercreditor Agreement) to the prior payment in full of the Secured Obligations;

(c) the rights of the Junior Creditor to commence an enforcement action in limited circumstances, including a 120-day standstill period; and

(d) the agreement by the Junior Creditor not to exercise any voting right or other privilege that they may have in any Insolvency Proceedings in favour of any plan, proposal, compromise, arrangement or similar transaction or make or join in any claim or other action that would defeat or impair, among other things, the right of the Secured Parties under the Intercreditor Agreement or the right of the Secured Parties to have senior security against, and rank *pari passu* with the Junior Creditor.

BORROWER DEFAULTS

25. Beginning in 2024, the Loan Parties began to encounter financial difficulties and, from then onward, started defaulting under the Credit Agreement, resulting in Events of Default that are continuing. The Loan Parties then continued to fail to comply with covenants in the Credit Agreement, the Forbearance and the Amended Forbearance Agreement (both as defined below) after the Forbearance Agreement and Amended Forbearance Agreement were entered into, resulting in further Events of Default that are continuing, including:

(a) failing to comply with the Financial Covenants as at the end of each of September 30, 2024, December 31, 2024, July 31, 2025 and September 30, 2025;

(b) failing to provide financial statements within 120 days of the end of the 2024 fiscal year;

(c) failing to hedge at least 50% of the total interest rate exposure under the Syndicated Facility;

(d) failing to comply with each of the milestones prescribed in the Fourth Amending Agreement to the Forbearance Agreement;

(e) failing to maintain a certain minimum Liquidity as prescribed in the Fourth Amending Agreement to the Forbearance Agreement;

(f) disposing of certain assets without the consent of the Lenders;

(g) failing to perform and comply with certain covenants and obligations contained in Amended Forbearance Agreement; and

(h) failing to deliver the required officer's certificate to the Agent in respect of each default.

26. Reservation of rights letters in respect of such defaults were duly issued by the Agent to the Parent Borrower on January 25, 2025 and November 19, 2025. Copies of such reservation of rights letters are attached as **Exhibits 32** and **33**.

FORBEARANCE

27. To provide time for the Loan Parties to resolve their financial difficulties, the Agent, the Lenders and the Loan Parties entered certain agreements pursuant to which the Lenders agreed not to accelerate the Obligations or take enforcement steps for a specified period of time.

28. The Agent, the Lenders and the Loan Parties entered into a letter agreement dated February 5, 2025 (the **Interim Letter Agreement**) pursuant to which the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of certain acknowledged defaults (as generally described at paragraph 25), not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Credit Agreement or the other Documents in relation to such defaults, and to permit the Borrowers to make drawdowns of overdraft loans, in each case through the occurrence of a defined termination event. A copy of the Interim Letter Agreement is attached as **Exhibit 34**.

29. The Agent, the Lenders and the Loan Parties entered into a forbearance agreement made as of February 14, 2025 (the **Forbearance Agreement**) pursuant to which the Agent and the Lenders agreed to forbear from accelerating the Obligations and enforcing their rights against the Loan Parties during the forbearance period through March 31, 2025, unless a Specified Default (as defined therein) occurred, resulting in an early termination of the forbearance period. A copy of the Forbearance Agreement is attached as **Exhibit 35**.

30. The terms of the Forbearance Agreement included, *inter alia*, an obligation on the part of the Borrowers to cooperate fully with, bear the reasonable and invoiced costs associated with, and execute any engagement agreement in respect of a financial advisors

to the Lenders. Alvarez & Marsal Canada Inc. (**A&M**) was duly retained as a financial advisor to the Lenders and has served in that capacity since approximately February 20, 2025.

31. The Forbearance Agreement was amended pursuant to a First Amending Agreement made as of March 31, 2025, a Second Amending Agreement made as of May 15, 2025, a Third Amending Agreement made as of May 22, 2025, a Fourth Amending Agreement made as of July 28, 2025, and a Fifth Amending Agreement made as of November 19, 2025, copies of which are attached as **Exhibits 36** to **40** (collectively, the **Forbearance Amendments**, and the Forbearance Agreement as amended by the Forbearance Amendments, the **Amended Forbearance Agreement**). The Forbearance Amendments generally provided, *inter alia*, as follows:

(a) **First Amending Agreement** – Extending the forbearance period through May 15, 2025, assuming no intervening defaults; limiting the cash that could be held by Loan Parties in United States accounts; and requiring additional financial reporting by the Parent Borrower though the production of bank statements;

(b) **Second Amending Agreement** - Extending the forbearance period through May 22, 2025, assuming no intervening defaults;

(c) **Third Amending Agreement** - Extending the forbearance period through September 30, 2025, assuming no intervening defaults; requiring the proceeds of a real estate sale to be paid to the Agent, for the benefit of the Lenders, in partial repayment of the Syndicated Facility; requiring the commencement of a sale and investment solicitation process (**SISP**) with prescribed milestones; and requiring the Parent Borrower to retain a financial advisor to facilitate the SISP (see paragraph 34 below);

(d) **Fourth Amending Agreement** – Requiring the maintenance of bank accounts only with the Agent or with an account bank that has entered into a deposit account control agreement while accommodating certain credit card borrowings; and

(e) **Fifth Amending Agreement** – Extending the forbearance period through January 31, 2026, assuming no intervening defaults; establishing the

mandatory repayment of the Syndicated Facility and/or Operating Facility through a weekly cash sweep above a prescribed threshold; and waiving a repayment of principal under the Credit Facility for December 2025.

32. None of the Forbearance Agreement or any Forbearance Amendment provided for a waiver of any defaults by the Lenders.

33. A conformed version of the Amended Forbearance Agreement following the Fifth Amending Agreement was prepared for ease of reference and is attached as **Exhibit 41**.

EFFORTS TO ENTER A STRATEGIC TRANSACTION

34. Since not later than late May 2025, the Energera group has explored potential refinancing, recapitalization or other strategic transactions through the SISP, as contemplated in the Third Amendment to the Forbearance Agreement, including by engaging Sequeira Partners as a financial advisor to provide deal advisory services. Despite efforts by the Loan Parties and Sequeira Partners, no transaction has materialized to satisfy the Loan Parties' Obligations to the Lenders under the Credit Agreement, nor otherwise to the satisfaction of the Lenders.

FORBEARANCE TERMINATION

35. The forbearance period expired on January 31, 2026 and no further extension of the forbearance period was agreed to by the Lenders. Following expiry of the forbearance period, the Loan Parties have not repaid the Obligations. As a result, the Agent is entitled to proceed with a receivership application under the terms of the Credit Agreement and the other Documents (including the Amended Forbearance Agreement).

DEMANDS AND NOTICES UNDER S. 244 OF THE BIA

36. On February 6, 2026, counsel to the Agent (on behalf of the Lenders) issued to the Loan Parties a demand letter that included notices of intention to enforce security under s. 244 of the *Bankruptcy and Insolvency Act* (**Demands** and **Notices**). Copies of the Demands and Notices are attached hereto as **Exhibit 42**.

37. The Loan Parties have failed or refused to pay in accordance with the Demands.

OUTSTANDING OBLIGATIONS

38. As at February 2, 2026, the Outstanding Principal (as defined in the Credit Agreement) owing by the Borrowers to the Lenders under the Credit Agreement was Cdn.$39,061,058.27 in the aggregate, of which Cdn.$35,975,896.27 is outstanding under the Syndicated Facility, Cdn.$2,971,171.30 is outstanding under the Operating Facility, and $109,802.21 is outstanding in respect of Bank Product Obligations, plus accrued and accruing interest, costs, expenses and other obligations at the rates and on the terms established by the Credit Agreement, exclusive of amounts owing to the Junior Creditor.

39. As at January 30, 2026, the Agent understands that there are no outstanding Financial Instrument Obligations owing to any Lender Financial Instrument Provider.

RECEIVER AND MANAGER

40. In the event of an Event of Default has occurred and is continuing, or any of them, by the terms of the Credit Agreement, the Agent may exercise any and all rights under the Credit Agreement and under the other Documents (including the Canadian GSAs, pursuant to which the Agent may seek the appointment of a receiver and manager over the assets, undertaking and properties subject to the security interest created by the Canadian GSAs).

41. Further to the Third Amendment to the Forbearance Agreement, the Loan Parties provided a signed a form of consent receivership order, which could be entered by the Agent in the event of the expiry of the Forbearance Period. A copy of such consent receivership order is attached as **Exhibit 43**.

42. In all of the circumstances, I verily believe that the appointment of a receiver and manager over the assets, undertakings and properties of the Loan Parties is necessary and appropriate to protect the interests of the Lenders, and to preserve and realize upon their Security.

43. I verily believe that A&M is a Licensed Insolvency Trustee and is competent and prepared to act as receiver and manager over the assets, undertaking and properties of the Loan Parties. A&M has executed a consent to act dated as of February 9, 2026, a copy of which is attached as **Exhibit 44**.

44. If appointed, A&M has advised that it intends to proceed forthwith with proceedings in the United States Bankruptcy Court to have these receivership proceedings recognized in the United States.

CONCLUSION

45. I am authorized to swear this Affidavit on behalf of RBC.

46. I make this Affidavit for no improper purpose.

47. I swear this Affidavit in support of an Application to the Court to appoint A&M as Receiver and Manager of the assets, undertakings and property of the Borrowers, and for no improper purpose.

SWORN BEFORE ME at the City of Calgary, Alberta, this 12th day of February, 2026.

Commissioner for Oaths in and for the Province of Alberta

Cameron Bailey

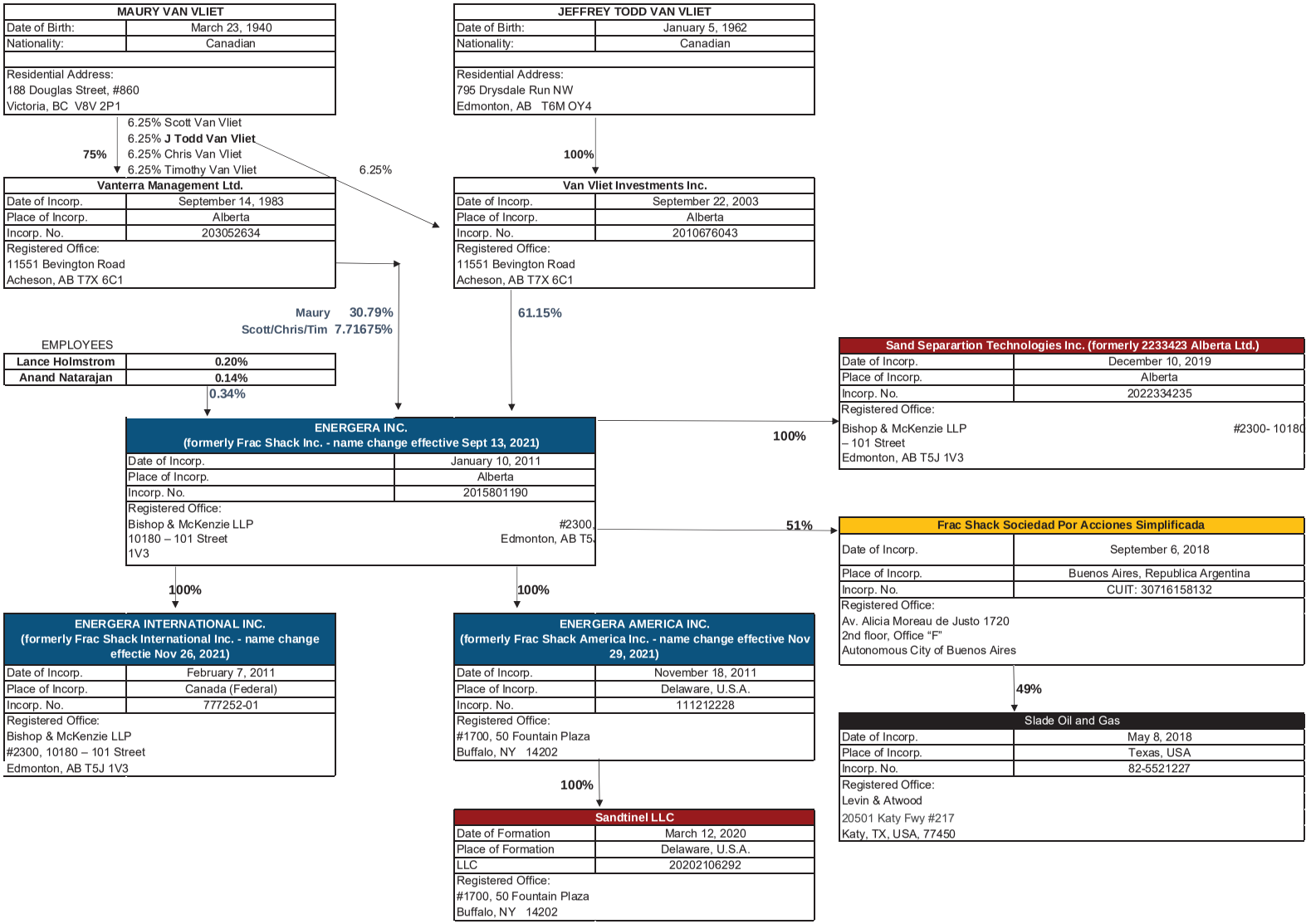
Armaan Dhillon
Barrister & Solicitor

This is **Exhibit 1** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor


MAURY VAN VLIET
Date of Birth: March 23, 1940
Nationality: Canadian
Residential Address:
188 Douglas Street, #860
Victoria, BC V8V 2P1
JEFFREY TODD VAN VLIET
Date of Birth: January 5, 1962
Nationality: Canadian
Residential Address:
795 Drysdale Run NW
Edmonton, AB T6M OY4
6.25% Scott Van Vliet
6.25% J Todd Van Vliet
6.25% Chris Van Vliet
6.25% Timothy Van Vliet
75%
6.25%
100%
Vanterra Management Ltd.
Date of Incorp. September 14, 1983
Place of Incorp. Alberta
Incorp. No. 203052634
Registered Office:
11551 Bevington Road
Acheson, AB T7X 6C1
Van Vliet Investments Inc.
Date of Incorp. September 22, 2003
Place of Incorp. Alberta
Incorp. No. 2010676043
Registered Office:
11551 Bevington Road
Acheson, AB T7X 6C1
Maury 30.79%
Scott/Chris/Tim 7.71675%
61.15%
EMPLOYEES
Lance Holmstrom 0.20%
Anand Natarajan 0.14%
0.34%
ENERGERA INC.
(formerly Frac Shack Inc. - name change effective Sept 13, 2021)
Date of Incorp. January 10, 2011
Place of Incorp. Alberta
Incorp. No. 2015801190
Registered Office:
Bishop & McKenzie LLP
10180 – 101 Street
1V3
#2300
Edmonton, AB T5
100%
Sand Separartion Technologies Inc. (formerly 2233423 Alberta Ltd.)
Date of Incorp. December 10, 2019
Place of Incorp. Alberta
Incorp. No. 2022334235
Registered Office:
Bishop & McKenzie LLP
– 101 Street
Edmonton, AB T5J 1V3
#2300- 10180
51%
Frac Shack Sociedad Por Acciones Simplificada
Date of Incorp. September 6, 2018
Place of Incorp. Buenos Aires, Republica Argentina
Incorp. No. CUIT: 30716158132
Registered Office:
Av. Alicia Moreau de Justo 1720
2nd floor, Office "F"
Autonomous City of Buenos Aires
49%
Slade Oil and Gas
Date of Incorp. May 8, 2018
Place of Incorp. Texas, USA
Incorp. No. 82-5521227
Registered Office:
Levin & Atwood
20501 Katy Fwy #217
Katy, TX, USA, 77450
100%
100%
ENERGERA INTERNATIONAL INC.
(formerly Frac Shack International Inc. - name change effectie Nov 26, 2021)
Date of Incorp. February 7, 2011
Place of Incorp. Canada (Federal)
Incorp. No. 777252-01
Registered Office:
Bishop & McKenzie LLP
#2300, 10180 – 101 Street
Edmonton, AB T5J 1V3
ENERGERA AMERICA INC.
(formerly Frac Shack America Inc. - name change effective Nov 29, 2021)
Date of Incorp. November 18, 2011
Place of Incorp. Delaware, U.S.A.
Incorp. No. 111212228
Registered Office:
#1700, 50 Fountain Plaza
Buffalo, NY 14202
100%
Sandtinel LLC
Date of Formation March 12, 2020
Place of Formation Delaware, U.S.A.
LLC 20202106292
Registered Office:
#1700, 50 Fountain Plaza
Buffalo, NY 14202

This is **Exhibit 2** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Government of Alberta ■

Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2026/01/26
Time of Search: 12:06 PM
Search provided by: NORTON ROSE FULBRIGHT CANADA LLP
Service Request Number: 46345628
Customer Reference Number: 1001247662

Corporate Access Number: 2015801190
Business Number: 816606511
Legal Entity Name: ENERGERA INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
FRAC SHACK INC.	2021/09/13

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2011/01/10 YYYY/MM/DD

Registered Office:
Street: #2300, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J1V3

Records Address:
Street: #2300, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J1V3

Email Address: CORPORATE@BMLLP.CA

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
TILLEY	SCOTT	R.	BISHOP & MCKENZIE LLP	2300, 10180 - 101 STREET	EDMONTON	ALBERTA	T5J1V3	CORPORATE@BMLLP.CA

Directors:

Last Name: HOLMSTROM
First Name: LANCE
Street/Box Number: 3139 - 72 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T6B1K6

Last Name: NATARAJAN
First Name: ANAND
Street/Box Number: 365 GLENRIDDING RAVINE ROAD SW
City: EDMONTON
Province: ALBERTA
Postal Code: T6W4E6

Last Name: VAN VLIET
First Name: J.
Middle Name: TODD
Street/Box Number: 795 DRYSDALE RUN NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6M0Y4

Voting Shareholders:

Last Name: HOLMSTROM
First Name: LANCE
Street: 3139 - 72 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T6K1K6
Percent Of Voting Shares: .2

Last Name: NATARAJAN
First Name: ANAND
Street: 365 GLENRIDDING RAVIE ROAD SW
City: EDMONTON
Province: ALBERTA
Postal Code: T6W4E6
Percent Of Voting Shares: .31

Legal Entity Name: VAN VLIET INVESTMENTS INC.
Corporate Access Number: 2016939130
Street: #2300, 10180 - 101 STREET
City: EDMONTON

Province: ALBERTA
Postal Code: T5J1V3
Percent Of Voting Shares: 58.58

Legal Entity Name: VANTERRA MANAGEMENT LTD.
Corporate Access Number: 203052634
Street: 2300, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J1V3
Percent Of Voting Shares: 40.91

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED
Share Transfers Restrictions: SEE SCHEDULE "B" ATTACHED
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE "C" ATTACHED

Holding Shares In:

Legal Entity Name
ENERGERA INTERNATIONAL INC.

Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
SAND SEPARATION TECHNOLOGIES	TN26743856

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2025	2025/06/03

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2011/01/10	Incorporate Alberta Corporation
2017/02/20	Name/Structure Change Alberta Corporation
2018/05/09	Change Address
2020/02/20	Update BN
2021/09/13	Name Change Alberta Corporation
2025/05/15	Change Director / Shareholder
2025/06/03	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2011/01/10
Restrictions on Share Transfers	ELECTRONIC	2011/01/10
Other Rules or Provisions	ELECTRONIC	2011/01/10
Letter - For Legal Name Change	10000107114945315	2016/07/08
Share Structure	ELECTRONIC	2017/02/20
Consolidation, Split, Exchange	ELECTRONIC	2017/02/20

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.

This is **Exhibit 3** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Innovation, Science and Economic Development Canada
Corporations Canada

Innovation, Sciences et Développement économique Canada
Corporations Canada

Corporations Canada
C. D. Howe Building
235 Queen St
Ottawa ON K1A 0H5

Corporations Canada
Édifice C.D.Howe
235 rue Queen
Ottawa ON K1A 0H5

Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2026-01-27 10:26 AM	(AAAA-MM-JJ) **Date et heure du Profil corporatif**

CORPORATE INFORMATION / RENSEIGNEMENTS CORPORATIFS

Corporate name		**Dénomination**
	ENERGERA INTERNATIONAL INC.	
Corporation number	777252-1	**Numéro de société ou d'organisation**
Business number	826945008RC0001	**Numéro d'entreprise**
Governing legislation		**Régime législatif**
	Canada Business Corporations Act (CBCA) - 2011-02-07	
	Loi canadienne sur les sociétés par actions (LCSA) - 2011-02-07	
Status		**Statut**
	Active	
	Active	

REGISTERED OFFICE ADDRESS / ADRESSE DU SIÈGE

#2300, 10180 - 101 street
edmonton AB T5J 1V3
Canada

ANNUAL FILINGS / DÉPÔTS ANNUELS

Anniversary date (MM-DD)	02-07	(MM-JJ) **Date anniversaire**
Filing period (MM-DD)	02-07 to/au 04-08	(MM-JJ) **Période de dépôt**

Status of annual filings / **Statut des dépôts annuels**

Not due	2026	N'est pas dû
Filed	2025	Déposé
Filed	2024	Déposé

Date of last annual meeting (YYYY-MM-DD)	2024-02-29	(AAAA-MM-JJ) **Date de la dernière assemblée annuelle**

Type	**Type**
Non-distributing corporation with 50 or fewer shareholders	
Société n'ayant pas fait appel au public et comptant 50 actionnaires ou moins	

DIRECTORS / ADMINISTRATEURS

Minimum number	1	**Nombre minimal**
Maximum number	7	**Nombre maximal**
Current number	2	**Nombre actuel**

LANCE HOLMSTROM — 3139 - 72 Street, Edmonton AB T6K 1K6, Canada
J. TODD VAN VLIET — 795 Drysdale Run Northwest, Edmonton AB T6M 2Y4, Canada

INDIVIDUALS WITH SIGNIFICANT CONTROL / PERSONNES AYANT UN CONTRÔLE IMPORTANT

Last updated (YYYY-MM-DD)	2025-06-03	**(AAAA-MM-JJ) Dernière mise à jour**
Current	2	**Actuel**

Maury Gaddis Van Vliet

Type of interest or control	**2875 Arbutus Road, Victoria, British Columbia, V8N 5X6, Canada** Owns, controls or directs 25% or more of shares / Possède, contrôle ou gère 25 % ou plus des actions	**Type d'intérêt ou de contrôle**
This individual holds the shares	Directly Directement	**Ce particulier détient les actions**
This individual is an individual with significant control over the corporation	Individually Individuellement	**Ce particulier possède un contrôle important de la société**
This individual holds	At least 25% and up to 50% of the shares Au moins 25 % et jusqu'à 50 % des actions	**Ce particulier détient**
Start date (YYYY-MM-DD)	2011-02-07	**(AAAA-MM-JJ) Date de début**

Jeffrey Todd Van Vliet

Type of interest or control	**795 Drysdale Run NW, Edmonton, Alberta, T6M 0Y4, Canada** Owns, controls or directs 25% or more of shares / Possède, contrôle ou gère 25 % ou plus des actions	**Type d'intérêt ou de contrôle**
This individual holds the shares	Directly Directement	**Ce particulier détient les actions**
This individual is an individual with significant control over the corporation	Individually Individuellement	**Ce particulier possède un contrôle important de la société**
This individual holds	More than 50% and up to 75% of the shares Plus de 50 % et jusqu'à 75 % des actions	**Ce particulier détient**
Start date (YYYY-MM-DD)	2011-02-07	**(AAAA-MM-JJ) Date de début**

CORPORATE HISTORY / HISTORIQUE CORPORATIF

Corporate name history (YYYY-MM-DD) — (AAAA-MM-JJ) **Historique de la dénomination**

2011-02-07 to / à 2021-11-26	Frac Shack International Inc.
2021-11-26 to present / à maintenant	ENERGERA INTERNATIONAL INC.

Certificates issued (YYYY-MM-DD) — (AAAA-MM-JJ) **Certificats émis**

Certificate of Incorporation	2011-02-07	Certificat de constitution en société
Certificate of Amendment	2021-11-26	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Corporate name		Dénomination sociale

Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.

Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.

Documents filed (YYYY-MM-DD) — (AAAA-MM-JJ) **Documents déposés**

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.

Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.

This is **Exhibit 4** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Government of Alberta ■

Corporation/Non-Profit Search
Corporate Registration System

Date of Search: 2026/01/26
Time of Search: 12:07 PM
Search provided by: NORTON ROSE FULBRIGHT CANADA LLP
Service Request Number: 46345639
Customer Reference Number: 1001247662

Corporate Access Number: 2116112299
Business Number:
Legal Entity Name: ENERGERA INTERNATIONAL INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
FRAC SHACK INTERNATIONAL INC.	2021/11/26

Legal Entity Status: Active
Extra-Provincial Type: Federal Corporation
Registration Date: 2011/06/06 YYYY/MM/DD
Date Of Formation in Home Jurisdiction: 2011/02/07 YYYY/MM/DD
Home Jurisdiction: CANADA
Home Jurisdiction CAN: 7772521

Head Office Address:
Street: 2300, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J1V3
Email Address: CORPORATE@BMLLP.CA

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
TILLEY	SCOTT	R.	BISHOP & MCKENZIE LLP	#2300, 10180 - 101 STREET	EDMONTON	ALBERTA	T5J1V3	CORPORATE@BMLLP.CA

Directors:

Last Name: HOLMSTROM
First Name: LANCE
Street/Box Number: 3139 - 72 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T6B1K6

Last Name: VAN VLIET
First Name: J.
Middle Name: TODD
Street/Box Number: 795 DRYSDALE RUN NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6M0Y4

Voting Shareholders:

Legal Entity Name: ENERGERA INC.
Corporate Access Number: 2015801190
Street: 2300, 10180 - 101 STREET NW
City: EDMONTON
Province: ALBERTA
Postal Code: T5J1V3
Percent Of Voting Shares: 100

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/12/11

Outstanding Returns:

Annual returns are outstanding for the 2025 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2011/06/06	Register Extra-Provincial Profit / Non-Profit Corporation
2015/08/07	Change Address
2018/05/09	Change Attorney

2021/03/28	Attorney for Service converted to Agent for Service
2021/09/16	Change Director / Shareholder
2021/11/26	Name Change Extra-Provincial
2024/12/11	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Letter - For Legal Name Change	10000007114945288	2021/09/16

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.

This is **Exhibit 5** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

State Of Delaware

****THIS IS NOT AN OFFICIAL CERTIFICATE OF STATUS****

Date Retrieved: 1/26/2026 2:18:33PM

File Number: 5067995
Incorporation Date / Formation Date: 11/18/2011
Entity Name: ENERGERA AMERICA INC.
Entity Kind: Corporation
Entity Type: General
Residency: Domestic
State: DELAWARE
Status: Good Standing
Status as of: 4/14/2016

Registered Agent Information

Name: UNITED CORPORATE SERVICES, INC.
Address: 800 NORTH STATE STREET SUITE 304
City: DOVER
Country:
State: DE
Postal Code: 19901
Phone: 877-734-8300

Tax Information

Last AnnualReport Filed: 2024
Tax Due: $ 0
Annual Tax Assessment: $175
Total Authorized Shares: 3000

Filing History (Last 5 Filings)

Seq	Description	No of Pages	Filing Date mm/dd/yyyy	Filing Time	Effective Date mm/dd/yyyy
1	Blnkt Address - Corp	1	20230530	104200	20230605
2	Amendment Name FRAC SHACK AMERICA INC.	1	20211124	175400	20211124
3	Stock Corporation	2	20111118	140600	20111118

THIS IS NOT AN OFFICIAL CERTIFICATE OF STATUS

****THIS IS NOT AN OFFICIAL CERTIFICATE OF STATUS****

This is **Exhibit 6** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

State Of Delaware

****THIS IS NOT AN OFFICIAL CERTIFICATE OF STATUS****

Date Retrieved: 1/26/2026 2:19:46PM

File Number: 7897919
Incorporation Date / Formation Date: 3/12/2020
Entity Name: SANDTINEL LLC
Entity Kind: Limited Liability Company
Entity Type: General
Residency: Domestic
State: DELAWARE
Status: Good Standing
Status as of: 4/25/2024

Registered Agent Information

Name: UNITED CORPORATE SERVICES, INC.
Address: 800 NORTH STATE STREET SUITE 304
City: DOVER
Country:
State: DE
Postal Code: 19901
Phone: 877-734-8300

Tax Information

Last AnnualReport Filed: 0
Tax Due: $ 0
Annual Tax Assessment: $300
Total Authorized Shares:

THIS IS NOT AN OFFICIAL CERTIFICATE OF STATUS

Filing History (Last 5 Filings)

Seq	Description	No of Pages	Filing Date mm/dd/yyyy	Filing Time	Effective Date mm/dd/yyyy
1	LLC	1	20200312	181100	20200312

****THIS IS NOT AN OFFICIAL CERTIFICATE OF STATUS****

This is **Exhibit 7** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

CDN.$69,500,000 CREDIT FACILITIES

THIRD AMENDED AND RESTATED CREDIT AGREEMENT

BETWEEN
ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SAND SEPARATION TECHNOLOGIES INC.
as Borrowers

AND

ROYAL BANK OF CANADA,
and such other persons as become parties hereto as lenders
as Lenders

AND

ROYAL BANK OF CANADA
as Agent of the Lenders

MADE AS OF JUNE 28, 2024

Royal Bank of Canada
as Lead Arranger and Sole Bookrunner

Royal Bank of Canada
as Administration Agent

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THIRD AMENDED AND RESTATED CREDIT AGREEMENT

THIS AGREEMENT is made as of June 28, 2024

B E T W E E N:

ENERGERA INC., ENERGERA INTERNATIONAL INC., ENERGERA AMERICA INC. and SAND SEPARATION TECHNOLOGIES INC. together with such other persons as become parties hereto as a Borrower (hereinafter sometimes referred to as the " **Borrowers**"),

OF THE FIRST PART,

- and -

ROYAL BANK OF CANADA, together with such other persons as become parties hereto as lenders (hereinafter sometimes collectively referred to as the "**Lenders**" and sometimes individually referred to as a "**Lender**"),

OF THE SECOND PART,

- and -

ROYAL BANK OF CANADA, a Canadian chartered bank, as agent of the Lenders hereunder (hereinafter referred to as the "**Agent**"),

OF THE THIRD PART.

WHEREAS the Borrowers, the Agent and certain financial institutions executed and delivered the second amended and restated credit agreement made as of May 15, 2023 (as amended to the date hereof, the "**Existing Credit Agreement**");

AND WHEREAS the parties hereto have agreed to amend and restate the Existing Credit Agreement on the terms and conditions hereinafter set forth;

AND WHEREAS the Lenders have agreed to provide the Credit Facilities to the Borrowers on the terms and conditions herein set forth;

AND WHEREAS the Lenders wish the Agent to act on their behalf with regard to certain matters associated with the Credit Facilities;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged by each of the parties hereto, the parties hereto covenant and agree as follows:

ARTICLE 1- INTERPRETATION

1.1 Definitions

(1) In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Acceleration Notice**" means a written notice delivered by the Agent to the Parent Borrower pursuant to Section 11.2 declaring all Obligations of the Borrowers outstanding hereunder to be due and payable.

"**Account Debtor**" means a person who is obligated to pay or perform on or under any Account Receivable.

"**Account Receivable**" means any right of the Parent Borrower or a Subsidiary which has provided Security to payment for goods sold or leased or for services rendered in the ordinary course of business from Account Debtors which are located in Canada or the United States of America or from an Account Debtor located outside of Canada or the United States of America which has been approved in writing by the Lenders, acting reasonably.

"**Accounting Change**" has the meaning set out in Section 1.4(2)(b).

"**Accounting Change Notice**" has the meaning set out in Section 1.4(2)(b).

"**Additional Compensation**" has the meaning set out in Section 12.3(1).

"**Adjusted Daily Compounded CORRA**" means, for the purposes of any calculation, the rate *per annum* equal to (a) Daily Compounded CORRA for such calculation plus (b) the Daily Compounded CORRA Adjustment; provided that, if Adjusted Daily Compounded CORRA as so determined for any day shall be less than the Floor, then Adjusted Daily Compounded CORRA shall be deemed to be the Floor for such day.

"**Adjusted Daily Simple SOFR**" means, for any day, an interest rate *per annum* equal to (a) the Daily Simple SOFR for such day plus (b) the Daily Simple SOFR Adjustment; provided that, if Adjusted Daily Simple SOFR as so determined shall ever be less than the Floor, then the Adjusted Daily Simple SOFR shall be deemed to be the Floor.

"**Adjusted Term CORRA**" means, for the purposes of any calculation, the rate *per annum* equal to (a) Term CORRA for such calculation plus (b) the Term CORRA Adjustment; provided that, if the Interest Period with respect to the applicable Term CORRA Loan is a Non-Standard Interest Period, then Adjusted Term CORRA shall be the CORRA Interpolated Rate; and provided further that, if Adjusted Term CORRA as so determined for any day shall be less than the Floor, then Adjusted Term CORRA shall be deemed to be the Floor for such day.

"**Adjusted Term SOFR**" means, for purposes of any calculation, the rate *per annum* equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that, if the Interest Period with respect to the applicable SOFR Loan is a Non-Standard Interest Period, then Adjusted Term SOFR shall be the SOFR Interpolated Rate; and provided further that, if the Adjusted Term

SOFR as so determined shall ever be less than the Floor, then the Adjusted Term SOFR shall be deemed to be the Floor.

"**Adjustment Time**" means the time of occurrence of the last event necessary (being either the delivery of a Demand for Payment or the occurrence of a Termination Event) to ensure that all Obligations, all Bank Product Obligations and the Financial Instrument Obligations under any Lender Financial Instruments are thereafter due and payable.

"**Advance**" means an advance of funds made by the Lenders or by any one or more of them to a Borrower (including by way of overdraft under the Operating Facility), but does not include any Conversion or Rollover.

"**Affected Financial Institution**" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affected Loan**" has the meaning set out in Section 12.4.

"**Affiliate**" means any person which, directly or indirectly, controls, is controlled by or is under common control with another person; and, for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" or "under common control with") means the power to direct or cause the direction of the management and policies of any person, whether through the ownership of shares or by contract or otherwise.

"**Agent's Accounts**" means the following accounts maintained by the Agent to which payments and transfers under this Agreement are to be effected:

Wire Transfer Info	**CDN$**
SWIFT	ROYCCAT2
Account Number	00002-2667608
Beneficiary Bank	Royal Bank of Canada Toronto, Ontario, Canada
Beneficiary	RBCCM Agency Services 200 Bay Street Toronto, Ontario, Canada M5J 2W7
Reference	Energera

Wire Transfer Info	**USD$**
Intermediary Bank	JP Morgan Chase Bank New York, New York, USA
ABA	021000021
SWIFT	CHASUS33

Beneficiary Bank	Royal Bank of Canada Toronto, Ontario, Canada
SWIFT	ROYCCAT2
Beneficiary	RBCCM Agency Services 200 Bay Street Toronto, Ontario, Canada M5J 2W7
Account Number	00002-4089199
Reference	Energera

or such other account or accounts as the Agent may from time to time designate by notice to the Parent Borrower and the Syndicated Facility Lenders.

"**Agreement**" means this third amended and restated credit agreement, as the same may be further amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Anti-Corruption Laws**" means all statutes, enactments, by-laws, rules, regulations, notifications, circulars, case-law, orders, ordinances, guidelines, policies, directions and judgments of any Governmental Authority concerning or relating to bribery or corruption, issued, administered, or enforceable against any Borrower or any Affiliate, including the United States Foreign Corrupt Practices Act of 1977 and the U.S. Bribery Act.

"**Anti-Money Laundering Laws**" means the Patriot Act, the Trading with the Enemy Act and each of the foreign assets control regulations of the United States Treasury Department and any other enabling legislation or executive order relating thereto; the U.S. Money Laundering Control Act of 1986 and the regulations and rules promulgated thereunder, as amended from time to time and any other federal or state laws relating to "know your customer" rules and regulations; the Beneficial Ownership Regulation; the U.S. Bank Secrecy Act and the regulations and rules promulgated thereunder, as amended from time to time; the Canadian Anti-Money Laundering & Anti-Terrorism Legislation; and corresponding laws of jurisdictions in which any Borrower or any Affiliate operates or in which the proceeds of the Loans will be used or from which repayments of the Obligations will be derived.

"**Applicable Laws**" or "**applicable law**" means, in relation to any person, transaction or event:

(a) all applicable provisions of laws, statutes, rules and regulations from time to time in effect of any Governmental Authority; and

(b) all Governmental Authorizations to which the person is a party or by which it or its property is bound or having application to the transaction or event.

"**Applicable Pricing Rate**", regarding any Loan or the standby fees payable in accordance with Section 5.8, means, when the Consolidated Net Funded Debt to EBITDA Ratio (calculated as at the Quarter End for the most recently completed calendar quarter and for the 12 months ended on such date) is one of the following, the percentage rate *per annum* set forth opposite such ratio in the column applicable to the type of Loan in question or such standby fee:

Category	Consolidated Net Funded Debt to EBITDA Ratio	Margin on Canadian Prime Rate Loans and U.S. Base Rate Loans	Margin on SOFR Loans, CORRA Loans and Issuance Fees for Letters of Credit	Standby Fee on each Credit Facility
I	less than 1.50:1.00	1.75% *per annum*	3.00% *per annum*	0.60% *per annum*
II	equal to or greater than 1.50:1.00 and less than 2.00:1.00	2.25% *per annum*	3.50% *per annum*	0.70% *per annum*
III	equal to or greater than 2.00:1.00	3.25% *per annum*	4.50% *per annum*	0.90% *per annum*

provided that:

(a) upon the occurrence and during the continuance of an Event of Default, the above rates *per annum* in respect of the Loans shall each be equal to the rates *per annum* set forth in Section 5.10;

(b) the above rates *per annum* applicable to SOFR Loans are expressed on the basis of a year of 360 days;

(c) without duplication of (a) above, from and after three (3) days following the date of delivery to the Agent of a notice of a Borrowing Base Shortfall, the above rates *per annum* applicable to the principal amount of the Borrowing Base Shortfall shall each increase by 2.00% *per annum* if and for so long as the Borrowing Base Shortfall subsists;

(d) the above rates *per annum* applicable to all other Loans are expressed on the basis of a year of 365 days;

(e) issuance fees for Letters of Credit which are not "direct credit substitutes" (as determined by the Operating Lender, acting reasonably) within the meaning of the Capital Adequacy Requirements shall be 66⅔% of the rate specified above; and

(f) as of the date of this Agreement, the Applicable Pricing Rate shall be the applicable rates set forth above in Category III and thereafter changes in the Applicable Pricing Rate shall be effective in accordance with Section 7.7.

"**Approved Securities**" means obligations maturing within one year from their date of purchase or other acquisition by the Parent Borrower, another Borrower or another Subsidiary and which are, directly or indirectly (including through a money market fund administered by the Agent):

(a) issued by the Government of Canada, the United States of America or an instrumentality or agency thereof and guaranteed fully as to principal, premium, if any, and interest by the Government of Canada or the United States of America;

(b) issued by a province of Canada or a state of the United States of America, or an instrumentality or agency thereof, which has a long term debt rating of at least A by S&P, A2 by Moody's, or A by DBRS; or

(c) term deposits, guaranteed investment certificates, certificates of deposit or bearer deposit notes, in each case, of any Canadian chartered bank or other Canadian financial institution or any bank or other financial institution incorporated under the laws of the United States of or any state thereof which has a long term debt rating of at least A+ by S&P, A1 by Moody's, or A (high) by DBRS.

"**Assigned Interests**" has the meaning set out in Section 2.20.

"**Assignment**" has the meaning set out in Section 15.6.

"**Assignment Agreement**" means an assignment agreement substantially in the form of Schedule B annexed hereto, with such modifications thereto as may be required from time to time by the Agent, acting reasonably.

"**Attributable Debt**" means, in respect of any lease (excluding any lease characterized as an operating lease under generally accepted accounting principles as in effect on December 15, 2018 entered into in the ordinary course of business) entered into by a person or a Subsidiary thereof as lessee, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with generally accepted accounting principles) of the lease payments of the lessee, including all rent and payments to be made by the lessee in connection with the return of the leased property, during the remaining term of the lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended) but excluding for certainty, (a) amounts required to be paid on account of insurance, taxes, assessments, utility, operating and labour costs and similar charges and (b) amounts payable by a lessee in connection with the exercise of any end of term purchase option, early buy out option or any similar amounts payable at the election of the lessee.

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or any component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 12.1(4).

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means (i) with respect to any EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the

EU Bail-In Legislation Schedule from time to time and (ii) with respect to the United Kingdom, Part I of the United Kingdom *Banking Act 2009* (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bank Product Affiliates**" means any Affiliate of a Lender which provides a Bank Product.

"**Bank Product Obligations**" means all obligations of the Parent Borrower, the other Borrowers and the other Subsidiaries arising under or in connection with Bank Products.

"**Bank Products**" means any facilities or services related to cash management, including treasury, depository, overdraft, credit or debit card, purchase card, electronic funds transfer, cash pooling and other cash management arrangements and commercial credit card and merchant card services provided to any Borrower or any other Subsidiary by any Lender or its Affiliates.

"**Banking Day**" means any day other than a Saturday or a Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Calgary, Toronto and New York; provided, that, when used in connection with a SOFR Loan, or any other calculation or determination involving SOFR, the term "Banking Day" means any day that is (a) a U.S. Government Securities Business Day and (b) a day other than a Saturday or a Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Calgary, Toronto and New York.

"**Bankruptcy Code**" means title 11 of the United States Code, in effect from time to time.

"**Basel III**" means the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking system", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented or restated from time to time.

"**basis points**" or "**bps**" means one one-hundredth of one percent (0.01%).

"**BCAP Credit Agreement**" means the Facility Letter dated as of September 29, 2021 among the Parent Borrower, as borrower, and the BCAP Lender, as lender, as amended, restated, supplemented or otherwise modified from time to time as permitted pursuant to the BCAP Intercreditor Agreement.

"**BCAP Credit Documents**" means the BCAP Credit Agreement and all guarantees and security provided in connection therewith and all other agreements, instruments and other documents governing or relating thereto as permitted hereunder and under the BCAP Intercreditor Agreement, as amended, restated, supplemented or otherwise modified from time to time as permitted pursuant to the BCAP Intercreditor Agreement.

"**BCAP Indebtedness**" means the Debt of the Parent Borrower under the BCAP Credit Documents.

"**BCAP Intercreditor Agreement**" means the Intercreditor Agreement dated as of September 29, 2021 by and between the Parent Borrower, the BCAP Lender, and the Agent, on behalf of the Lenders, as amended, restated, supplemented or otherwise modified from time to time.

"**BCAP Lender**" means, as at the date of this Agreement, Royal Bank of Canada as lender under the BCAP Credit Agreement.

"**Benchmark**" means, initially, (a) in respect of any SOFR Loan, the Term SOFR Reference Rate, (b) in respect of any Term CORRA Loan, the Term CORRA Reference Rate and (c) in respect of any Daily Compounded CORRA Loan, Daily Compounded CORRA; provided in each case that if a Benchmark Transition Event has occurred with respect to any then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 12.1(1)(a).

"**Benchmark Fallback Loans**" means (a) in respect of any SOFR Loans, U.S. Base Rate Loans, (b) in respect of any Term CORRA Loans, Daily Compounded CORRA Loans and (c) in respect of any Daily Compounded CORRA Loans, Canadian Prime Rate Loans.

"**Benchmark Loan**" means any Loan that bears interest with reference to any Benchmark (or any Benchmark Replacement thereof).

"**Benchmark Replacement**" means, with respect to any Benchmark Transition Event for any then-current Benchmark:

(a) with respect to obligations, interest, fees, commissions or other amounts calculated with respect to the Term SOFR Reference Rate (or any Benchmark replacing the Term SOFR Reference Rate), the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date:

(i) Adjusted Daily Simple SOFR; or

(ii) the sum of: (A) the alternate benchmark rate that has been selected by the Agent and the Borrowers giving due consideration to (I) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (II) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for United States Dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;

(b) with respect to obligations, interest, fees, commissions or other amounts calculated with respect to the Term CORRA Reference Rate (or any Benchmark replacing the Term CORRA Reference Rate), the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date:

(i) Adjusted Daily Compounded CORRA: or

(ii) the sum of: (A) the alternate benchmark rate that has been selected by the Agent and the Borrowers giving due consideration to (I) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (II) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Canadian Dollar-denominated syndicated credit facilities and (B) the related Benchmark Replacement Adjustment,

(c) with respect to obligations, interest, fees, commissions or other amounts calculated with respect to CORRA (or any Benchmark replacing CORRA), the sum of: (i) the alternate benchmark rate that has been selected by the Agent and the Borrowers giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Canadian Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment,

provided that, if the Benchmark Replacement as so determined above for any day would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for such day.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrowers giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for United States Dollar or Canadian Dollar denominated syndicated credit facilities (as applicable) at such time.

"**Benchmark Replacement Date**" means a date and time determined by the Agent, which date shall be no later than the earlier to occur of the following events with respect to any then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) even if such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to any then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, the Bank of Canada, an insolvency official with jurisdiction over the administrator of such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator of such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, if such Benchmark is a term rate, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" means, in respect of any Benchmark, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred in respect of such Benchmark if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Document in accordance with Section 12.1 and (b) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Document in accordance with Section 12.1.

"**Beneficial Ownership Certification**" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"**Beneficial Ownership Regulation**" means 31 C.F.R. § 1010.230.

"**Benefit Plan**" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"**BHC Act Affiliate**" as to any person, means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. § 1841(k)) of such person.

"**Borrowers**" means, collectively, the Parent Borrower and the other Borrowers and "**Borrower**" means any one of such borrowers.

"**Borrowing Base**" means, without duplication, the Equivalent Amount in Canadian Dollars equal to the aggregate of:

(a) 75% of all Eligible Accounts Receivable owing by Non-Investment Grade Account Debtors;

(b) 85% of all Eligible Accounts Receivable owing by Investment Grade Account Debtors (and such other Account Debtors as are otherwise agreed to by the Parent Borrower and the Majority of the Lenders, acting reasonably, at the request of the Parent Borrower which is permitted up to one time per fiscal quarter);

(c) 100% of Unencumbered Cash,

less:

(i) an amount equal to all due and payable but unpaid statutory source deductions of the Parent Borrower and its Subsidiaries who have provided Security;

(ii) an amount equal to all due and payable but unpaid wages, vacation pay and other compensation for services rendered by employees of the Parent Borrower and its Subsidiaries who have provided Security; and

(iii) any other claims ranking in priority to or *pari passu* with the Security.

"**Borrowing Base Certificate**" means a report and certificate of the Parent Borrower substantially in the form annexed hereto as Schedule J which, *inter alia*, provides:

(a) a calculation of the Liquidity of the Parent Borrower;

(b) a summary of all Accounts Receivable and corresponding and offsetting accounts payable of the Parent Borrower and its Subsidiaries which have provided Security from Account Debtors located in Canada or the United States of America as of the relevant calendar month end (including particulars of all Account Debtors and the age of such Accounts Receivable) which summary shall provide details of any Eligible Accounts Receivable subject to a *bona fide* dispute between the Account Debtor and a Loan Party;

(c) a summary of all Unencumbered Cash;

(d) a summary of all due and payable but unpaid statutory source deductions, all due and payable but unpaid wages, vacation pay and other compensation for services rendered by employees of the Parent Borrower and the Subsidiaries which have provided Security and any other claims ranking in priority to the Security; and

(e) the Parent Borrower's calculation of the Borrowing Base as at the applicable calendar month end (including particulars of the basis on which the Parent Borrower has made such calculation) together with a certificate of the Parent Borrower certifying such calculation and the Borrowing Base; provided that it is acknowledged and agreed that the Lenders may re-determine the Borrowing Base in accordance with Section 2.24.

"**Borrowing Base Facilities**" means, collectively, the Operating Facility and the Syndicated Revolving Tranche under the Syndicated Facility.

"**Borrowing Base Notice**" has the meaning set out in Section 2.24.

"**Borrowing Base Shortfall**" has the meaning set out in Section 2.24.

"**Canadian Anti-Money Laundering & Anti-Terrorism Legislation**" means Part II.1 of the *Criminal Code* (Canada), *The Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, the *United Nations Act*, the *Special Economic Measures Act*, and the *Freezing of Assets of Corrupt Foreign Officials Act*, or any similar Canadian legislation, together with all rules, regulations and interpretations thereunder or related thereto including the Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism and the United Nations Al-Qaida and Taliban Regulations promulgated under the *United Nations Act.*

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

"**Canadian Pension Plans**" means each pension plan that is a "registered pension plan" (as defined in the *Income Tax Act* (Canada)) or that is required to be registered under, or is subject to, the *Employment Pension Plans Act* (Alberta) or other Canadian federal or provincial law with respect to pension benefit standards and that is maintained or contributed to, or to which there is or may be an obligation to contribute by the Parent Borrower or a Subsidiary thereof, for its employees or former employees, but does not include the Canada Pension Plan or the Quebec Pension Plan as maintained by the Government of Canada or the Province of Quebec, respectively.

"**Canadian Prime Rate**" means, for any day, the greater of:

(a) the rate of interest *per annum* established from time to time by the Agent or the Operating Lender, as applicable, as the reference rate of interest for the determination of interest rates that the Agent or Operating Lender, as applicable, will charge to customers of varying degrees of creditworthiness in Canada for Canadian Dollar demand loans in Canada; and

(b) Adjusted Term CORRA for a one-month tenor in effect for such day plus 1.00%,

provided that (i) if both such rates are equal, then the "Canadian Prime Rate" shall be the rate specified in (a) above and (ii) if the Canadian Prime Rate as so determined for any day would be less than the Floor, the Canadian Prime Rate will be deemed to be the Floor for such day.

"**Canadian Prime Rate Loan**" means an Advance in, or Conversion into, Canadian Dollars made by the applicable Lenders (or any of them) to the Parent Borrower or another Borrower with respect to which the applicable Borrower has specified or a provision hereof requires that interest is to be calculated by reference to the Canadian Prime Rate.

"**Capital Adequacy Requirements**" means the Guideline dated April 2018, entitled "Capital Adequacy Requirements (CAR)" issued by the Office of the Superintendent of Financial Institutions Canada (or any successor thereto) ("**OSFI**") and all other guidelines or requirements relating to capital adequacy issued by OSFI or any other Governmental Authority regulating or having jurisdiction with respect to any Lender, as amended, modified, supplemented, reissued or replaced from time to time.

"**Capital Expenditures**" means with respect to any person for any period, without duplication, the aggregate amount of all expenditures (whether paid in cash or accrued as a liability by such person during that period for investments in other persons) and the acquisition or leasing of fixed or capital assets or additions to property, plant, or equipment (including replacements, capitalized

repairs, and improvements), in each case, which are required to be capitalized on the balance sheet of such person in accordance with GAAP.

"**Cash Collateral**" has the meaning set out in Section 2.17.

"**Cash Collateral Account**" has the meaning set out in Section 2.17.

"**Central Bank Rate Adjustment**" means, in relation to any U.S. Government Securities Business Day, the mean of the spreads (expressed as a percentage rate *per annum*) over the five (5) most immediately preceding U.S. Government Securities Business Days for which the Term SOFR Screen Rate has been published of:

(a) the Term SOFR Screen Rate for that Interest Period or discounting period on that U.S. Government Securities Business Day; and

(b) the Central Bank Rate prevailing at close of business on that U.S. Government Securities Business Day,

in each case as calculated by the Agent excluding the highest spread (and, if there is more than one highest spread, only one of those highest spreads) and lowest spread (or, if there is more than one lowest spread, only one of those lowest spreads).

"**Change of Control**" means and shall be deemed to have occurred if and when:

(a) (i) at any time prior to the consummation of a Qualified IPO, the Permitted Holders shall cease to beneficially own, directly or indirectly, Voting Shares in the capital of the Parent Borrower which have or represent more than 50% of all of the votes entitled to be cast by shareholders for an election of the board of directors of the Parent Borrower and (ii) at any time on and after the consummation of a Qualified IPO, any "person" or "group" (as such terms are used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act), other than the Permitted Holders, is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), in a single transaction or series of related transactions, directly or indirectly, of more than the greater of (A) 35.0% of the issued and outstanding Voting Shares of the Parent Borrower on a fully diluted basis and (B) the percentage of the ordinary voting power for the election of the directors of the Parent Borrower owned in the aggregate, directly or indirectly, beneficially, by the Permitted Holders; or

(b) the occupation of a majority of the seats (other than vacant seats) on the board of directors of Parent Borrower by persons who were neither (i) nominated, appointed or approved for consideration by shareholders for election by the board of directors of Parent Borrower or (ii) appointed by directors so nominated, appointed or approved.

"**Collateral Investment**" has the meaning set out in Section 2.17.

"**Colorado Deed**" means the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated October 27, 2021 granted by Energera America Inc. (as Frac Shack America Inc.), as grantor, in favour of the Agent, as beneficiary.

"**Commitment**" means a Syndicated Facility Commitment or an Operating Facility Commitment.

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation thereof).

"**Compliance Certificate**" means a certificate of the Parent Borrower signed on its behalf by any one of the president, chief financial officer, vice president finance, treasurer or controller of the Parent Borrower, substantially in the form annexed hereto as Schedule C, to be given to the Agent and the Lenders by the Parent Borrower pursuant hereto.

"**Conforming Changes**" means, with respect to the use or administration of any Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definitions of "Canadian Prime Rate," "U.S. Base Rate," "Banking Day," "U.S. Government Securities Business Day," "Interest Period", "Interest Payment Date" or any similar or analogous definition in respect of the foregoing, the timing and frequency of determining rates and making payments of interest, the timing of Notices of Borrower, Notices of Conversion, Notices of Rollover or Notices of Prepayment, the applicability and length of lookback periods, the applicability of Section 12.1 and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Documents).

"**Consolidated Net Funded Debt**" means, as at any date of determination, all consolidated interest-bearing Debt of the Parent Borrower, as shown on the most recently prepared consolidated balance sheet of the Parent Borrower, excluding (a) the Debt under the Shareholder Loan and (b) amounts due under the Paycheck Protection Program, net of all Unencumbered Cash to a maximum of U.S.$5,000,000.

"**Consolidated Net Funded Debt to EBITDA Ratio**" means, as at a Quarter End, the ratio of (a) Consolidated Net Funded Debt as at such Quarter End for the 12 calendar months ending at such Quarter End to (b) EBITDA for the 12 months ending at such Quarter End.

"**Consolidated Net Senior Debt**" means, as at any date of determination, all consolidated interest-bearing Debt of the Parent Borrower, as shown on the most recently prepared consolidated balance sheet of the Parent Borrower, excluding (a) amounts due under the Paycheck Protection Program, (b) the Debt under the Shareholder Loan and (c) the BCAP Indebtedness, net of all Unencumbered Cash to a maximum of U.S.$5,000,000.

"**Consolidated Net Senior Debt to EBITDA Ratio**" means, as at a Quarter End, the ratio of (a) Consolidated Net Senior Debt as at such Quarter End for the 12 calendar months ending at such Quarter End to (b) EBITDA for the 12 months ending at such Quarter End**.**

"**Consolidated Net Tangible Assets**" means, as at any date of determination, all consolidated assets of the Parent Borrower as shown on the most recently prepared consolidated balance sheet of the Parent Borrower, less, without duplication, the aggregate of the following amounts reflected upon such balance sheet:

(a) all goodwill, deferred assets, patents, trademarks, copyrights and other similar intangible assets;

(b) investments in entities or non-Wholly-Owned Subsidiaries involved in joint ventures;

(c) non-controlling interests in a person not directly or indirectly owned or held by the Parent Borrower or one of its Subsidiaries;

(d) assets held for sale, disposition or to be discontinued and classified in such manner; and

(e) the Mortgaged Real Property,

all as determined in accordance with generally accepted accounting principles.

"**Conversion**" means a conversion or deemed conversion of a Loan under a given Credit Facility into another type of Loan under the same Credit Facility (and, in the case of the Syndicated Facility, conversion under a given Tranche into another type of Loan under the same Tranche) pursuant to the provisions hereof, and "**Convert**" and "**Converted**" have similar meanings, provided that, the conversion of a Loan denominated in one currency to a Loan denominated in another currency shall be effected by repayment of the Loan or portion thereof being converted in the currency in which it was denominated and readvance to the applicable Borrower of the Loan into which such conversion was made.

"**Conversion Date**" means the date specified by a Borrower as being the date on which such Borrower has elected to convert, or this Agreement requires the conversion of, one type of Loan under a given Credit Facility into another type of Loan under the same Credit Facility and which shall be a Banking Day.

"**Conversion Notice**" means a notice substantially in the form annexed hereto as Schedule D to be given to the Agent or the Operating Lender, as applicable, by a Borrower pursuant hereto.

"**CORRA**" means the Canadian Overnight Repo Rate Average administered and published by the CORRA Administrator.

"**CORRA Administrator**" means the Bank of Canada, or any successor administrator of the Canadian Overnight Repo Rate Average.

"**CORRA Banking Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which commercial banks are authorized or required by law to be closed for business in Toronto.

"**CORRA Interpolated Rate**" means, for any Term CORRA Loan for a Non-Standard Interest Period, the rate *per annum* determined by the Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) Adjusted Term CORRA for the longest Interest Period that is not a Non-Standard Interest Period for which Adjusted Term CORRA is available that is shorter than the Non-Standard Interest Period of such Term CORRA Loan and (b) Adjusted Term CORRA for the shortest Interest Period that is not a Non-Standard Interest Period for which Adjusted Term CORRA is available that exceeds the Non-Standard Interest Period of such Term CORRA Loan, at such time; provided that when determining the CORRA Interpolated Rate for a Non-Standard Interest Period which is less than one month, the CORRA Interpolated Rate shall be deemed to be Adjusted Term CORRA for an Interest Period of one month's duration.

"**CORRA Loans**" means, collectively, Term CORRA Loans and Daily Compounded CORRA Loans.

"**Covered Entity**" means any of the following:

(a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b)

"**Covered Party**" has the meaning set out in Section 11.11.

"**Credit Facilities**" means, collectively, the Syndicated Facility and the Operating Facility, and "**Credit Facility**" means either one of such credit facilities.

"**Currency Excess**" has the meaning set out in Section 2.18.

"**Currency Excess Deficiency**" has the meaning set out in Section 2.18.

"**Currency Hedging Agreement**" means any currency swap agreement, cross currency agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by the Parent Borrower, another Borrower or another Subsidiary where the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time.

"**Daily Compounded CORRA**" means, for any day, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a five (5) CORRA Banking Day lookback period without

observational shift) being established by the Agent in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded CORRA for business loans; provided that if the Agent decides that any such methodology or convention is not administratively feasible for the Agent, then the Agent may establish another methodology or convention in its discretion, acting reasonably; and provided that if the CORRA Administrator has not provided or published CORRA and a Benchmark Transition Event with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

"**Daily Compounded CORRA Adjustment**" means 0.29547% (29.547 basis points) *per annum* for an Interest Period of one-month's duration, and 0.32138% (32.138 basis points) *per annum* for an Interest Period of three-months' duration.

"**Daily Compounded CORRA Loan**" means a Loan that bears interest at a rate based on Adjusted Daily Compounded CORRA.

"**Daily Simple SOFR**" means, for any day, a rate *per annum* equal to SOFR for the day, with the conventions for this rate (which will include a lookback) being established by the Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion.

"**Daily Simple SOFR Adjustment**" means, with respect to Daily Simple SOFR, 0.1000% (10.00 basis points) *per annum*.

"**DBRS**" means DBRS Limited and any successors thereto.

"**Debt**" means, with respect to any person ("X"), all obligations, liabilities and indebtedness of X and its Subsidiaries which would, in accordance with generally accepted accounting principles, be classified upon a consolidated balance sheet of X as indebtedness for borrowed money of X and its Subsidiaries and, whether or not so classified, shall include, without duplication:

(a) indebtedness of X and its Subsidiaries for borrowed money;

(b) obligations of X and its Subsidiaries arising pursuant or in relation to: letters of credit and letters of guarantee supporting obligations which would otherwise constitute Debt within the meaning of this definition or indemnities issued in connection therewith;

(c) obligations of X and its Subsidiaries with respect to drawings under all other letters of credit and letters of guarantee;

(d) obligations of X and its Subsidiaries under Guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the indebtedness or other obligations of any other person which would otherwise constitute Debt within the meaning of this definition and all other obligations

incurred for the purpose of or having the effect of providing financial assistance to another person in respect of such indebtedness or such other Debt obligations, including endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business);

(e) (i) all indebtedness of X and its Subsidiaries representing the deferred purchase price of any property to the extent that such indebtedness is or remains unpaid after the expiry of the customary time period for payment, provided however that such time period shall in no event exceed 90 days, and (ii) all obligations of X and its Subsidiaries created or arising under any conditional sales agreement or other title retention agreement;

(f) all Attributable Debt of X and its Subsidiaries other than in respect of (i) leases of office space or (ii) operating leases, in each case entered into in the ordinary course of business (and, for certainty, no Sale-Leaseback shall be considered to be entered into in the ordinary course of business);

(g) all other long term obligations (including the current portion thereof) upon which interest charges are customarily paid prior to default by X;

(h) all obligations of such person for or in respect of the purchase price from such person of any of its property, assets or undertaking, the purchase price in respect of which has been prepaid by the purchaser; and

(i) all indebtedness of other persons secured by a Security Interest on any asset of X and its Subsidiaries, whether or not such indebtedness is assumed thereby; provided that the amount of such indebtedness shall be the lesser of (i) the fair market value of such asset at such date of determination, and (ii) the amount of such indebtedness shall only be Debt to the extent recorded as a liability in accordance with generally accepted accounting principles,

but shall exclude each of the following, determined (as required) in accordance with generally accepted accounting principles, without duplication:

(j) mark to market amounts under Financial Instrument Obligations;

(k) accounts payable to trade creditors and accrued liabilities incurred in the ordinary course of business;

(l) current taxes payable and deferred taxes;

(m) dividends or other equity distributions payable;

(n) accrued interest not yet due and payable;

provided that (i) unless otherwise expressly provided or the context otherwise requires, references herein to “Debt” shall be and shall be deemed to be references to Debt of the Parent Borrower and

its Subsidiaries, on a consolidated basis, and (ii) for certainty, any Debt incurred by a Joint Partnership shall not be included as Debt of the Parent Borrower for the purposes hereof.

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

"**Default Right**" has the meaning set out in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**Defaulting Lender**" means any Lender:

(a) that has failed to fund any payment or its portion of any Loan required to be made by it hereunder or to purchase or fund any participation required to be purchased or funded by it hereunder and under the other Documents;

(b) that has notified the Parent Borrower, the Agent or any Lender (verbally or in writing) that it does not intend to or is unable to comply with any of its funding obligations under this Agreement or has made a public statement to that effect or to the effect that it does not intend to or is unable to fund advances generally under credit arrangements to which it is a party;

(c) that has failed, within 3 Banking Days after request by the Agent or the Operating Lender, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans;

(d) that has otherwise failed to pay over to the Agent or any other Lender any other amount required to be paid by it hereunder within 3 Banking Days of the date when due, unless the subject of a good faith dispute;

(e) in respect of which a Lender Insolvency Event or a Lender Distress Event has occurred in respect of such Lender or its Lender Parent;

(f) that has, or that has a Lender Parent that has, become the subject of a Bail-In Action;

(g) that is generally in default of its obligations under other existing credit and loan documentation under which it has commitments to extend credit; or

(h) with respect to which the Agent has concluded, acting reasonably, and has advised the Lenders in writing, that it is of the view that there is a reasonable chance that such Lender shall become a Defaulting Lender pursuant to subparagraphs (a) to (g), inclusive, of this definition.

"**Demand for Payment**" means an Acceleration Notice or a Financial Instrument Demand for Payment.

"**Departing Agent**" has the meaning set out in Section 10.8.

"**Designated Lender**" means, with respect to the Agent or any Lender, the office or offices of such person described as such in such person's administrative questionnaire, or such other office or offices as such person may from time to time notify the Parent Borrower or the Agent; which office may include any Affiliate of such person or any domestic or foreign branch of such person or such Affiliate.

"**Designated Material Subsidiary**" means a Subsidiary which is designated as a Material Subsidiary pursuant to Section 10.1 and which would not otherwise fall within part (a) or (b) of the definition of "Material Subsidiary".

"**Distribution**" means:

(a) the declaration, payment or setting aside for payment of any dividend or other distribution on or in respect of any shares in the capital of the Parent Borrower (including any return of capital);

(b) the redemption, retraction, purchase, retirement or other acquisition, in whole or in part, of any shares in the capital of the Parent Borrower or any securities, instruments or contractual rights capable of being converted into, exchanged or exercised for shares in the capital thereof, including options, warrants, conversion or exchange privileges and similar rights;

(c) the making of any loan or any advance or other provision of credit to any shareholder of the Parent Borrower; or

(d) the payment of any principal, interest, fees or other amounts on or in respect of any loans, advances or other Debt owing at any time by the Parent Borrower to any shareholder of the Parent Borrower, Affiliates of the Parent Borrower or shareholders of Affiliates of the Parent Borrower, other than to another Borrower or another Material Subsidiary,

and whether any of the foregoing is made, paid or satisfied in or for cash, property or any combination thereof.

"**Documents**" means this Agreement, the Security, the BCAP Intercreditor Agreement, the Fee Agreement, the Subordination Agreement and all agreements, certificates, notices, instruments and other documents delivered or to be delivered by the Parent Borrower, another Borrower or another Subsidiary to the Agent, the Operating Lender or the Lenders, or each, in relation to the Credit Facilities pursuant hereto or thereto and, when used in relation to any person, the term "Documents" shall mean and refer to the Documents executed and delivered by such person.

"**Drafts**" means drafts, bills of exchange, receipts, acceptances, demands and other requests for payment drawn or issued under a Letter of Credit.

"**Drawdown**" means:

(a) an Advance of a Canadian Prime Rate Loan, U.S. Base Rate Loan, CORRA Loan or SOFR Loan; and

(b) the issue of Letters of Credit.

"**Drawdown Date**" means the date on which a Drawdown is made by a Borrower pursuant to the provisions hereof and which shall be a Banking Day.

"**Drawdown Notice**" means a notice substantially in the form annexed hereto as Schedule E to be given to the Agent or the Operating Lender, as applicable, by a Borrower pursuant hereto.

"**EBITDA**" of the Parent Borrower in any financial period means the Net Income for such period, plus (in each case, on a consolidated basis), without duplication:

(a) all Interest Expenses, amortization or write-off of debt discounts, debt issuance costs and commissions, discounts, other fees, charges and finance expenses (in each case, calculated in accordance with generally accepted accounting principles), to the extent deducted in determining Net Income;

(b) all amounts deducted in the calculation of Net Income in respect of the provision for income taxes (in accordance with generally accepted accounting principles), including income tax expenses, tax expenses associated with taxes deemed the equivalent to income taxes pursuant to generally accepted accounting principles and net of income tax credits;

(c) all amounts deducted in the calculation of Net Income in respect of unrealized foreign currency translation of accounts receivable and accounts payable and intercompany amounts, or unrealized losses resulting from mark to market accounting for hedging activities;

(d) all amounts deducted in the calculation of Net Income in respect of non-cash items, including depletion, depreciation, amortization and deferred taxes;

(e) all amounts deducted in the calculation of Net Income in respect of equity loss attributable to non-controlling interests and extraordinary and non-recurring losses (including (i) one-time costs and expenses incurred in connection with Permitted Dispositions, other dispositions permitted hereunder, Permitted Acquisitions and internal reorganizations and (ii) other one-time costs and expenses consented to by the Majority of the Lenders) and any unusual or non-recurring expenses or charges that are non-cash in nature, in each case, to the extent deducted in the calculation of Net Income;

(f) to the extent deducted from Net Income, non-cash losses resulting from marking-to-market the outstanding Financial Instruments of the Parent Borrower and the Subsidiaries for such period in accordance with generally accepted accounting principles;

(g) non-cash stock-based compensation;

(h) losses realized upon disposal of capital property or minority equity investments;

(i) cash dividends actually received from non-wholly owned persons that are not Subsidiaries or Joint Partnerships;

(j) expenses incurred in connection with (x) the Loans and the Credit Facilities, (y) negotiating and documenting the Documents and (z) the other transactions contemplated thereby to a maximum of U.S.$500,000; and

(k) expenses incurred in connection with the consummation of any permitted acquisition or other investment or purchase (in one transaction or a series of transactions) of any other interest in any other person or any assets of any other person (whether through purchase of assets, merger or otherwise) to a maximum of U.S.$500,000 in any twelve-month period;

less (in each case, on a consolidated basis), without duplication:

(l) all finance income (calculated in accordance with generally accepted accounting principles), to the extent included in determining Net Income;

(m) equity gain attributable to non-controlling interests and extraordinary and non-recurring earnings and gains of the Parent Borrower and its Subsidiaries, in each case, to the extent included in the calculation of Net Income;

(n) all amounts included in the calculation of Net Income in respect of unrealized foreign currency translation of accounts receivable and accounts payable and intercompany amounts;

(o) all cash payments during such period relating to non-cash charges which were added back in determining EBITDA in any prior period; and

(p) to the extent included in Net Income, non-cash gains resulting from marking-to-market the outstanding Financial Instruments of the Parent Borrower and the Subsidiaries for such period in accordance with generally accepted accounting principles; and

(q) to the extent included in Net Income, any other non-cash and non-recurring gains outside of the ordinary course of business;

provided that, when calculating the consolidated EBITDA of the Parent Borrower, such EBITDA shall exclude therefrom any earnings generated by any person in which the Parent Borrower or a Subsidiary holds, directly or indirectly, a minority interest except to the extent that cash income in respect thereof has been received by the Parent Borrower, another Borrower or another Material Subsidiary and in the amount thereof.

For the purposes of calculating EBITDA for any 12 month period ending on the applicable Quarter End for any determination of the financial ratios contained in Section 9.3, if at any time during such period the Parent Borrower or any of its Subsidiaries shall have made any Material Disposition or Material Acquisition, Net Income and EBITDA for such period shall be calculated after giving pro forma effect thereto as if such Material Disposition or Material Acquisition had

occurred on the first day of such period; provided that the calculations of such pro forma adjustments are acceptable to the Agent in its reasonable discretion.

"**EEA Financial Institution**" means:

(a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority;

(b) any entity established in an EEA Member Country which is a parent of an institution described in subparagraph (a) of this definition; or

(c) any institution established in an EEA Member Country which is a subsidiary of an institution described in subparagraph (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Eligible Accounts Receivable**" means an Account Receivable which:

(a) if it arises from the provision of services, such services have been performed for the Account Debtor under such Account Receivable and if it arises from the sale or lease of goods, title to such goods has passed to the Account Debtor under such Account Receivable or such goods have been shipped to the Account Debtor;

(b) is a valid and legally enforceable obligation of the Account Debtor and is not subject to any offset, counter-claim or other defence which has been asserted on the part of such Account Debtor or to any other claim on the part of such Account Debtor denying liability thereunder in full or in part; provided that any Account Receivable subject to any offset, counter-claim, defence or other claim shall only be treated as ineligible to the extent of such offset, counter-claim, defence or other claim;

(c) is due from an Account Debtor whose principal place of business is located in Canada or the United States of America or from an Account Debtor located outside of Canada or the United States of America unless such Account Receivable has been backed by a letter of credit or guarantee accepted by the Agent, acting reasonably, or such Account Debtor has been approved in writing by the Agent, acting reasonably;

(d) is subject to a properly perfected security interest in favour of the Agent and the Lenders and not subject to any other Security Interest whatsoever other than (i) any Permitted Encumbrance which does not rank in priority senior to the Security Interest or liens created by the Security or (ii) statutory liens and trusts arising by

operation of law (and which, for certainty, have not been consensually created) which secure amounts which are neither due nor delinquent;

(e) is evidenced by an invoice, purchase or service order or other similar written statement and has payment terms in accordance with the usual practice of the industry rendered to the appropriate Account Debtor, and is not evidenced by any instrument or chattel paper unless all necessary steps have been taken to perfect the security interest contained in such instrument or chattel paper;

(f) (i) with respect to Non-Investment Grade Account Debtors, is not outstanding more than 90 days after the invoice date of the relevant invoice, purchase order or other similar written statement and (ii) with respect to Investment Grade Account Debtors (and such other Account Debtors as are otherwise agreed to by the Parent Borrower and the Majority of the Lenders), is not outstanding more than 120 days after the invoice date of the relevant invoice, purchase order or other similar written statement (any such Account Receivable outstanding more than 90 or 120 days, as applicable, after the invoice date, a "**Delinquent Account Receivable**");

(g) is not owing from an Account Debtor which is Insolvent unless (i) such Account Receivables of such Insolvent Account Debtor are fully covered by credit insurance, letters of credit or other sufficient third-party credit support, or are otherwise deemed by the Majority of the Lenders not to pose an unreasonable risk of non-collectability and (ii) an order exists permitting payment of trade creditors with respect to such Account Debtor and such Account Debtor has obtained adequate post-petition financing to pay such receivables;

(h) is owing from an Account Debtor which is not an Affiliate of the Parent Borrower or a Subsidiary or, if such Account Debtor is an Affiliate of the Parent Borrower or a Subsidiary, only if such parties are dealing on fair market terms consistent with terms that would be agreed to by arms' length parties;

(i) the Account Debtor of the Account Receivable is not a Governmental Authority except to the extent the Account Receivable is assignable without consent or all necessary consents to assignment have been obtained and all applicable statutory requirements for consent have been obtained and the Agent is satisfied as to the absence of setoffs, counterclaims and other defenses on the part of such Account Debtor; and

(j) is not, to the Parent Borrower's and its Subsidiaries' actual knowledge, owing from a Sanctioned Person.

provided that:

(k) if Delinquent Accounts Receivable of any Account Debtor and its Affiliates to the Parent Borrower and the Subsidiaries that have provided Security exceed 20% of the total Accounts Receivable owing by such Account Debtor and its Affiliates to the Parent Borrower and its Subsidiaries that have provided Security and such Delinquent Accounts Receivable are not the subject of a *bona fide* dispute between

the Account Debtor and the applicable Borrower, then the Agent may, in its reasonable discretion, determine that all the Accounts Receivable of such Account Debtor and its Affiliates will not be Eligible Accounts Receivable; and

(l) an Account Receivable which is at any time an Eligible Account Receivable, but which subsequently fails to meet any of the foregoing requirements, shall forthwith cease to be an Eligible Account Receivable.

"**Environmental Claims**" means any and all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations, inspections, inquiries or proceedings relating in any way to any Environmental Laws or to any permit issued under any such Environmental Laws including:

(a) any claim by a Governmental Authority for enforcement, clean up, removal, response, remedial or other actions or damages pursuant to any Environmental Laws; and

(b) any claim by a person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive or other relief resulting from or relating to Hazardous Materials, including any Release thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment.

"**Environmental Laws**" means all Applicable Laws with respect to the environment or environmental or public health and safety matters contained in statutes, regulations, rules, ordinances, orders, judgments, governmental approvals, approvals, notices, permits or policies, guidelines or directives having the force of law.

"**Equivalent Amount**" means, on any date, the equivalent amount in Canadian Dollars or United States Dollars, as the case may be, after giving effect to a conversion of a specified amount:

(a) United States Dollars to Canadian Dollars; or

(b) Canadian Dollars to United States Dollars,

as the case may be, at the rate of exchange for Canadian interbank transactions established by the Bank of Canada and quoted at approximately the end of business (Toronto time) for the day in question or, if such determination is required to made prior to such time, as quoted at approximately the end of business (Toronto time) on the Banking Day immediately preceding the date of determination, or, if such rate is for any reason unavailable, at the spot rate quoted for wholesale transactions by the Agent at approximately noon (Toronto time) on that date in accordance with its normal practice.

"**ERISA**" means the *Employee Retirement Income Security Act of 1974* (United States), as amended from time to time.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that together with any Loan Party is treated as a single employer under Section 414(b) or (c) of the U.S. Code (or

Section 414(m) or (o) of the U.S. Code for purposes of provisions relating to Section 412 of the U.S. Code or Section 302 of ERISA).

"**ERISA Event**" means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by any Loan Party or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal (as such terms are defined in Part I of Subtitle E of Title IV or ERISA) by any Loan Party or any ERISA Affiliate from a Multiemployer Plan or receipt by any Loan Party or any ERISA Affiliate of any notice concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent (within the meaning of Section 4245 of ERISA) or in endangered or critical status (within the meaning of Section 432 of the U.S. Code or Section 305 of ERISA); (d) the filing pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate a Pension Plan, the treatment of a plan amendment as a termination under Section 4041 or 4041A of ERISA of a Pension Plan, or the commencement of proceedings by the PBGC to terminate a Pension Plan; (e) the occurrence of an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon a Loan Party or any ERISA Affiliate, including but not limited to the imposition of any lien in favor of the PBGC or any Pension Plan; (g) any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the U.S. Code or Section 302 of ERISA) applicable to such Pension Plan, whether or not waived; (h) the filing pursuant to Section 412(c) of the U.S. Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Pension Plan; (i) the failure to make by its due date a required installment under Section 430(j) of the U.S. Code with respect to any Pension Plan; (j) the failure by any Loan Party or any ERISA Affiliate to make any required contribution to a Multiemployer Plan; (k) a determination that any Pension Plan is, or is expected to be, in "at risk" status (within the meaning of Section 430 of the U.S. Code or Section 303 of ERISA) or; (l) the existence with respect to any Pension Plan of a material non-exempt "prohibited transaction" (within the meaning of Section 406 of ERISA or Section 4975(c) of the U.S. Code).

"**Erroneous Payment**" shall have the meaning set out in Section 14.17(1).

"**Erroneous Payment Deficiency Assignment**" has the meaning set out in Section 14.17(4).

"**Erroneous Payment Return Deficiency**" has the meaning set out in Section 14.17(4).

"**EU Bail-In Legislation Schedule**" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Event of Default**" has the meaning set out in Section 11.1.

"**Excess Cash Flow**" means, in respect of any fiscal year of the Parent Borrower, EBITDA for the Parent Borrower and its Subsidiaries for such fiscal year (determined on a consolidated basis in accordance with GAAP), less the sum of the following (without duplication):

(a) to the extent added back to EBITDA, (i) Taxes paid in cash during such fiscal year and (ii) Interest Expense paid during such fiscal year;

(b) Unfunded Capital Expenditures paid in cash during such fiscal year; and

(c) scheduled principal repayments on Permitted Debt paid in cash during such fiscal year.

For certainty, any repayments of the Shareholder Loan shall be subject to the restrictions in Section 9.2(h)(ii)(B), and any calculations completed pursuant to subparagraph (c) in respect of the Shareholder Loan shall include only those repayments made in accordance with Section 9.2(h)(ii)(B).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder.

"**Excluded Swap Obligations**" means, with respect to any Loan Party that has provided a Guarantee, any Swap Obligations if, and to the extent that, all or a portion of the guarantee of such Loan Party of, or the grant by such Loan Party of a lien to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act by virtue of such Loan Party's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act at the time the guarantee of such Loan Party or the grant of such lien becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap (as defined by the Commodity Exchange Act), such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps (as defined by the Commodity Exchange Act) for which such guarantee or lien is or becomes illegal.

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to the Agent or any Lender or required to be withheld or deducted from a payment to the Agent or any Lender, (a) Taxes imposed on or measured by net income (i) imposed as a result of the Agent or such Lender being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) any withholding Taxes imposed under FATCA, (c) any Canadian taxes imposed on a payment by or on account of any obligation of the Borrowers hereunder (i) to a person with which the applicable Borrower does not deal at arm's length (for the purposes of the *Income Tax Act* (Canada)) at the time of making such payment or (ii) in respect of a debt or other obligation to pay an amount to a person with whom the applicable Borrower is not dealing at arm's length (for the purposes of the *Income Tax Act* (Canada)) at the time of such payment, or (d) any Canadian taxes imposed on a Lender by reason of such Lender being a "specified shareholder" of a Borrower, or not dealing at arm's length with a "specified shareholder" of a Borrower (in each case, as defined in subsection 18(5) of the *Income Tax Act* (Canada)).

"**Existing Credit Agreement**" has the meaning set out in the recitals.

"**Extending Lender**" has the meaning set out in Section 2.20.

"**FATCA**" means (a) Sections 1471 through 1474 of the U.S. Code, as of the date of this Agreement (or any amended or successor version), any current or future regulations or official interpretations thereof, and any agreements entered into pursuant to the foregoing; and (b) any fiscal or regulatory legislation, rules or official practices adopted by any non-U.S. Governmental Authority pursuant to an intergovernmental agreement between such non-U.S. jurisdiction and the United States.

"**Federal Funds Rate**" means, for any day, the rate of interest *per annum* equal to (a) the weighted average (rounded upwards, if necessary, to the next 1/100th of one percent *per annum*) of the annual rates of interest on overnight Federal funds transactions with members of the Federal Reserve Board of the United States of America (or any successor thereof) arranged by Federal funds brokers on such day, as published on the next succeeding Banking Day by the Federal Reserve Bank of New York (or any successor thereto) or, (b) if such day is not a Banking Day, such weighted average for the immediately preceding Banking Day for which the same is published or, (c) if such rate is not so published for any day that is a Banking Day, the average (rounded upwards, if necessary, to the next 1/100th of one percent *per annum*) of the quotations for such day on such transactions received by the Agent or the Operating Lender, as applicable, from three Federal funds brokers of recognized standing selected by the Agent or the Operating Lender, as applicable.

"**Federal Reserve Board**" or "**Federal**" means the Board of Governors of the Federal Reserve System of the United States of America or any successor thereof.

"**Fee Agreement**" means the fee letter dated as of the date of this Agreement among the Agent and the Parent Borrower respecting the payment of certain fees and other amounts to the Lead Arranger, the Lenders and the Agent.

"**Financial Assistance**" means, with respect to any person and without duplication, any loan, Guarantee, indemnity, assurance, acceptance, extension of credit, loan purchase, share purchase, equity or capital contribution, investment or other form of direct or indirect financial assistance or support of any other person or any obligation (contingent or otherwise) intended to enable another person to incur or pay any Debt or to comply with agreements relating thereto or otherwise to assure or protect creditors of the other person against loss in respect of Debt of the other person and includes any Guarantee of or indemnity in respect of the Debt of the other person and any absolute or contingent obligation to (directly or indirectly):

(a) advance or supply funds for the payment or purchase of any Debt of any other person;

(b) purchase, sell or lease (as lessee or lessor) any property, assets, goods, services, materials or supplies primarily for the purpose of enabling any person to make payment of Debt or to assure the holder thereof against loss;

(c) guarantee, indemnify, hold harmless or otherwise become liable to any creditor of any other person for, from, against or in respect of any losses, liabilities or damages in respect of Debt;

(d) make a payment to another for goods, property or services regardless of the non-delivery or non-furnishing thereof; or

(e) make an advance, loan or other extension of credit to or to make any subscription for equity, equity or capital contribution, or investment in or to maintain the capital, working capital, solvency or general financial condition of another person.

The amount of any Financial Assistance is the amount of any loan or direct or indirect financial assistance or support, without duplication, given, or all Debt of the obligor to which the Financial Assistance relates, unless the Financial Assistance is limited to a determinable amount, in which case the amount of the Financial Assistance is such determinable amount.

"**Financial Covenant/Term**" has the meaning set out in Section 1.4(2)(b).

"**Financial Instrument**" means any Interest Hedging Agreement or Currency Hedging Agreement.

"**Financial Instrument Demand for Payment**" means a demand made by a Lender or Hedging Affiliate pursuant to a Lender Financial Instrument demanding payment of the Financial Instrument Obligations which are then due and payable relating thereto and shall include any notice under any agreement evidencing a Lender Financial Instrument which, when delivered, would require an early termination thereof and a payment by the Parent Borrower, any other Borrower or any other Subsidiary in settlement of obligations thereunder as a result of such early termination.

"**Financial Instrument Obligations**" means obligations arising under Financial Instruments entered into by the Parent Borrower, any other Borrower or any other Subsidiary to the extent of the net amount due or accruing due by the Parent Borrower, such other Borrower or such other Subsidiary.

"**Fiscal Year End**" means September 30 in each year.

"**Fixed Charge Coverage Ratio**" means, as applicable and as the context requires as at each Quarter End, the ratio of (i) EBITDA for the twelve (12) calendar months ending at such Quarter End less (a) current cash Taxes accrued in such period (whether or not paid), (b) Unfunded Capital Expenditures and (c) all cash Distributions made during such period to (ii) the Fixed Charges for the twelve (12) calendar months ending at such Quarter End.

Notwithstanding the foregoing, for the purposes of determining the Fixed Charge Coverage Ratio provided for in Section 9.3(b), any calculation of the Fixed Charge Coverage Ratio shall exclude payments made in compliance with Section 9.2(h)(ii).

"**Fixed Charges**" means, with respect to the Parent Borrower for any period of determination, the sum of the following determined on a consolidated basis and without duplication:

(a) the Interest Expense for such period that is paid in cash; plus

(b) the amount of Debt (including, for certainty, payments of principal on the Credit Facilities) which has a scheduled due date or is otherwise required to be repaid or paid, as the case may be, during such period,

provided that, (i) in respect of any date of determination of Fixed Charges falling less than 12 calendar months after the date of this Agreement, any calculation made pursuant to subparagraph (b) above shall be made on a forward-looking basis from the first day of the reporting period specified in the Compliance Certificate in which such Fixed Charges are being reported and the last day of the 12th calendar month following such date; and (ii) in respect of any other date of determination of Fixed Charges, any calculation made pursuant to subparagraph (b) above shall be made on a trailing 12 month basis ending on the last day of the reporting period specified in the Compliance Certificate in which such Fixed Charges are being reported.

"**Floor**" means 0.00% *per annum*.

"**Former Lender**" has the meaning set out in Section 10.10.

"**GAAP**" means generally accepted accounting principles in the United States of America as in effect from time to time subject to the terms and conditions set forth in Section 1.4.

"**GAAP Election Notice**" has the meaning set out in Section 1.4(1).

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

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

"**Guarantee**" means any guarantee, undertaking to assume, endorse, contingently agree to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any obligation of any person; provided that the amount of each Guarantee shall be deemed to be the amount of the obligation guaranteed thereby, unless the Guarantee is limited to a determinable amount in which case the amount of such Guarantee shall be deemed to be the lesser of such determinable amount or the amount of such obligation.

"**Hazardous Materials**" means any substance or mixture of substances which, if released into the environment, would likely cause, immediately or at some future time, harm or degradation to the environment or to human health or safety and includes any substance defined as or determined to

be a pollutant, contaminant, waste, hazardous waste, hazardous chemical, hazardous substance, toxic substance or dangerous good under any Environmental Law.

"**Hedging Affiliate**" means any Affiliate of a Lender which enters into Financial Instruments.

"**Hostile Acquisition**" means an offer to acquire (which shall include an offer to purchase securities, solicitation of an offer to sell securities, an acceptance of an offer to sell securities, whether or not the offer to sell was solicited, or any combination of the foregoing) outstanding securities of any person (the "**Target**") which constitutes a "take over bid" pursuant to applicable corporate or securities legislation (in any case, a "**Takeover**") in respect of which the board of directors or like body of the Target, or the holders of all of the securities of the Target, has not or have not, approved, accepted, or recommended to security holders of the Target acceptance of the Takeover.

"**HSBC Mortgage Debt**" means the real property mortgage financing provided by HSBC Bank USA, N.A. in respect of the property located at 4037 Salazar Way, Frederick, Colorado, which has an outstanding balance of U.S.$885,499.82 as of the date of this Agreement.

"**IFRS**" means International Financial Reporting Standards including International Accounting Standards and Interpretations together with their accompanying documents which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the "**IASC Foundation**"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation.

"**Indemnified Parties**" means, collectively, the Agent and the Lenders, including a receiver, receiver manager or similar person appointed under applicable law, and their respective shareholders, Affiliates, officers, directors, employees and agents, and "**Indemnified Party**" means any one of the foregoing.

"**Indemnified Taxes**" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Document and (b) to the extent not otherwise described in the foregoing clause (a), Other Taxes.

"**Indemnified Third Party**" has the meaning set out in Section 13.3.

"**Information**" has the meaning set out in Section 15.1.

"**Insolvent**", in respect of any person, means:

(a) such person is unable to generally pay its debts as such debts become due;

(b) a decree or order of a court of competent jurisdiction is entered adjudging such person a bankrupt under the *Bankruptcy and Insolvency Act* (Canada), proceedings are commenced in a court of competent jurisdiction in respect of such person under the *Winding-up and Restructuring Act* (Canada), or any proceeding is commenced with respect to such person under the *Companies' Creditors Arrangement Act* (Canada);

(c) any case, proceeding or other action shall be instituted in any court of competent jurisdiction against such person, seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition, proposal or arrangement with creditors, a readjustment of debts, the appointment of trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers with respect to such person or of all or any substantial part of its assets, or any other like relief in respect of such person under any bankruptcy or insolvency law and:

(i) such case, proceeding or other action results in an entry of an order for such relief or any such adjudication or appointment, or

(ii) such case, proceeding or other action shall continue undismissed, or unstayed and in effect, for any period of 30 consecutive days; or

(iii) such person makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, administration or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such assignment, proposal, relief, petition, proposal, appointment or proceeding.

"**Intellectual Property**" means, collectively, patents, patents pending, copyrights, proprietary processes or programs, industrial designs, trademarks, trademark applications, trade names and other intellectual property of every nature and kind.

"**Interest Expense**" means, for any period, without duplication, interest expense of the Parent Borrower determined on a consolidated basis in accordance with generally accepted accounting principles as the same would be set forth or reflected in a consolidated statement of income of the Parent Borrower and, in any event, shall include:

(a) all interest of the Parent Borrower and its Subsidiaries accrued or payable in respect of such period, including capitalized interest;

(b) all fees of the Parent Borrower and its Subsidiaries (including standby, commitment and stamping fees and fees payable in respect of letters of credit and letters of guarantee supporting obligations which constitute Debt) accrued or payable in

respect of such period and which relate to any indebtedness or credit agreement, prorated (as required) over such period;

(c) any difference between the face amount and the discount proceeds of any commercial paper and other obligations of the Parent Borrower or any Subsidiary issued at a discount, prorated (as required) over such period;

(d) the interest expense component of capital lease obligations, as determined in accordance with generally accepted accounting principles; and

(e) all net amounts charged or credited to interest expense under any Interest Hedging Agreements in respect of such period,

excluding, to the extent included in the calculation of interest expense, non-cash gains and losses resulting from marking-to-market the outstanding Financial Instruments of the Parent Borrower and the Subsidiaries for such period in accordance with generally accepted accounting principles.

"**Interest Hedging Agreement**" means any interest swap agreement, forward rate agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by the Parent Borrower, another Borrower or another Subsidiary where the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt).

"**Interest Payment Date**" means:

(a) with respect to each Canadian Prime Rate Loan and U.S. Base Rate Loan, the first Banking Day of each calendar month; and

(b) with respect to each CORRA Loan and each SOFR Loan, the last day of each applicable Interest Period and, if any Interest Period is longer than 3 months (to the extent permitted hereunder), the last Banking Day of each 3 month period during such Interest Period,

provided that, in any case, the applicable Maturity Date or, if applicable, any earlier date on which a Credit Facility is fully cancelled or permanently reduced in full, shall be an Interest Payment Date with respect to all Loans then outstanding under such Credit Facility.

"**Interest Period**" means:

(a) with respect to each CORRA Loan, a period of 1 or 3 months' duration or such shorter period as may be agreed to by the Agent and all of the Lenders (in each case, subject to the market availability thereof), with respect to such CORRA Loan;

(b) with respect to each SOFR Loan, a period of 1, 3 or 6 months' duration or such shorter period as may be agreed to by the Agent and all of the Lenders (in each case, subject to the market availability thereof), with respect to such SOFR Loan; and

(c) with respect to each Letter of Credit, the period commencing on the date of issuance of such Letter of Credit and terminating on the last day the Letter of Credit is outstanding,

provided that in any case: (i) the last day of each Interest Period shall be also the first day of the next Interest Period whether with respect to the same or another Loan; (ii) the last day of each Interest Period shall be a Banking Day and if the last day of an Interest Period selected by the applicable Borrower is not a Banking Day the applicable Borrower shall be deemed to have selected an Interest Period the last day of which is the Banking Day next following the last day of the Interest Period selected unless such next following Banking Day falls in the next calendar month in which event the applicable Borrower shall be deemed to have selected an Interest Period the last day of which is the Banking Day next preceding the last day of the Interest Period selected by the applicable Borrower; (iii) the last day of all Interest Periods for Loans outstanding under a given Credit Facility shall expire on or prior to the Maturity Date applicable thereto, subject, however, in the case of Letters of Credit to the provisions of Section 6.2 (iv) no tenor that has been removed from this definition pursuant to Section 12.1(4) shall be available for specification in the applicable Drawdown Notice, Rollover Notice or Conversion Notice and (v) notwithstanding any of the foregoing, no Interest Period shall extent beyond the Maturity Date.

"**Investment**" means (a) any purchase or other acquisition of shares or other securities (other than Approved Securities) of any person, (b) any form of Financial Assistance to or for the benefit of any person or (c) any capital contribution to any other person.

"**Investment Grade Account Debtor**" means, any Account Debtor whose unsecured indebtedness is rated BBB- or higher by S&P, Baa3 or higher by Moody's, BBB or higher by DBRS, or whose credit rating or credit quality has the characteristics of an Investment Grade Account Debtor as determined by the Majority of the Lenders (acting reasonably).

"**ISP 98**" has the meaning set out in Section 6.7.

"**Joint Partnership**" means any partnership in which the Parent Borrower, any other Borrower or any other Material Subsidiary is a partner and in which at least one or more partners, other than the Parent Borrower, any other Borrower or any other Material Subsidiary, in aggregate controls 50% or more of the partnership units or interest in such partnership.

"**Judgment Conversion Date**" has the meaning set out in Section 13.4.

"**Judgment Currency**" has the meaning set out in Section 13.4.

"**Lender BA Suspension Notice**" has the meaning set out in Section 12.1.

"**Lender Distress Event**" means, in respect of a given Lender, such Lender or its Lender Parent is subject to a forced liquidation, merger, sale or other change of control supported in whole or in part by guarantees or other support (including the nationalization or assumption of ownership or operating control by the Government of the United States of America, Canada or any other Governmental Authority) or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Lender or Lender Parent or their respective assets

to be, insolvent, bankrupt or deficient in meeting any capital adequacy or liquidity standard of any such Governmental Authority.

"**Lender Financial Instrument**" means a Financial Instrument entered into between a Lender or a Hedging Affiliate and the Parent Borrower, another Borrower or another Subsidiary.

"**Lender Financial Instrument Obligations**" means, collectively, all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, mature or not) of the Parent Borrower, the other Borrowers and the other Subsidiaries under, pursuant or relating to any and all Lender Financial Instruments.

"**Lender Insolvency Event**" means, in respect of a given Lender, such Lender or its Lender Parent:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent, is deemed insolvent by applicable law or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) (i) institutes, or has instituted against it by a regulator, supervisor or any similar Governmental Authority with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, (A) a proceeding pursuant to which such Governmental Authority takes control of such Lender's or Lender Parent's assets, (B) a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy, insolvency or winding-up law or other similar law affecting creditors' rights, or (C) a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar Governmental Authority; or (ii) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy, insolvency or winding-up law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (i) above and either (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof;

(e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or a substantial portion of all of its assets;

(g) has a secured party take possession of all or a substantial portion of all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case, within 15 days thereafter;

(h) causes or is subject to any event with respect to it which, under the applicable law of any jurisdiction, has an analogous effect to any of the events specified in subparagraphs (a) to (g) above, inclusive; or

(i) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing.

"**Lender Parent**" means any person that directly or indirectly controls a Lender and, for the purposes of this definition, "control" shall have the same meaning as set forth in the definition of "Affiliate" contained herein.

"**Lenders**" means the financial institutions named on Schedule A annexed hereto, together with such other persons as become parties hereto and, in the context of provisions hereunder relating to:

(a) the Syndicated Facility and Loans thereunder, means the Syndicated Facility Lenders; and

(b) the Operating Facility and Loans thereunder, means the Operating Lender,

and "**Lender**" means any one of them, as applicable and as the context requires.

"**Lenders' Counsel**" means the firm of Norton Rose Fulbright Canada LLP or such other firm of legal counsel as the Agent may from time to time designate.

"**Letter of Credit**" or "**LC**" means a letter of credit in form satisfactory to and issued by the Operating Lender acting at the request of and in accordance with the instructions of a Borrower, to make payment in accordance with the terms and conditions thereof of an amount to or to the order of a third party.

"**Liquidity**" means (i) the lesser of (A) the most recently determined Borrowing Base, subject, for certainty, to Section 2.24 hereof and (B) the sum of the maximum principal amount of the Syndicated Revolving Tranche and the Operating Facility, less (ii) the sum of the Outstanding Principal under the Syndicated Revolving Tranche and the Operating Facility.

"**Loan**" means a Canadian Prime Rate Loan, U.S. Base Rate Loan, SOFR Loan, CORRA Loans or Letter of Credit outstanding hereunder.

"**Loan Parties**" means, collectively, the Parent Borrower, the other Borrowers (including any Borrowers from time to time party hereto pursuant to Section 2.25) and Material Subsidiaries and "**Loan Party**" means any one of them.

"**Majority of the Lenders**" means:

(a) if there is only 1 or 2 Lenders, all of the Lenders; and

(b) at any other time:

(i) during the continuance of a Default or an Event of Default, two or more Lenders the Rateable Portions of all Outstanding Principal of which are, in the aggregate, at least 66⅔% of all Outstanding Principal; and

(ii) at any other time, two or more Lenders the Commitments of which are, in the aggregate, at least 66⅔% of the Commitments of all Lenders hereunder.

"**Material Acquisition**" means any acquisition of property or series of related acquisitions of property (including by way of merger or consolidation) that involves the payment of consideration by the Parent Borrower and its Subsidiaries in excess of Cdn.$5,000,000.

"**Material Adverse Change**" means any event, circumstance, occurrence or change which results in, or which would reasonably be expected to result in, a material adverse change in:

(a) the financial condition of the Parent Borrower, the other Borrowers and the other Subsidiaries on a consolidated basis and taken as a whole;

(b) the ability of each of the Parent Borrower, any other Borrower or any Subsidiary thereof to observe or perform its obligations under the Documents to which it is a party or the validity or enforceability of such Documents or any material provision thereof;

(c) the property, business, operations, liabilities or capitalization of the Parent Borrower, the other Borrowers and the other Subsidiaries on a consolidated basis and taken as a whole; or

(d) the Security, the priority thereof or any right or remedy of the Agent and the Lenders thereunder.

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

(a) the financial condition of the Parent Borrower, the other Borrowers and the other Subsidiaries on a consolidated basis and taken as a whole;

(b) the ability of each of the Parent Borrower, any other Borrower or any of the other Subsidiaries to observe or perform its obligations under the Documents to which it is a party or the validity or enforceability of such Documents or any material provision thereof;

(c) the property, business, operations, liabilities or capitalization of the Parent Borrower, the other Borrowers and the other Subsidiaries on a consolidated basis and taken as a whole; or

(d) the Security, the priority thereof or any right or remedy of the Agent and the Lenders thereunder.

"**Material Disposition**" means any disposition of property or series of related dispositions of properties that yields gross proceeds to the Parent Borrower or any of its Subsidiaries in excess of Cdn.$5,000,000.

"**Material Subsidiary**" means:

(a) any Subsidiary of the Parent Borrower which has assets equal to or greater than 5.0% of the Consolidated Net Tangible Assets of the Parent Borrower;

(b) any Subsidiary of the Parent Borrower which has EBITDA equal to or greater than 5.0% of the Parent Borrower's consolidated EBITDA;

(c) any Subsidiary of the Parent Borrower which owns any Ownership Interest in another Material Subsidiary;

(d) any Subsidiary of the Parent Borrower which owns or holds, directly or indirectly (whether through the ownership of or investments in other Subsidiaries of the Parent Borrower or otherwise), any ownership interest in any assets or properties which are included for the purposes of the determination of the Borrowing Base;

(e) any Subsidiary of the Parent Borrower that owns any Intellectual Property material to the business and operations of the Borrowers on a consolidated basis;

(f) any Subsidiary of the Parent Borrower which is designated as a Designated Material Subsidiary pursuant to Section 10.1; or

(g) any Subsidiary of the Parent Borrower which is identified as of the date hereof as a Material Subsidiary pursuant to Section 8.1(s).

For certainty, Material Subsidiaries shall not include any Joint Partnership.

"**Maturity Date**" means, (a) in respect of the Syndicated Facility and the Obligations owing to a given Lender under or pursuant to the Syndicated Facility, the Syndicated Facility Maturity Date; and (b) in respect of the Operating Facility and the Obligations owing under or pursuant to the Operating Facility, the Operating Facility Maturity Date.

"**Moody's**" means Moody's Investors Services, Inc. and any successors thereto.

"**Mortgaged Real Property**" means the lands over which one or more of the Loan Parties have granted security interests, charges or mortgages to (a) HSBC Bank USA, N.A. in order to secure the payment or repayment of the HSBC Mortgage Debt or (b) the Agent and the Lenders in order to secure the Obligations.

"**Multiemployer Plan**" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate makes or is

obligated to make contributions, or during the preceding six plan years, has made or been obligated to make contributions.

"**Multiple Employer Plan**" means an employee benefit plan which has two or more contributing sponsors (including a Loan Party or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"**Net Income**" means, in respect of any period for which it is being determined, the net income of the Parent Borrower determined on a consolidated basis in accordance with generally accepted accounting principles.

"**Non-Extending Lender**" has the meaning set out in Section 2.20.

"**Non-Investment Grade Account Debtor**" means any Account Debtor which is not an Investment Grade Account Debtor or not rated by S&P, DBRS, Moody's or any similar rating agency.

"**Non-Standard Interest Period**" means, (a) with respect to a SOFR Loan, an Interest Period which is for a term other than one, three or six months and (b) with respect to a Term CORRA Loan, an Interest Period which is for a term other than one or three months.

"**North Dakota Deed**" means the Mortgage, Assignment of Leases and Rents, Security Agreement, Financing Statement and Fixture Filing dated August 10, 2022 granted by Energera America Inc. (formerly known as Frac Shack America, Inc.) in favour of the Agent in respect of the property located at 2066 125th Ave NW, Watford City, North Dakota 58854.

"**Notice of Non-Extension**" has the meaning set out in Section 2.20.

"**Obligations**" means, at any time and from time to time, all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, matured or not) of the Parent Borrower, the other Borrowers and the other Subsidiaries to the Lenders or the Agent under, pursuant or relating to the Documents or the Credit Facilities and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and including all principal, interest, fees, legal and other costs, charges and expenses, and other amounts payable by the Parent Borrower and the other Borrower under this Agreement.

"**OFAC**" means the U.S. Office of Foreign Assets Control of the U.S. Department of the Treasury.

"**Officer's Certificate**" means a certificate or notice (other than a Compliance Certificate) signed by any one of the president, chief financial officer, a vice president, treasurer, assistant treasurer, controller, corporate secretary or assistant secretary of the Parent Borrower, another Borrower or any other Subsidiary, as the case may be, (including, in the case of a partnership a certificate or notice signed by such an officer of a general partner of such partnership); provided, however, that Drawdown Notices, Conversion Notices, Rollover Notices and Repayment Notices shall be executed on behalf of the applicable Borrower by any one of the foregoing persons or such other persons as may from time to time be designated by written notice from the applicable Borrower to the Agent or the Operating Lender, as applicable.

"**Operating Facility**" means the credit facility in the maximum principal amount of Cdn.$5,000,000.00 or the Equivalent Amount in United States Dollars to be made available to the Borrowers by the Operating Lender in accordance with the provisions hereof, subject to any reduction in accordance with the provisions hereof.

"**Operating Facility Commitment**" means the commitment by the Operating Lender under the Operating Facility to provide the amount of United States Dollars (or the Equivalent Amount thereof) set forth opposite its name in Schedule A annexed hereto, subject to any reduction in accordance with the terms hereof.

"**Operating Facility Extension Request**" has the meaning set out in Section 2.21.

"**Operating Facility Maturity Date**" means May 15, 2025 or such later date to which the same may be extended from time to time in accordance with Section 2.21.

"**Operating Lender**" means Royal Bank of Canada or any other Lender which hereafter has an Operating Facility Commitment.

"**Order**" has the meaning set out in Section 6.7.

"**Organizational Chart**" means a chart detailing the legal structure and ownership of the Parent Borrower and its Subsidiaries, in a form satisfactory to the Agent (acting reasonably).

"**Other Connection Taxes**" means, with respect to the Agent or a Lender, Taxes imposed as a result of a present or former connection between the Agent or such Lender and the jurisdiction imposing such Tax (other than connections arising from the Agent or such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Document, or sold or assigned an interest in the Loan or any Document).

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Document.

"**Outstanding BAs Collateral**" has the meaning set out in Section 2.17.

"**Outstanding Principal**" means, at any time, the aggregate of (i) the principal amount of all outstanding Canadian Prime Rate Loans and CORRA Loans, (ii) the Equivalent Amount in Canadian Dollars of the principal amount of all outstanding U.S. Base Rate Loans and SOFR Loans, and (iii) the maximum amount available to be drawn under all outstanding Letters of Credit denominated in Canadian Dollars.

"**Overdraft Loans**" has the meaning set out in Section 2.2.

"**Ownership Interest**" means:

(a) in respect of a body corporate, any shares in the capital of such body corporate;

(b) in respect of a partnership, any partnership units or interests in such partnership and includes any other income, capital, beneficial or ownership interest (however designated) in such partnership; and

(c) in respect of any other person, any income, capital, beneficial or ownership interest (however designated) in such person (including, for certainty, any trust units in the case of a trust),

in each case, whether any of the foregoing are voting or non-voting and including any securities, instruments or contractual rights capable of being converted into, exchanged or exercised for any of the foregoing (including options, warrants, conversion or exchange privileges and similar rights).

"**Parent Borrower**" means Energera Inc.

"**Participant**" has the meaning set out in Section 15.7.

"**Participant Register**" has the meaning set out in Section 15.7.

"**Patriot Act**" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"**Payment Recipient**" has the meaning set out in Section 14.17(1).

"**PBGC**" means the U.S. Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"**Pension Act**" means the *Pension Protection Act* of 2006.

"**Pension Funding Rules**" means the rules of the U.S. Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and minimum funding with respect to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the *Pension Act*, Section 412 of the U.S. Code and Section 302 of ERISA, each as in effect prior to the *Pension Act* and, thereafter, Section 412, 430, 431, 432 and 436 of the U.S. Code and Sections 302, 303, 304 and 305 of ERISA.

"**Pension Plan**" means any employee pension benefit plan (as defined in Section 3(2) of ERISA and including any Multiple Employer Plan or any Multiemployer Plan) that is sponsored, maintained or is contributed to by any Loan Party or any ERISA Affiliate, or with respect to which a Loan Party or ERISA Affiliate has any obligation or liability, contingent or otherwise, and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 and 430 of the U.S. Code or Section 302 of ERISA.

"**Periodic Term CORRA Determination Day**" has the meaning set out in the definition of "Term CORRA".

"**Permitted Acquisition**" means any acquisition consented to by all of the Lenders.

"**Permitted Contest**" means action taken by or on behalf of the Parent Borrower, any other Borrower or any other Subsidiary in good faith by appropriate proceedings diligently pursued to contest a Tax, claim or Security Interest, provided that:

(a) the person to which the Tax, claim or Security Interest being contested is relevant (and, in the case of a Subsidiary of the Parent Borrower, the Parent Borrower on a consolidated basis) has established reasonable reserves therefor if and to the extent required by generally accepted accounting principles;

(b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and

(c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of assets of the Parent Borrower and its Subsidiaries.

"**Permitted Debt**" means the following:

(a) the Obligations;

(b) Financial Instrument Obligations under and pursuant to Permitted Hedging;

(c) any Debt owing by a Loan Party or another Subsidiary to another Loan Party;

(d) (i) Purchase Money Obligations, (ii) Attributable Debt of the Parent Borrower and its Subsidiaries arising in connection with capital leases (other than premises leases) and (iii) HSBC Mortgage Debt; provided that the amount of such obligations do not, in the aggregate at any time, exceed U.S.$5,000,000 (or the Equivalent Amount thereof in Canadian Dollars or the equivalent thereof in any other currency);

(e) any Debt owing to a shareholder of the Parent Borrower, including the Debt under the Shareholder Loan, provided such Debt is subordinated and postponed to the Obligations on terms and conditions satisfactory to the Agent and the Lenders, each acting reasonably;

(f) the Bank Product Obligations; provided that the principal amount of such obligations do not, in the aggregate at any time, exceed U.S.$10,000,000 (or the Equivalent Amount thereof in Canadian Dollars or the equivalent thereof in any other currency);

(g) Debt owing to any person providing property, casualty, liability, or other insurance to the Parent Borrower or any of its Subsidiaries, so long as the amount of such Debt is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Debt is incurred and such Debt is outstanding only during such year;

(h) Debt consisting of deferred compensation, severance, pension or health and welfare retirement benefits for current and former employees incurred in the ordinary course of business and consistent with past practices;

(i) Debt owing under the Paycheck Protection Program, provided that the principal amount of such Debt does not, at any time, exceed U.S.$870,469.37; and

(j) the BCAP Indebtedness.

"**Permitted Disposition**" means, in respect of the Parent Borrower, any other Borrower or any of the other Subsidiaries, any of the following:

(a) a sale or disposition of inventory or goods in the ordinary course of business;

(b) a sale or disposition by the Parent Borrower, such other Borrower or such other Subsidiary in the ordinary course of business of tangible personal property that is obsolete, surplus or worn out property, no longer useful for its intended purpose or being replaced in the ordinary course of business (including allowing any registrations or any applications for registration of any immaterial Intellectual Property to lapse or go abandoned);

(c) a sale or disposition of any property or assets by a Subsidiary to a Loan Party or by a Loan Party to another Loan Party;

(d) a sale or disposition by the Parent Borrower, another Borrower or another Subsidiary of its interest in machinery, equipment or other tangible personal property for which Purchase Money Obligations were incurred and (i) such Purchase Money Obligations are fully repaid concurrently with such sale or disposition and (ii) such sale or disposition is made in the ordinary course of business at fair market value to a person at arm's length from the Parent Borrower and its Subsidiaries;

(e) the granting of a Permitted Encumbrance;

(f) any involuntary loss, damage or destruction of property;

(g) any leasing or subleasing of assets or property in the ordinary course of business;

(h) transfers of property that has been subject to a casualty event, to the insurer of such property or its designee as part of an insurance settlement;

(i) disposition of equipment or real property provided that the proceeds of such disposition are promptly applied to the purchase of replacement property; and

(j) a sale or disposition of any property or assets by the Parent Borrower, any other Borrower, or a Subsidiary which is not otherwise a Permitted Disposition and which, in any calendar year, whether in one or a series of transactions, in aggregate, have a fair market value which do not exceed U.S.$1,000,000.

"**Permitted Encumbrances**" means as at any particular time any of the following encumbrances on the property or any part of the property of the Parent Borrower, any other Borrower or any other Subsidiary:

(a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(b) deemed liens and trusts arising by operation of law in connection with workers' compensation, employment insurance and other social security legislation, in each case, which secure obligations not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(c) liens under or pursuant to any judgment rendered, or claim filed, against the Parent Borrower, another Borrower or another Subsidiary, which the Parent Borrower, other Borrower or other Subsidiary (as applicable) shall be contesting at the time by a Permitted Contest;

(d) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law against the Parent Borrower, another Borrower or another Subsidiary or which relate to obligations not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(e) easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Parent Borrower, the other Borrowers and the other Subsidiaries, taken as a whole;

(f) any builder's, mechanic's, garageman's, labourer's or materialman's lien or other similar lien arising in the ordinary course of business or out of the construction or improvement of any land or arising out of the furnishing of materials or supplies, provided that such lien secures monies not at the time overdue, or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(g) encumbrances incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Parent Borrower, the other Borrowers and the other Subsidiaries;

(h) in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;

(i) security given by the Parent Borrower, another Borrower or another Subsidiary to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Parent Borrower, other Borrower or other Subsidiary (as applicable), all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Parent Borrower, the other Borrowers and the other Subsidiaries, taken as a whole;

(j) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;

(k) Security Interests in favour of the Lenders or the Agent on behalf of the Lenders;

(l) the Security;

(m) pledges of cash or Approved Securities and bankers' liens, rights of set off and other similar liens existing solely with respect to such cash and Approved Securities on deposit in one or more accounts maintained by the Parent Borrower, any other Borrower or any of the other Subsidiaries, in each case, granted in the ordinary course of business in favour of the Lender or Lenders with which such accounts are maintained, securing amounts owing to such Lender with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements or securing Permitted Hedging with a Lender;

(n) Security Interests securing Permitted Debt of the type described in paragraphs (c), (e) and (g) of the definition thereof, provided subordination and priority agreements satisfactory to the Agent and the Lenders, acting reasonably, are executed by the applicable secured parties;

(o) Security Interests securing Permitted Debt of the type described in paragraphs (d)(i) and (ii) of the definition thereof, but only on the property under such lease or the property purchased, constructed or improved with such Purchase Money Obligations, together with any improvements, fixtures or accessions to such property and the proceeds of such property, improvements, fixtures or accessions;

(p) Security Interests securing Permitted Debt of the type described in paragraph (d)(iii) of the definition thereof, but only on the Mortgaged Real Property described in paragraph (a) of the definition thereof;

(q) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the

undertaking, assets and property of the Parent Borrower, any other Borrower or any other Subsidiary;

(r) deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money) or (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Parent Borrower, another Borrower or another Subsidiary is a party;

(s) Security Interests resulting from the deposit of cash or Approved Securities or Security Interests on other assets as security when the Parent Borrower, another Borrower or another Subsidiary is required to provide such deposits or security so by a Governmental Authority or by normal business practice in connection with contracts, licenses or tenders or similar matters in the ordinary course of business and for the purpose of carrying on the same, or to secure workers' compensation, surety or appeal bonds or to secure costs of litigation when required by Applicable Law;

(t) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Security Interest referred to in the preceding subparagraphs (a) to (s) inclusive of this definition, so long as any such extension, renewal or replacement of such Security Interest is limited to all or any part of the same property that secured the Security Interest extended, renewed or replaced (plus improvements on such property) and the indebtedness or obligation secured thereby is not increased;

(u) Security Interests arising by operation of law in connection with Parent Borrower's or its Subsidiaries obligations in connection with worker's compensation or other unemployment insurance, old age benefits, social security obligations, taxes, assessments, statutory obligations or other like charges;

(v) Security Interests on amounts deposited to secure Parent Borrower's and its Subsidiaries reimbursement obligations with respect to surety or appeal bonds obtained in the ordinary course of business; and

(w) the Security Interests granted under and in connection with the BCAP Credit Documents,

provided that nothing in this definition shall in and of itself cause the Obligations hereunder to be subordinated in priority of payment to any such Permitted Encumbrance or cause any Security Interests in favour of the Lenders or the Agent on behalf of the Lenders to rank subordinate to any such Permitted Encumbrance.

"**Permitted Hedging**" means Financial Instruments entered into by the Parent Borrower, the other Borrowers and the other Material Subsidiaries which are entered into in the ordinary course of business and for hedging purposes and not for speculative purposes (determined, where relevant, by reference to generally accepted accounting principles); for certainty, Interest Hedging Agreements having as a subject matter principal amounts (either individually or in the aggregate, but determined on a net basis taking into account transactions or agreements entered into to reverse

the position or limit the exposure under an existing Interest Hedging Agreement) greater than the aggregate liability of the Parent Borrower, the other Borrowers and the other Material Subsidiaries for borrowed money shall be deemed to be for speculative purposes.

"**Permitted Holders**" means, collectively, Van Vliet Investments Inc. and VanNorth Investments Ltd.

"**PTE**" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"**Purchase Money Obligation**" means any monetary obligation created or assumed as part of the purchase price of real or tangible personal property which has been acquired by the Parent Borrower, another Borrower or another Subsidiary (including a lease of such property) which is subject to a Security Interest (including a deemed security interest) in respect of such obligation, any extensions, renewals or refundings of any such obligation, provided that the principal amount of such obligation outstanding on the date of such extension, renewal or refunding is not increased and further provided that any security given in respect of such obligation shall not extend to any property other than the property acquired in connection with which such obligation was created or assumed and fixed improvements, if any, erected or constructed thereon and the proceeds thereof.

"**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. § 5390(c)(8)(D).

"**QFC Credit Support**" has the meaning set out in Section 11.11.

"**Qualified ECP Guarantor**" means, in respect of any Swap Obligation, as applicable, any Loan Party (that provides a guarantee to the Agent, the Lenders, the Hedging Affiliates and the Bank Product Affiliates) that has total assets exceeding U.S.$10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"**Qualified IPO**" means the issuance by the Parent Borrower of its common equity interests in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form F-1, Form S-8 or comparable filing in any other applicable jurisdiction) pursuant to an effective registration statement filed with the SEC or any other comparable Governmental Authority in any other applicable jurisdiction (whether alone or in connection with a secondary public offering).

"**Quarter End**" means March 31, June 30, September 30 and December 31 in each year.

"**Quoted Tenor**" means, in relation to the Term SOFR Screen Rate, any period for which that rate is customarily displayed on the relevant page or screen of an information service.

"**Rateable**" and "**Rateably**" means, at any date of determination, the proportion that the Equivalent Amount in United States Dollars of the amount of the Obligations, Bank Product

Obligations and Financial Instrument Obligations under Lender Financial Instruments of any Lender, Hedging Affiliates thereof and Bank Product Affiliates thereof bears to the aggregate of the Equivalent Amount in United States Dollars of the Obligations, Bank Product Obligations and Financial Instrument Obligations under Lender Financial Instruments of all Lenders, Bank Product Affiliates and Hedging Affiliates, as determined at the Adjustment Time.

"**Rateable Portion**", regarding any Lender, with regard to any amount of money, means:

(a) in respect of the Syndicated Revolving Tranche and Drawdowns, Conversions, Rollovers and Loans and other amounts payable thereunder, the product obtained by multiplying that amount by the quotient obtained by dividing (i) that Syndicated Facility Lender's Syndicated Revolving Tranche Commitment by (ii) the aggregate of all of the Syndicated Facility Lenders' Syndicated Revolving Tranche Commitments;

(b) in respect of the Syndicated Term Tranche and Drawdowns, Conversions, Rollovers and Loans and other amounts payable thereunder, the product obtained by multiplying that amount by the quotient obtained by dividing (i) that Syndicated Facility Lender's Syndicated Term Tranche Commitment by (ii) the aggregate of all of the Syndicated Facility Lenders' Syndicated Term Tranche Commitments; and

(c) in respect of the Operating Facility and Drawdowns, Conversions, Rollovers and Loans and other amounts payable thereunder, the product obtained by multiplying that amount by the quotient obtained by dividing (i) that Operating Lender's Operating Facility Commitment by (ii) the aggregate of all of the Operating Lenders' Operating Facility Commitments.

"**Realization Proceeds**" has the meaning set out in Section 11.7.

"**Register**" has the meaning set out in Section 15.6.

"**Regulated Lender Entity**" has the meaning set out in Section 2.26.

"**Related Party**" means any person which is any one or more of the following:

(a) an Affiliate of the Parent Borrower, another Borrower or any other Subsidiary;

(b) a unitholder, shareholder or partner of the Parent Borrower, another Borrower or any other Subsidiary which, together with all Affiliates of such person, owns or controls, directly or indirectly, more than 10% of the units, shares, capital or other ownership interests (however designated) of the Parent Borrower, another Borrower or any other Subsidiary, or an Affiliate of any such unitholder, shareholder or partner;

(c) an officer, director or trustee of any of the foregoing; and

(d) a person which is not at arm's length from the Parent Borrower, the other Borrowers and the other Subsidiaries.

"**Release**" means any release, spill, emission, leak, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the environment including the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands, land or sub surface strata.

"**Relevant Governmental Body**" means:

(a) in respect of any SOFR Loan (or any Benchmark Replacement thereof), the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto; and

(b) in respect of any CORRA Loan (or any Benchmark Replacement thereof), the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

"**Repayment Notice**" means a notice substantially in the form annexed hereto as Schedule F to be given to the Agent or the Operating Lender, as applicable, by a Borrower pursuant hereto.

"**Reportable Event**" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30-day notice period referred to in Section 4043(a) of ERISA has been waived.

"**Requested Lenders**" has the meaning set out in Section 2.20.

"Required Lenders" means Lenders holding, in aggregate, greater than 50% of the Commitment; provided that if the Commitment is cancelled or otherwise terminated, "**Required Lenders**" shall mean Lenders holding, in aggregate, greater than 50% of the Outstanding Principal.

"**Required Permits**" means all Governmental Authorizations which are necessary at any given time for the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries to own and operate its property, assets, rights and interests or to carry on its business and affairs.

"**Resolution Authority**" shall mean, with respect to an EEA Financial Institution, an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"**Rollover**" means:

(a) with respect to any CORRA Loan or SOFR Loan, the continuation of all or a portion of such Loan (subject to the provisions hereof) for an additional Interest Period subsequent to the initial or any subsequent Interest Period applicable thereto; and

(b) with respect to Letters of Credit, the extension or replacement of an existing Letter of Credit, as applicable, provided the beneficiary thereof (including any successors

or permitted assigns thereof) remains the same, the maximum amount available to be drawn thereunder is not increased, the currency in which the same is denominated remains the same and the terms upon which the same may be drawn remain the same;

in each case, under the same Credit Facility under which the maturing Loan was made and, in the case of the Syndicated Facility, under the same Tranche under which the maturing Loan was made, and "**Rolled Over**" has a similar meaning.

"**Rollover Date**" means the date of commencement of a new Interest Period applicable to a Loan and which shall be a Banking Day.

"**Rollover Notice**" means a notice substantially in the form annexed hereto as Schedule G to be given to the Agent or the Operating Lender, as applicable, by a Borrower pursuant hereto.

"**S&P**" means Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc. and any successors thereto.

"**Sale-Leaseback**" means an arrangement, transaction or series of arrangements or transactions under which title to any real property, tangible personal property or fixture is transferred by the Parent Borrower, another Borrower or any other Subsidiary (a "transferor") to another person which leases or otherwise grants the right to use such property to the transferor (or nominee of the transferor) and, whether or not in connection therewith, the transferor also acquires a right or is subject to an obligation to acquire such property or a material portion thereof, and regardless of the accounting treatment of such arrangement, transaction or series of arrangements or transactions.

"**Sanctioned Country**" means, at any time, a country or territory that is itself the subject of Sanctions Laws including subject to comprehensive, territorial sanctions administered by OFAC, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom ("**HMT**") or Canada.

"**Sanctioned Person**" means at any time: (i) a person named on the list of Specially Designated Nationals or Blocked Persons maintained by OFAC currently available at http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx or in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, on the "Designated Persons" lists maintained by the Government of Canada under Canadian Anti-Money Laundering & Anti-Terrorism Legislation, or on the Consolidated List of Financial Sanctions Targets maintained by HMT; (ii) any person more than 50 percent (50%) owned, in the aggregate, by a person or persons, described in clause (i) above; or (iii) any person operating, organized or resident in a Sanctioned Country.

"**Sanctions Laws**" means any sanction laws and regulations issued or enforced by the United States of America, Canada, the European Union, HMT, the United Nations, or any other relevant sanctions authority and includes the laws, regulations, and rules promulgated or administered by (a) the United States of America, including those administered by OFAC, the U.S. Department of State, the U.S. Department of Commerce, or through any existing or future executive order, (b) the United Nations Security Council, (c) the Government of Canada, (d) the European Union or

any European Union member state, (e) HMT, or (f) any other Governmental Authority with jurisdiction over the Parent Borrower or any of its Subsidiaries or Affiliates.

"**Schedule I Lender**" means a Lender which is a Canadian chartered bank listed on Schedule I to the *Bank Act* (Canada).

"**Schedule II Lender**" means a Lender which is a Canadian chartered bank listed on Schedule II to the *Bank Act* (Canada).

"**Schedule III Lender**" means a Lender which is an authorized foreign bank listed on Schedule III to the *Bank Act* (Canada).

"**SEC**" means the Securities and Exchange Commission or any successor Governmental Authority.

"**Security**" means, collectively, the guarantees, debentures, debenture pledge agreements, pledge agreements, assignments, indemnities, general security agreements, mortgages, trust deeds and other security agreements executed and delivered, or required to be executed and delivered, by the Parent Borrower, the other Borrowers and the other Material Subsidiaries under and pursuant to this Agreement including any Subsidiary of the Parent Borrower which owns or holds, directly or indirectly (whether through the ownership of or investments in other Subsidiaries of the Parent Borrower or otherwise), any ownership interest in any assets or properties which are included for the purposes of the determination of the Borrowing Base and shall include (i) in respect of the Parent Borrower, the other Borrowers and other Material Subsidiaries domiciled in Canada, a guarantee, fixed and floating charge debenture, debenture pledge agreement and general security agreement substantially in the forms of Schedules H-1, H-2, H-3 and H-4, respectively, annexed hereto, (ii) in respect of the Parent Borrower, a security agreement substantially in the form of Schedule H-6 annexed hereto, (iii) in respect of each Borrower and each other Material Subsidiary domiciled in the United States of America, a guarantee and security agreement substantially in the forms of Schedules H-5 and H-6, respectively, annexed hereto, (iv) the Colorado Deed and (v) the North Dakota Deed, in each case with such modifications and insertions as may be required by the Agent, acting reasonably.

"**Security Interest**" means mortgages, charges, pledges, hypothecs, assignments by way of security, conditional sales or other title retentions, security created under the *Bank Act* (Canada), liens, encumbrances, security interests or other interests in property, howsoever created or arising, whether fixed or floating, perfected or not, which secure payment or performance of an obligation and, including, in any event:

(a) deposits or transfers of cash, marketable securities or other financial assets under any agreement or arrangement whereby such cash, securities or assets may be withdrawn, returned or transferred only upon fulfilment of any condition as to the discharge of any other indebtedness or other obligation to any creditor;

(b) (i) rights of set-off or (ii) any other right of or arrangement of any kind with any creditor, which in any case are made, created or entered into, as the case may be, for the purpose of or having the effect (directly or indirectly) of (A) securing Debt, (B) preferring some holders of Debt over other holders of Debt or (C) having the

claims of any creditor be satisfied prior to the claims of other creditors with or from the proceeds of any properties, assets or revenues of any kind now owned or later acquired (other than, with respect to (C) only, rights of set-off granted or arising in the ordinary course of business);

(c) the rights of lessors under finance leases, operating leases as determined under generally accepted accounting principles and any other lease financing; and

(d) absolute assignments of accounts receivable.

"**Shacks**" means, collectively, the modular fuel tanks and self-contained modular units owned by the Loan Parties which monitor and deliver fuel to equipment to reduce the dangers of hot fuelling during continuous fracs.

"**Shareholder**" means Van Vliet Investments Inc. and any successors thereto.

"**Shareholder Loan**" means the Loan Agreement dated as of May 15, 2023 between the Shareholder, as lender, and the Parent Borrower, as borrower.

"**SOFR**" means a rate *per annum* equal to the secured overnight financing rate as administered by the SOFR Administrator.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Interpolated Rate**" means, for any SOFR Loan for a Non-Standard Interest Period, the rate *per annum* determined by the Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) Adjusted Term SOFR for the longest Interest Period that is not a Non-Standard Interest Period for which Adjusted Term SOFR is available that is shorter than the Non-Standard Interest Period of such SOFR Loan and (b) Adjusted Term SOFR for the shortest Interest Period that is not a Non-Standard Interest Period for which Adjusted Term SOFR is available that exceeds the Non-Standard Interest Period of such SOFR Loan, at such time; provided that when determining the SOFR Interpolated Rate for a Non-Standard Interest Period which is less than one month, the SOFR Interpolated Rate shall be deemed to be Adjusted Term SOFR for an Interest Period of one month's duration.

"**SOFR Loan**" means a Loan that bears interest at a rate based on Adjusted Term SOFR, other than pursuant to clause (c) of the definition of "U.S. Base Rate".

"**Subordination Agreement**" means the Subordination and Postponement Agreement dated as of the date of this Agreement among the Parent Borrower, as borrower, the Shareholder, as subordinated creditor, and the Agent, as senior creditor, in respect of the Shareholder Loan.

"**Subsidiary**" means, with respect to any person ("**X**"):

(a) any corporation of which at least a majority of the outstanding shares having by the terms thereof ordinary voting power to elect a majority of the board of directors of

such corporation (irrespective of whether at the time shares of any other class or classes of such corporation might have voting power by reason of the happening of any contingency, unless the contingency has occurred and then only for as long as it continues) is at the time directly, indirectly or beneficially owned or controlled by X or one or more of its Subsidiaries, or X and one or more of its Subsidiaries;

(b) any partnership of which, at the time, X, or one or more of its Subsidiaries, or X and one or more of its Subsidiaries: (i) directly, indirectly or beneficially own or control more than 50% of the income, capital, beneficial or ownership interests (however designated) thereof; and (ii) is a general partner, in the case of limited partnerships, or is a partner or has authority to bind the partnership, in all other cases; or

(c) any other person of which at least a majority of the income, capital, beneficial or ownership interests (however designated) are at the time directly, indirectly or beneficially owned or controlled by X, or one or more of its Subsidiaries, or X and one or more of its Subsidiaries,

provided that, unless otherwise expressly provided or the context otherwise requires, references herein to "Subsidiary" or "Subsidiaries" shall be and shall be deemed to be references to Subsidiaries of the Parent Borrower.

"**Successor Agent**" has the meaning set out in Section 14.10.

"**Supported QFC**" has the meaning set out in Section 11.11.

"**Swap Obligation**" means, with respect to any person that has provided a Guarantee to the Agent, the Lenders, the Hedging Affiliates and the Bank Product Affiliates, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"**Syndicated Facility**" means the credit facility in the maximum principal amount of Cdn.$68,000,000.00 or the Equivalent Amount in United States Dollars, comprised of the Syndicated Revolving Tranche and the Syndicated Term Tranche, to be made available to the Borrowers by the Syndicated Facility Lenders in accordance with the provisions hereof, subject to any reduction in accordance with the provisions hereof.

"**Syndicated Facility Commitment**" means the commitment by each Syndicated Facility Lender under the Syndicated Facility to provide the amount of United States Dollars (or the Equivalent Amount thereof) set forth opposite its name in Schedule A annexed hereto, subject to any reduction in accordance with the provisions hereof.

"**Syndicated Facility Extension Request**" has the meaning set out in Section 2.20.

"**Syndicated Facility Lenders**" means, collectively, the Lenders which have a Syndicated Facility Commitment.

"**Syndicated Facility Maturity Date**" means, in respect of the Obligations outstanding to a given Syndicated Facility Lender, May 15, 2025 or such later date to which the same may be extended from time to time with respect to a given Syndicated Facility Lender in accordance with Section 2.20.

"**Syndicated Revolving Tranche**" has the meaning set out in Section 2.2(1)(a).

"**Syndicated Revolving Tranche Commitment**" means the commitment by each Syndicated Facility Lender under the Syndicated Revolving Tranche to provide the amount of Canadian Dollars (or the Equivalent Amount thereof) set forth opposite its name in Schedule A annexed hereto, subject to any reduction in accordance with the provisions hereof.

"**Syndicated Term Tranche**" has the meaning set out in Section 2.2(1)(b).

"**Syndicated Term Tranche Commitment**" means the commitment by each Syndicated Facility Lender under the Syndicated Term Tranche to provide the amount of Canadian Dollars (or the Equivalent Amount thereof) set forth opposite its name in Schedule A annexed hereto, subject to any reduction in accordance with the provisions hereof.

"**Taxes**" means all taxes, levies, imposts, stamp taxes, duties, fees, deductions, withholdings, charges, compulsory loans or restrictions or conditions resulting in a charge which are imposed, levied, collected, withheld or assessed by any country or political subdivision or taxing authority thereof now or at any time in the future, together with interest thereon and penalties, charges or other amounts with respect thereto, if any, and "Tax" and "Taxation" shall be construed accordingly.

"**Term CORRA**" means, for any calculation with respect to a Term CORRA Loan or a Prime Loan, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term CORRA Determination Day") that is two (2) CORRA Banking Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding CORRA Banking Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding CORRA Banking Day is not more than three (3) CORRA Banking Days prior to such Periodic Term CORRA Determination Day. If such first preceding CORRA Banking Day is more than three (3) CORRA Banking Days prior to such Periodic Term CORRA Determination Day, Section 12.2 will apply.

"**Term CORRA Adjustment**" means 0.29547% (29.547 basis points) *per annum* for an Available Tenor of one-month's duration or 0.32138% (32.138 basis points) *per annum* for an Available Tenor of three-months' duration.

"**Term CORRA Administrator**" means CanDeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator of the Term CORRA Reference Rate.

"**Term CORRA Loan**" means a Loan that bears interest at a rate based on Adjusted Term CORRA, other than pursuant to clause (b) of the definition of "Canadian Prime Rate".

"**Term CORRA Reference Rate**" means the forward-looking term rate based on CORRA.

"**Term SOFR**" means, for calculation with respect to a SOFR Loan or a U.S. Base Rate Loan, the Term SOFR Reference Rate (rounded upward to the nearest fifth decimal place, if necessary) for a tenor comparable to the applicable Interest Period on the day (the "**Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that (a) if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day. If such first preceding U.S. Government Securities Business Day is more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day and (b) if such first preceding U.S. Government Securities Business Day is more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day, Section 12.2 will apply.

"**Term SOFR Adjustment**" means, with respect to Term SOFR, 0.1000% (10.00 basis points) *per annum* for an Interest Period of one-month's duration, 0.1500% (15.00 basis points) *per annum* for an Interest Period of three-months' duration, and 0.2500% (25.00 basis points) *per annum* for an Interest Period of six-months' duration.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Agent in its discretion, acting reasonably).

"**Term SOFR Determination Day**" has the meaning assigned to it under the definition of Term SOFR.

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Term SOFR Screen Rate**" means the Term SOFR reference rate published by the CME Group Benchmark Administration Limited (or such other publisher acceptable to the Agent and notified to the Borrowers) for a period equal in length to the relevant Interest Period or discounting period; provided, however, that if a Quoted Tenor is not available for the relevant Interest Period or discounting period, the Agent may determine the rate by reference to the next Quoted Tenor that is higher than the relevant Interest Period or discounting period (or the highest published Quoted Tenor if no higher Quoted Tenor is available).

"**Termination Event**" means an automatic early termination of obligations relating to a Lender Financial Instrument under any agreement relating thereto without any notice being required from a Lender.

"**Titled Assets**" means any vehicles or other assets of the Parent Borrower, the other Borrowers and the other Material Subsidiaries to which any Certificates of Title legislation of the United States of America or any state or district thereof applies.

"**Trading with the Enemy Act**" means the *Trading with the Enemy Act* of the United States of America (50 U.S.C. App. §§ 1 et seq.), as amended or any enabling legislation or executive order relating thereto.

"**Tranche**" means either the Syndicated Revolving Tranche or the Syndicated Term Tranche, as applicable and as the context requires.

"**UK Financial Institution**" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"**Unencumbered Cash**" means all unencumbered cash of the Parent Borrower and its Subsidiaries which have provided Security (determined in accordance with generally accepted accounting principles and which, for certainty, shall deduct therefrom all issued and outstanding cheques which have not cleared) and which (a) is on deposit or invested with the Agent, a Lender or a deposit holding Affiliate of a Lender in Canada or the United States of America, (b) for certainty, is not held in trust for the benefit of another person or in a segregated account or similar type account, (c) is subject to the Security, (d) to the extent held with a Lender or an Affiliate of a Lender outside of Canada, the Parent Borrower or the applicable Subsidiary and such Lender shall have executed and delivered a deposit account control agreement (in form satisfactory to the Agent, acting reasonably) and (e) shall not include any cash subject to a Security Interest other than the Security.

"**Unfunded Capital Expenditures**" means for any period, the sum (without duplication) of the aggregate amount of all Capital Expenditures of the Loan Parties made during such period, less any such Capital Expenditures that are specifically funded by (a) Permitted Debt, (b) the proceeds of sale of other capital equipment, and (c) new investments in the Loan Parties by way of equity issuance or capital contributions.

"**U.S. Base Rate**" means, for any day, a rate *per annum* equal to the greatest of:

(a) the annual rate of interest announced from time to time by the Agent as being its reference rate then in effect for determining interest rates on United States Dollar demand loans made by the Agent in Canada in effect on such day;

(b) the Federal Funds Effective Rate in effect on such day plus 1.00%; and

(c) Adjusted Term SOFR for a one-month tenor in effect for such day plus 1.00%;

provided that to the extent such highest rate as calculated above shall, at any time, be less than the Floor, such rate shall be deemed to be Floor for all purposes herein.

"**U.S. Base Rate Loan**" means an Advance in, or Conversion into, United States Dollars made by the applicable Lenders to the Parent Borrower or another Borrower with respect to which the applicable Borrower has specified or a provision hereof requires that interest is to be calculated by reference to the U.S. Base Rate.

"**U.S. Central Bank Rate**" means, for any day, (a) the short-term interest rate target set by the U.S. Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time; or (b) if that target is not a single figure, the arithmetic mean of: (i) the upper bound of the short-term interest rate target range set by the U.S. Federal Open Market Committee and published by the Federal Reserve Bank of New York; and (ii) the lower bound of that target range, provided that a reference to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.

"**U.S. Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"**U.S. Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**U.S. Mortgaged Properties**" has the meaning set out in Section 2.26.

"**U.S. Special Resolution Regimes**" means the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act, together with the regulations promulgated thereunder.

"**United States Dollars**" and "**U.S.$**" means the lawful money of the United States of America.

"**Voting Shares**" means capital stock of any class of any corporation which carries voting rights to elect the board of directors thereof under any circumstances, provided that, for purposes hereof, shares which carry the right to so vote conditionally upon the happening of an event shall not be considered Voting Shares until the occurrence of such event.

"**Wholly-Owned Subsidiary**" means, with respect to any person ("**X**"):

(a) a corporation, all of the issued and outstanding shares in the capital of which are beneficially held by:

(i) X;

(ii) X and one or more corporations, all of the issued and outstanding shares in the capital of which are held by X; or

(iii) two or more corporations, all of the issued and outstanding shares in the capital of which are held by X;

(b) a corporation which is a Wholly-Owned Subsidiary of a corporation that is a Wholly-Owned Subsidiary of X; or

(c) a partnership, all of the partners of which are X and/or Wholly-Owned Subsidiaries of X,

provided that unless otherwise expressly provided or the context otherwise requires, references herein to "Wholly-Owned Subsidiary" or "Wholly-Owned Subsidiaries" shall be and shall be deemed to be references to Wholly-Owned Subsidiaries of the Parent Borrower.

"**Withdrawal Liability**" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal by any Loan Party or any ERISA Affiliate from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"**Write-Down and Conversion Powers**" means (i) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule; and (ii) with respect to the United Kingdom, any powers of the applicable UK Resolution Authority under the applicable Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Headings; Articles and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.3 Number; persons; including; successors

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them. References herein to any person shall, unless the context otherwise requires, include such person's successor and permitted assigns.

1.4 Accounting Principles

(1) Wherever in this Agreement reference is made to "generally accepted accounting principles", such reference shall be deemed to either refer to (a) at any time prior to Agent's receipt of the GAAP Election Notice in accordance with the proviso in this Section 1.4(1), the recommendations at the relevant time of the Chartered Professional Accountants of Canada, or any successor institute (including, for certainty, IFRS) applicable on a consolidated basis (unless otherwise specifically provided or contemplated herein to be applicable on a non-consolidated basis) or (b) at any time thereafter, GAAP applicable on a consolidated basis (unless otherwise specifically provided or contemplated herein to be applicable on a non-consolidated basis), in each case of the foregoing clauses (a) and (b), as at the date on which such calculation is made or required to be made in accordance with generally accepted accounting principles; *provided that*, solely to the extent the Parent Borrower is required at any time by the SEC or other Governmental Authority to prepare its financial statements in accordance with GAAP, the Parent Borrower shall provide an irrevocable written notice (such notice, the "**GAAP Election Notice**") to the Agent of its election to adopt GAAP for purposes of preparing its financial statements, certificates and other reports required to be furnished to the Agent and the Lenders hereunder. Where the character or amount of any asset or liability or item of revenue or expense or amount of equity is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement or any other Document, such determination or calculation shall, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with generally accepted accounting principles applied on a consistent basis (subject to paragraphs (2) to (5) of this Section 1.4).

(2) If:

(a) there occurs a material change in generally accepted accounting principles; or

(b) the Parent Borrower, another Borrower or any of the other Material Subsidiaries adopts a material change in an accounting policy in order to more appropriately present events or transactions in its financial statements;

and the above change would require disclosure under generally accepted accounting principles in the consolidated financial statements of the Parent Borrower and would cause an amount required to be determined for the purposes of the financial covenants in Section 9.3 or any financial term or threshold used in

the Credit Agreement (each a "**Financial Covenant/Term**") to be materially different than the amount that would be determined without giving effect to such change, the Parent Borrower shall notify the Agent of such change (an "**Accounting Change**"). Such notice (an "**Accounting Change Notice**") shall describe the nature of the Accounting Change, its effect on the current and immediately prior year's financial statements in accordance with generally accepted accounting principles and state whether the Parent Borrower desires to revise the method of calculating one or more of the Financial Covenants/Terms (including the revision of any of the defined terms used in the determination of such Financial Covenant/Term) in order that amounts determined after giving effect to such Accounting Change and the revised method of calculating such Financial Covenant/Term will approximate the amount that would be determined without giving effect to such Accounting Change and without giving effect to the revised method of calculating such Financial Covenant/Term. The Accounting Change Notice shall be delivered to the Agent within sixty (60) days after the end of the fiscal quarter in which the Accounting Change is implemented or, if such Accounting Change is implemented in the fourth fiscal quarter or in respect of an entire fiscal year, within 120 days after the end of such period.

(3) If, pursuant to the Accounting Change Notice, the Parent Borrower does not indicate that it desires to revise the method of calculating one or more of the Financial Covenants/Terms, a Majority of the Lenders may within thirty (30) days after receipt of the Accounting Change Notice notify the Parent Borrower that they wish to revise the method of calculating one or more of the Financial Covenants/Terms in the manner described above.

(4) If either the Parent Borrower or a Majority of the Lenders so indicate that they wish to revise the method of calculating one or more of the Financial Covenants/Terms, the Parent Borrower and a Majority of the Lenders shall in good faith attempt to agree on a revised method of calculating such Financial Covenants/Terms so as to reflect equitably such Accounting Change with the desired result that the criteria for evaluating the Parent Borrower's financial condition shall be substantially the same after such Accounting Change as if such Accounting Change had not been made. Until the Parent Borrower and a Majority of the Lenders have reached agreement in writing on such revised method of calculation, all amounts to be determined hereunder shall continue to be determined without giving effect to the Accounting Change. For greater certainty, if no notice of a desire to revise the method of calculating the Financial Covenants/Terms in respect of an Accounting Change is given by either the Parent Borrower or a Majority of the Lenders within the applicable time period described above, then the method of calculating the Financial Covenants/Terms shall not be revised in response to such Accounting Change and all amounts to be determined pursuant to the Financial Covenants/Terms shall be determined after giving effect to such Accounting Change.

(5) If a Compliance Certificate is delivered in respect of a fiscal quarter or fiscal year in which an Accounting Change is implemented without giving effect to any revised method of calculating any of the Financial Covenants/Terms, and subsequently, as provided above, the method of calculating one or more of the Financial Covenants/Terms is revised in response to such Accounting Change, or the amounts to be determined pursuant to any of the Financial Covenants/Terms are to be determined without giving effect to such Accounting Change, the

Parent Borrower shall deliver a revised Compliance Certificate. Any Event of Default which arises as a result of the Accounting Change and which is cured by this Section 1.4 shall be deemed to have never occurred.

(6) In addition to the foregoing, the parties hereto agree and confirm that, for all purposes hereof, including in connection with the calculation of "Interest Expense", "Debt", "Consolidated Net Funded Debt", and "EBITDA", the classification and effect of operating leases and capital leases shall be made with regard to generally accepted accounting principles in effect on December 15, 2018.

1.5 References to Agreements and Enactments

Reference herein to any agreement, instrument, licence or other document shall be deemed to include reference to such agreement, instrument, licence or other document as the same may from time to time be amended, modified, supplemented or restated in accordance with the provisions of this Agreement if and to the extent such provisions are applicable; and reference herein to any enactment shall be deemed to include reference to such enactment as re-enacted, amended or extended from time to time and to any successor enactment.

1.6 Per Annum Calculations

Unless otherwise stated, wherever in this Agreement reference is made to a rate "*per annum*" or a similar expression is used, such rate shall be calculated on the basis of a year of 365 days.

1.7 Divisions

For all purposes under the Documents, in connection with any division or plan of division under the laws of the State of Delaware (or any comparable event under the laws of another jurisdiction):

(1) if any asset, right, obligation or liability of any person becomes the asset, right, obligation or liability of a different person, then it shall be deemed to have been transferred from the original person to the subsequent person; and

(2) if any new person comes into existence, such new person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

1.8 Schedules

The following are the Schedules annexed hereto and incorporated by reference and deemed to be part hereof:

Schedule A	-	Lenders and Commitments
Schedule B	-	Assignment Agreement
Schedule C	-	Compliance Certificate
Schedule D	-	Conversion Notice
Schedule E	-	Drawdown Notice

Schedule F	-	Repayment Notice
Schedule G	-	Rollover Notice
Schedules H-1 to H-6	-	Security
Schedule I	-	Mortgaged Real Property
Schedule J	-	Borrowing Base Certificate
Schedule 8.1(s)	-	Material Subsidiaries and Other Subsidiaries

1.9 Amendment and Restatement of the Existing Credit Agreement

(1) On the date of this Agreement:

(a) the Existing Credit Agreement shall be and is hereby amended and restated in the form of this Agreement;

(b) all Loans, including, for certainty, Letters of Credit (as such terms are defined in the Existing Credit Agreement) and other amounts outstanding under the Existing Credit Agreement on the date of this Agreement shall continue to be outstanding under this Agreement and shall be deemed to be Loans and other Obligations owing by the Borrowers to the Agent and the Lenders, as applicable, under this Agreement; and

(c) the Lenders hereby agree to take all steps and actions and execute and deliver all agreements, instruments and other documents as may be required by the Agent or any of the Lenders (including the assignment of interests in, or the purchase of participations in, such outstanding Loans) to give effect to the foregoing and to ensure that the aggregate Obligations owing to each Lender under the Credit Facilities are outstanding in proportion to each Lender's Rateable Portion of all outstanding Obligations under the Credit Facilities after giving effect to the foregoing.

(2) Notwithstanding the foregoing or any other term hereof, all of the covenants, representations and warranties on the part of the Borrowers under the Existing Credit Agreement and all of the claims and causes of action arising against the Borrowers in connection therewith, in respect of all matters, events, circumstances and obligations arising or existing prior to the date of this Agreement shall continue, survive and shall not be merged in the execution of this Agreement or any other Documents or any advance or provision of any Loan hereunder.

(3) The Agent and the Borrowers acknowledge and agree that as of the date of this Agreement, there may be outstanding BA Equivalent Advances and Bankers' Acceptances (each under and as defined in the Existing Credit Agreement (collectively and together with any other BA Equivalent Advances and Bankers' Acceptances that may continue pursuant to the terms of this Section, the "**Continuing BA Advances**")).

(4) Notwithstanding the terms of the Agreement as of the date of this Agreement:

(a) the Continuing BA Advances outstanding as of the Effective Date shall remain outstanding as Advances under the Syndicated Revolving Tranche or the Syndicated Term Tranche, as applicable, of this Agreement; provided that no

further Advances or Rollovers of BA Equivalent Advances or Bankers' Acceptances, or Conversions into BA Equivalent Advances or Bankers' Acceptances, shall be available under this Agreement, any such request shall be ineffective and shall instead be deemed to be a request for a Term CORRA Loan; and

(b) the provisions contained in the Existing Credit Agreement, including without limitation, the definitions of "CDOR Rate", "BA Equivalent Advance", "Bankers' Acceptance" and such other definitions, provisions and schedules as are required to be in effect for the proper administration and repayment of, and which are otherwise applicable to, the Continuing BA Advances, will continue in full force and effect until the earlier of the following (the "**B/A Conversion Date**"): (i) the applicable Borrower electing to convert its BA Equivalent Advances or Bankers' Acceptances to Daily Compounded CORRA Loans by five (5) Banking Days' prior written notice to the Agent (which election, once made, shall be irrevocable), (ii) written notice by the Agent to the applicable Borrower that the Agent or the Lenders have determined that the circumstance set out in Section 13.3 of the Existing Credit Agreement has occurred or exists, and (iii) June 28, 2024. On the B/A Conversion Date, such BA Equivalent Advance and Bankers' Acceptance shall be automatically converted to a Daily Compounded CORRA Loan under this Agreement with an Interest Period of one (1) month. For certainty, on and after the BA Conversion Date, no further BA Equivalent Advances or Bankers' Acceptances (including the rollover of existing BA Equivalent Advances or Bankers' Acceptances) will be available to the Borrowers and all requests for new BA Equivalent Advances or Bankers' Acceptances of any tenor shall be deemed to be requests for new Daily Compounded CORRA Loans with an Interest Period of one (1) month.

(5) For the avoidance of doubt, and notwithstanding anything to the contrary in this Agreement, the provisions of the Existing Credit Agreement continue to remain in force only to the extent necessary for the Continuing BA Advances to remain outstanding in accordance with the terms and conditions of this Section. The Borrowers agree to do all things as the Agent may reasonably require to give effect to the terms of this Section.

1.10 Confirmation of Security

Each of the Borrowers confirms and agrees that the Security to which it is a party is and shall remain in full force and effect in all respects notwithstanding the amendment and restatement of the Existing Credit Agreement and shall continue to exist and apply to all of the Obligations, including the Obligations of the Borrowers under, pursuant or related to the Existing Credit Agreement, as amended and restated by this Agreement.

1.11 Interest Rates; Benchmark Notification

The interest rate on a Loan may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 12.1 provides a mechanism for

determining an alternative rate of interest. The Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of, performance of or any other matter related to any interest rate used in this Agreement (including the Canadian Prime Rate, U.S. Base Rate, Daily Simple SOFR, Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, the Term SOFR Screen Rate, CORRA, the Term CORRA Reference Rate, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, Term CORRA or Daily Compounded CORRA) or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Canadian Prime Rate, U.S. Base Rate, Daily Simple SOFR, Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, the Term SOFR Screen Rate, CORRA, the Term CORRA Reference Rate, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, Term CORRA or Daily Compounded CORRA or any other Benchmark (or any component thereof) prior to its discontinuance or unavailability or (b) the effect, implementation or composition of any Conforming Changes. The Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to and in accordance with the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2- THE CREDIT FACILITIES

2.1 The Credit Facilities

Subject to the terms and conditions hereof, each of the Lenders under a Credit Facility shall make available to the applicable Borrower or Borrowers such Lender's Rateable Portion of such Credit Facility. Subject to Section 2.18, the Outstanding Principal under a given Credit Facility shall not exceed the maximum principal amount of such Credit Facility.

2.2 Types of Availments; Overdraft Loans

(1) The Syndicated Facility shall comprise:

(a) a revolving credit facility in the maximum principal amount of Cdn.$12,000,000 or the Equivalent Amount thereof in United States Dollars (the "**Syndicated Revolving Tranche**"); and

(b) a non-revolving term credit facility in the maximum principal amount of Cdn.$52,500,000.00 (the "**Syndicated Term Tranche**").

The Borrowers may, in Canadian Dollars, make Drawdowns, Conversions and Rollovers under each of the Syndicated Revolving Tranche and Syndicated Term Tranche of Canadian Prime Rate Loans and CORRA Loans and may, in United States Dollars, make Drawdowns, Conversions and Rollovers under the Syndicated Revolving Tranche of U.S. Base Rate Loans and SOFR Loans. The Borrowers shall have the option, subject to the terms and conditions hereof, to determine which types of Loans shall be drawn down under the Syndicated Facility and in which combinations or proportions.

(2) The Borrowers may, in Canadian Dollars, make Drawdowns, Conversions and Rollovers under the Operating Facility of Canadian Prime Rate Loans and may, in United States Dollars, make Drawdowns, Conversions and Rollovers under the Operating Facility of U.S. Base Rate Loans. In addition, the Borrowers may make Drawdowns and Rollovers under the Operating Facility of Letters of Credit denominated in Canadian Dollars or United States Dollars; provided that, the Outstanding Principal of Letters of Credit outstanding under the Operating Facility shall not exceed Cdn.$5,000,000.00. The Borrowers shall have the option, subject to the terms and conditions hereof, to determine which types of Loans shall be drawn down under the Operating Facility and in which combinations or proportions.

(3) In addition to the foregoing, overdrafts arising from clearance of cheques or drafts drawn on the Canadian Dollar accounts and United States Dollar accounts of the Borrowers maintained with the Operating Lender, and designated by the Operating Lender for such purpose, shall be deemed to be outstanding as Canadian Prime Rate Loans and U.S. Base Rate Loans, respectively under the Operating Facility (each, an "**Overdraft Loan**") and all references to Canadian Prime Rate Loans and U.S. Base Rate Loans (as applicable) shall include Overdraft Loans. For certainty, notwithstanding Section 2.7 or 2.15, no Drawdown Notice or Repayment Notice need be delivered by the Borrowers in respect of Overdraft Loans.

2.3 Purpose

Each of the Credit Facilities is being made available for the general corporate purposes of the applicable Borrower or Borrowers including working capital requirements, the issuance of letters of credit (if available under such Credit Facility pursuant to the terms hereof), Capital Expenditures, the repayment of existing debt (including the mandatory repayment specified in Section 2.16(2)) and Permitted Acquisitions, provided however, that no proceeds of any Drawdowns hereunder may be used to finance a Hostile Acquisition.

2.4 Availability and Nature of the Credit Facilities

(1) Subject to the terms and conditions hereof, the Borrowers may make Drawdowns under each of the Operating Facility and the Syndicated Revolving Tranche under the Syndicated Facility prior to, and only prior to, the Maturity Date applicable to such Credit Facility.

(2) Prior to the Maturity Date applicable to a Credit Facility, each of the Operating Facility and the Syndicated Revolving Tranche under the Syndicated Facility shall revolve; that is, the Borrowers under each of the Operating Facility and the Syndicated Revolving Tranche

under the Syndicated Facility may increase or decrease Loans under such Credit Facility or Tranche, as applicable, by making Drawdowns, repayments and further Drawdowns.

(3) The Syndicated Term Tranche under the Syndicated Facility is non-revolving; that is, the amounts of any Loans under the Syndicated Term Tranche which are thereafter repaid may not be re-borrowed or utilized again under the Syndicated Term Tranche and the Borrowers shall not be entitled to make further Drawdowns under the Syndicated Term Tranche in respect of such amounts.

(4) For certainty, in no event shall a Lender be required to fund, participate in, or otherwise provide any portion of a Loan which has a maturity or expiry date, or which has an Interest Period which will expire, after the Maturity Date applicable to such Lender under such Credit Facility. In no event shall a Borrower request, or be entitled to obtain, a Loan which has a maturity or expiry date, or which has an Interest Period which will expire after the Maturity Date for such Credit Facility.

2.5 Minimum Drawdowns

(1) Each Drawdown under the Syndicated Revolving Tranche of the Syndicated Facility of the following types of Loans shall be in the following amounts indicated:

(a) CORRA Loans in minimum aggregate amounts of Cdn.$2,500,000 at maturity and Drawdowns in excess thereof in integral multiples of Cdn.$100,000;

(b) SOFR Loans in minimum principal amounts of U.S.$2,500,000 and Drawdowns in excess thereof in integral multiples of U.S.$100,000;

(c) Canadian Prime Rate Loans in minimum principal amounts of Cdn.$2,500,000 and Drawdowns in excess thereof in integral multiples of Cdn.$100,000;

(d) U.S. Base Rate Loans in minimum principal amounts of U.S.$2,500,000 and Drawdowns in excess thereof in integral multiples of U.S.$100,000.

(2) Each Drawdown under the Syndicated Term Tranche of the Syndicated Facility of the following types of Loans shall be in the following amounts indicated:

(a) CORRA Loans in minimum aggregate amounts of Cdn.$2,500,000 at maturity and Drawdowns in excess thereof in integral multiples of Cdn.$100,000;

(b) Canadian Prime Rate Loans in minimum principal amounts of Cdn.$2,500,000 and Drawdowns in excess thereof in integral multiples of Cdn.$100,000;

2.6 CORRA Loan and SOFR Loan Availability

Drawdowns of, Conversions into and Rollovers of requested CORRA Loans and SOFR Loans may only be made upon the Agent’s prior favourable determination with respect to the matters referred to in Section 12.1.

2.7 Notice Periods for Drawdowns, Conversions and Rollovers

(1) Subject to the provisions hereof, a Borrower may make a Drawdown under the Syndicated Revolving Tranche and a Conversion or Rollover under the applicable Tranche of the Syndicated Facility by delivering a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be (executed in accordance with the definition of "Officer's Certificate"), with respect to a specified type of Loan to the Agent not later than:

(a) 10:00 a.m. (Calgary time) three Banking Days prior to the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be, for the Drawdown of, Conversion into or the Rollover of CORRA Loans or SOFR Loans;

(b) 10:00 a.m. (Calgary time) one Banking Day prior to the proposed Drawdown Date or Conversion Date, as the case may be, for Drawdowns of or Conversions into Canadian Prime Rate Loans and/or (except in respect of the Syndicated Term Tranche) U.S. Base Rate Loans.

(2) Subject to the provisions hereof, a Borrower may make a Drawdown, Conversion or Rollover under the Operating Facility by delivering a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be (executed in accordance with the definition of "Officer's Certificate"), with respect to a Letter of Credit to the Operating Lender not later than 10:00 a.m. (Calgary time) three Banking Days prior to the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be, for the Drawdown of, Conversion into or the Rollover of Letters of Credit under the Operating Facility.

2.8 Conversion Option

Subject to the provisions of this Agreement and except for Letters of Credit, a Borrower may convert the whole or any part of any type of Loan under a Credit Facility into any other type of permitted Loan under the same Credit Facility (and, in the case of the Syndicated Facility, may convert the whole or any part of any type of Loan under a Tranche into any other type of permitted Loan under the same Tranche) by giving the Agent a Conversion Notice in accordance herewith; provided that:

(a) Conversions of SOFR Loans and CORRA Loans may only be made on the last day of the Interest Period applicable thereto;

(b) a Borrower may not convert a portion only or the whole of an outstanding Loan unless both the unconverted portion and converted portion of such Loan are equal to or exceed, in the relevant currency of each such portion, the minimum amounts required for Drawdowns of Loans of the same type as that portion (as set forth in Section 2.5);

(c) in respect of Conversions of a Loan denominated in one currency to a Loan denominated in another currency, a Borrower shall at the time of the Conversion repay the Loan or portion thereof being converted in the currency in which it was denominated; and

(d) a Conversion shall not result in an increase in Outstanding Principal; increases in Outstanding Principal may only be effected by Drawdowns.

2.9 CORRA Loan and SOFR Loan Rollovers; Selection of CORRA and SOFR Interest Periods

At or before 10:00 a.m. (Calgary time) three Banking Days prior to the expiration of each Interest Period of each CORRA Loan or SOFR Loan, the applicable Borrower shall, unless it has delivered a Conversion Notice pursuant to Section 2.8 and/or a Repayment Notice pursuant to Section 2.15 (together with a Rollover Notice if a portion only is to be converted or repaid; provided that a portion of a CORRA Loan or a SOFR Loan may be continued only if the portion which is to remain outstanding is equal to or exceeds the minimum amount required hereunder for Drawdowns of CORRA Loans and SOFR Loans) with respect to the aggregate amount of such Loan, deliver a Rollover Notice to the Agent selecting the next Interest Period applicable to the CORRA Loan or SOFR Loan, as applicable, which new Interest Period shall commence on and include the last day of such prior Interest Period. If the applicable Borrower fails to deliver a Rollover Notice to the Agent, as provided in this Section, such Borrower shall be deemed to have given a Conversion Notice to the Agent electing to convert the entire amount of the maturing CORRA Loan into a Canadian Prime Rate Loan or SOFR Loan into a U.S. Base Rate Loan.

2.10 Rollovers and Conversions not Repayments

Any amount converted shall be a Loan of the type converted to upon such Conversion taking place, and any amount rolled over shall continue to be the same type of Loan under the same Credit Facility (and, in the case of the Syndicated Facility, under the same Tranche) as before the Rollover, but such Conversion or Rollover (to the extent of the amount converted or rolled over) shall not of itself constitute a repayment or a fresh utilization of any part of the amount available under the relevant Credit Facility (or Tranche, as applicable).

2.11 Agent's Obligations with Respect to Canadian Prime Rate Loans, U.S. Base Rate Loans, SOFR Loans and CORRA Loans

Upon receipt of a Drawdown Notice, Rollover Notice or Conversion Notice with respect to a Canadian Prime Rate Loan, U.S. Base Rate Loan, SOFR Loan or CORRA Loan under the Syndicated Facility, the Agent shall forthwith notify the relevant Lenders of the requested type of Loan, the proposed Drawdown Date, Rollover Date or Conversion Date, each such Lender's Rateable Portion of such Loan and, if applicable, the account of the Agent to which each such Lender's Rateable Portion is to be credited.

2.12 Lenders' and Agent's Obligations with Respect to Canadian Prime Rate Loans, U.S. Base Rate Loans, SOFR Loans and CORRA Loans

(1) The applicable Lenders shall, for same day value on the Drawdown Date specified by the applicable Borrower in a Drawdown Notice with respect to a Canadian Prime Rate Loan, a U.S. Base Rate Loan, a SOFR Loan or a CORRA Loan under the Syndicated Facility, credit the Agent's account specified in the Agent's notice given under Section 2.11 with such Lender's Rateable Portion of each such requested Loan and for same day value on the same date the Agent shall, to the extent such funds have been received by the Agent, pay to the applicable Borrower

the full amount of the amounts so credited in accordance with any payment instructions set forth in the applicable Drawdown Notice.

(2) On the Drawdown Date specified by a Borrower in a Drawdown Notice with respect to a Canadian Prime Rate Loan or U.S. Base Rate Loan under the Operating Facility, for same day value the Operating Lender shall pay to the applicable Borrower the full amount of the requested Drawdown in accordance with any payment instructions set forth in the applicable Drawdown Notice.

2.13 Irrevocability

A Drawdown Notice, Rollover Notice, Conversion Notice or Repayment Notice given by a Borrower hereunder shall be irrevocable and, subject to any options the Lenders may have hereunder in regard thereto and such Borrower's rights hereunder in regard thereto, shall oblige such Borrower to take the action contemplated on the date specified therein.

2.14 Optional Cancellation or Reduction of Credit Facilities

The Parent Borrower (on behalf of itself and the other Borrowers, as applicable) may, at any time, upon giving at least 5 Banking Days prior written notice to the Agent or the Operating Lender, as applicable, cancel in full or, from time to time, permanently reduce in part the unutilized portion of the relevant Credit Facility; provided, however, that any such reduction shall be in a minimum amount of U.S.$5,000,000 and reductions in excess thereof shall be in integral multiples of U.S.$1,000,000. If a Credit Facility is so reduced, the Commitments of each of the Lenders under such Credit Facility shall be reduced *pro rata* in the same proportion that the amount of the reduction in the Credit Facility bears to the amount of such Credit Facility in effect immediately prior to such reduction.

2.15 Optional Repayment of Credit Facilities

A Borrower may at any time and from time to time repay, without penalty, to the Agent for the account of the applicable Lenders or, in connection with the Operating Facility, the Operating Lender, or, in the case of Letters of Credit return the same to the Operating Lender for cancellation or provide for the funding of, the whole or any part of any Loan owing by it together with accrued interest thereon to the date of such repayment provided that:

(a) other than in the case of Overdraft Loans, such Borrower shall give a Repayment Notice (executed in accordance with the definition of "Officer's Certificate") to the Agent or the Operating Lender, as applicable, prior to the date of the proposed repayment not later than the time by which prior notice would be required to be given under Section 2.7 for a Drawdown of the type of Loan proposed to be repaid; provided that the applicable Borrower may repay an Overdraft Loan without any prior notice:

(b) repayments pursuant to this Section may only be made on a Banking Day;

(c) subject to the following provisions and Section 2.17, each such repayment may only be made on the last day of the applicable Interest Period with regard to a CORRA Loan or a SOFR Loan that is being repaid;

(d) unexpired Letters of Credit may only be prepaid by the return thereof to the Operating Lender for cancellation or providing funding therefor in accordance with Section 2.17;

(e) except in the case of (i) Letters of Credit, and (ii) Canadian Prime Rate Loans and U.S. Base Rate Loans under the Operating Facility, each such repayment shall be in a minimum amount of the lesser of: (A) the minimum amount required pursuant to Section 2.5 for Drawdowns of the type of Loan proposed to be repaid and (B) the Outstanding Principal of all Loans outstanding under the Credit Facilities immediately prior to such repayment; any repayment in excess of such amount shall be in integral multiples of the amounts required pursuant to Section 2.5 for multiples in excess of the minimum amounts for Drawdowns; and

(f) except in the case of (i) Letters of Credit, and (ii) Canadian Prime Rate Loans and U.S. Base Rate Loans under the Operating Facility, a Borrower may not repay a portion only of an outstanding Loan unless the unpaid portion is equal to or exceeds, in the relevant currency, the minimum amount required pursuant to Section 2.5 for Drawdowns of the type of Loan proposed to be repaid.

2.16 Mandatory Repayment and Reduction of Credit Facilities

(1) Subject to Section 11.2 and Article 7, each Borrower shall repay or pay, as the case may be, to the Agent, on behalf of the Syndicated Facility Lenders, or, in connection with the Operating Facility, to the Operating Lender, all Loans and other Obligations outstanding under each Credit Facility on or before the Maturity Date applicable to such Credit Facility.

(2) Notwithstanding any other term hereof, the Syndicated Term Tranche is deemed to be fully drawn and outstanding and no further Drawdown may be made by the Borrowers under the Syndicated Term Tranche.

(3) In addition to and without limiting the provisions of Section 2.16(1) and 2.16(2), the Parent Borrower shall pay, or shall cause to be paid, each of the following to the Agent, on behalf of the applicable Lenders, in repayment of the Outstanding Principal under the Credit Facilities and payment of the other outstanding Obligations:

(a) within 12 (twelve) months after the receipt by the Parent Borrower, another Borrower or another Subsidiary, the net proceeds from, except for Permitted Dispositions, the disposition of any assets or property sold, leased, transferred or otherwise disposed of by the Parent Borrower, another Borrower or another Subsidiary in excess of U.S.$500,000 (if such proceeds were not reinvested in the business and operations of the Parent Borrower, the other Borrowers or the other Subsidiaries during such 12 (twelve) month period);

(b) 100% of the net proceeds of any issuances or borrowings of Debt that is not Permitted Debt; and

(c) within 12 (twelve) months after the receipt by the Parent Borrower, another Borrower or another Subsidiary of any insurance payment or proceeds in respect of any property or business interruption insurance where such payment or proceeds are greater than U.S.$500,000 (if such proceeds were not reinvested in the business and operations of the Parent Borrower, another Borrower or another Subsidiary or used in the repair or replacement of the lost or damaged property in respect of which such insurance proceeds were paid during such 12 (twelve) month period).

(4) In addition to and without limiting the provisions of Sections 2.16(1), 2.16(2) and 2.16(3), the Parent Borrower shall pay, or shall cause to be paid, to the Agent, on behalf of the Syndicated Facility Lenders, the following in repayment of the Outstanding Principal under the Syndicated Term Tranche:

(a) on June 30, 2024 and each subsequent Quarter End thereafter (or, if such date is not a Banking Day, the immediately preceding Banking Day), 10% *per annum* of the Outstanding Principal under the Syndicated Term Tranche as of the date of this Agreement in the currency in which the Syndicated Term Tranche is Advanced;

(b) commencing with the Fiscal Year End of September 30, 2024 and for each Fiscal Year End thereafter, within five (5) Banking Days after the Parent Borrower has delivered or was required to deliver pursuant to Section 9.1(e)(ii), as the case may be, a copy of its audited annual financial statements for each such Fiscal Year End (or, if any such date is not a Banking Day, the immediately preceding Banking Day), an amount equal to 50% of Excess Cash Flow (rounded up to the nearest thousand dollars) in the fiscal year ending as at such Fiscal Year End, which amounts shall be applied as a permanent reduction of the Syndicated Term Tranche.

(5) Any optional repayment pursuant to Section 2.15 or mandatory repayment pursuant to Section 2.16(3) shall be applied (i) firstly, to payment of outstanding Obligations under the Syndicated Term Tranche, and (ii) secondly, *pro rata* to the outstanding Obligations owing under the Operating Facility and the Syndicated Revolving Tranche.

(6) The Borrowers shall comply with the provisions of Sections 2.15 and 2.17 with respect to each repayment required pursuant to Section 2.16(2) and the provisions of Sections 2.15 and 2.17 shall apply thereto, *mutatis mutandis*, including (for certainty) the obligation of the Borrowers to make payments pursuant to Section 2.17(1) in respect of the repayment of any CORRA Loan or SOFR Loan on other than the last day of the applicable Interest Period.

(7) Any optional repayment pursuant to Section 2.15 or mandatory repayment pursuant to Section 2.16(2) of the Operating Facility and the Syndicated Revolving Tranche shall not result in a decrease in Commitments under the Operating Facility and the Syndicated Revolving Tranche and, subject to the other provisions hereunder, the full amount thereof shall remain available for Drawdown under the applicable Credit Facility by the Borrowers in accordance with Section 2.4(1).

(8) Any optional repayment pursuant to Section 2.15 or mandatory repayment pursuant to Sections 2.16(2) and 2.16(4) of the Syndicated Term Tranche shall result in a permanent reduction in the maximum principal amount of the Syndicated Term Tranche to the extent of such repayment. When the Syndicated Term Tranche is so reduced, the Commitments of each of the Lenders under the Syndicated Term Tranche shall be reduced *pro rata* in the same proportion that the amount of the reduction in the Syndicated Term Tranche bears to the amount of the Syndicated Term Tranche Commitments in effect immediately prior to such reduction.

(9) If there is a Borrowing Base Shortfall, the Borrowers will, in accordance with Section 2.24(2), repay Loans under the Borrowing Base Facilities to the extent necessary to reduce the Outstanding Principal of Loans under the Borrowing Base Facilities by not less than the amount of the Borrowing Base Shortfall.

2.17 Additional Repayment Terms

(1) If any SOFR Loan or CORRA Loans is repaid on other than the last day of the applicable Interest Period, the applicable Borrower shall, within three Banking Days after notice is given by the Agent pay to the Agent for the account of the Syndicated Facility Lenders all costs, losses, premiums and expenses incurred by such Lenders by reason of the liquidation or re-deployment of deposits or other funds, or for any other reason whatsoever, resulting in each case from the repayment of such Loan or any part thereof on other than the last day of the applicable Interest Period. Any such Lender upon becoming entitled to be paid such costs, losses, premiums and expenses, shall deliver to the applicable Borrower and, in the case of a Syndicated Facility Lender, the Agent a certificate of such Lender certifying as to such amounts and, in the absence of manifest error, such certificate shall be conclusive and binding for all purposes.

(2) With respect to the funding of the repayment of unexpired Letters of Credit, it is agreed that the applicable Borrowers shall provide for the funding in full of the repayment of unexpired Letters of Credit by paying to and depositing with the Operating Lender, cash collateral for each such unexpired Letter of Credit equal to the maximum amount thereof (and any accrued but unpaid fees (including issuance fees)), in each case, in the respective currency which the relevant Letter of Credit is denominated; such cash collateral deposited by a Borrower shall be held by the Operating Lender in an interest bearing cash collateral account with interest to be credited to the applicable Borrower at rates prevailing at the time of deposit for similar accounts with the Operating Lender. Such cash collateral accounts shall be assigned to the Operating Lender as security for the obligations of the applicable Borrower in relation to such Letters of Credit and the Security Interest of the Operating Lender, as applicable, thereby created in such cash collateral shall rank in priority to all other Security Interests and adverse claims against such cash collateral other than those Security Interests described in paragraphs (a) and (b) of the definition of "Permitted Encumbrances". Such cash collateral shall be applied to satisfy the obligations of the applicable Borrower for such Letters of Credit as payments are made thereunder and the Operating Lender is hereby irrevocably directed by the applicable Borrower to so apply any such cash collateral. Amounts held in such cash collateral accounts may not be withdrawn by the applicable Borrower without the consent of the Operating Lender, however, interest on such deposited amounts shall be for the account of the applicable Borrower and may be withdrawn by the applicable Borrower so long as no Default or Event of Default is then continuing. If after expiry of the Letters of Credit for which such funds are held and application by the Operating Lender of

the amounts in such cash collateral accounts to satisfy the obligations of the applicable Borrower hereunder with respect to the Letters of Credit being repaid, any excess remains, such excess shall be promptly paid by the Operating Lender to the applicable Borrower so long as no Default or Event of Default is then continuing.

(3) In lieu of providing cash collateral as aforesaid, the applicable Borrower may provide to the Operating Lender irrevocable standby letter or letters of credit in an aggregate amount equal to the aggregate maximum amount of all unexpired Letters of Credit being repaid and any accrued but unpaid fees (including issuance fees) and for a term which expires not sooner than 10 Banking Days after the expiry of the Letters of Credit in respect of which such letter(s) of credit are provided; such letters of credit shall be denominated and payable in the currency of the relevant unexpired Letters of Credit and shall be issued by a financial institution and on terms and conditions acceptable to the Operating Lender in its sole discretion. The Operating Lender is hereby irrevocably authorized and directed to draw upon such letters of credit and apply the proceeds of the same to satisfy the obligations of the applicable Borrower for such unexpired Letters of Credit as payments are made by the Operating Lender thereunder.

2.18 Currency Excess

(1) If the Agent or, in the case of the Operating Facility, the Operating Lender shall determine that the aggregate Outstanding Principal of the outstanding Loans under a given Credit Facility exceeds the maximum amount of such Credit Facility (the amount of such excess is herein called the "**Currency Excess**"), then, upon written request by the Agent or the Operating Lender, as applicable, (which request shall detail the applicable Currency Excess), the applicable Borrower shall repay in respect of the Syndicated Facility and the Operating Facility, an amount of Canadian Prime Rate Loans or (except in respect of the Syndicated Term Tranche) U.S. Base Rate Loans under such Credit Facility, within (i) if the Currency Excess exceeds U.S.$1,000,000 (or the Equivalent Amount in any other applicable currency), 5 Banking Days, and (ii) in all other cases, 20 Banking Days after receipt of such request, such that, except as otherwise contemplated in Section 2.18(2), the Equivalent Amount in United States Dollars of such repayments is, in the aggregate, at least equal to the Currency Excess.

(2) If, in respect of any Currency Excess, the repayments made by the applicable Borrower have not completely removed such Currency Excess (the remainder thereof being herein called the "**Currency Excess Deficiency**"), the applicable Borrower shall within the aforementioned 5 or 20 Banking Days, as the case may be, after receipt of the aforementioned request of the Agent or Operating Lender, as applicable, place an amount equal to the Currency Excess Deficiency on deposit with the Agent or the Operating Lender, as applicable, in an interest bearing account with interest at rates prevailing at the time of deposit for the account of the applicable Borrower, to be assigned to the Agent on behalf of the Syndicated Facility Lenders or to the Operating Lender, as applicable, by instrument satisfactory to the Agent or the Operating Lender, as applicable, and, if applicable, to be applied to maturing CORRA Loans or SOFR Loans (converted if necessary at the exchange rate for determining the Equivalent Amount on the date of such application). The Agent or the Operating Lender, as applicable, is hereby irrevocably directed by the applicable Borrower to apply any such sums on deposit to maturing Loans as provided in the preceding sentence. In lieu of providing funds for the Currency Excess Deficiency, as provided in the preceding provisions of this Section, the applicable Borrower may within the said period of

5 or 20 Banking Days, as the case may be, provide to the Agent or the Operating Lender, as applicable, an irrevocable standby letter of credit in an amount equal to the Currency Excess Deficiency and for a term which expires not sooner than 10 Banking Days after the date of maturity or expiry, as the case may be, of the relevant CORRA Loans, SOFR Loans or Letters of Credit, as the case may be; such letter of credit for the Currency Excess Deficiency shall be issued by a financial institution, and shall be on terms and conditions, acceptable to the Agent or the Operating Lender, as applicable, in each of its sole discretion. The Agent and the Operating Lender, as applicable, are hereby authorized and directed to draw upon such letter of credit and apply the proceeds of the same to CORRA Loans or SOFR Loans as they mature. Upon the Currency Excess Deficiency being eliminated as aforesaid or by virtue of subsequent changes in the exchange rate for determining the Equivalent Amount, then, provided no Default or Event of Default is then continuing, such funds on deposit, together with interest thereon, or such letters of credit shall be returned to the applicable Borrower, in the case of funds on deposit, or shall be cancelled or reduced in amount, in the case of letters of credit.

2.19 Hedging with Lenders and Hedging Affiliates

If a Lender or Hedging Affiliate enters into a Financial Instrument with the Parent Borrower, another Borrower or another Subsidiary which such Lender or Hedging Affiliate (as the case may be) believes, acting reasonably, in good faith and without any actual notice or knowledge to the contrary, is Permitted Hedging, then each such Lender Financial Instrument and the Lender Financial Instrument Obligations under such Financial Instrument shall be secured by the Security equally and rateably with the Obligations, regardless of whether such Borrower or Subsidiary has complied herewith (but, for certainty, without in any manner lessening or relieving such Borrower or Subsidiary from their obligation to comply therewith).

2.20 Extension of Syndicated Facility Maturity Date

(1) In this Section:

"**Syndicated Facility Extension Request**" means a written request by the Parent Borrower, on behalf of the Borrowers, to the Syndicated Facility Lenders to extend the Syndicated Facility Maturity Date applicable to such Lenders by one or more years (or any portion thereof), which request shall include an Officer's Certificate certifying that no Default or Event of Default has occurred and is continuing; and

"**Requested Lenders**" means those Syndicated Facility Lenders which are not then Non-Extending Lenders.

(2) The Parent Borrower may, once in each calendar year, by delivering to the Agent an executed Syndicated Facility Extension Request, request the Requested Lenders to extend the Syndicated Facility Maturity Date applicable to such Lenders by one or more years (or any portion thereof); provided that: (a) such request may not be made more than 90 days or less than 30 days before May 15 in each calendar year; and (b) the Syndicated Facility Maturity Date, if extended in accordance herewith and therewith, shall not be later than three (3) years after the effectiveness of such extension.

(3) Upon receipt from the Parent Borrower of an executed Syndicated Facility Extension Request, the Agent shall promptly deliver to each Requested Lender a copy of such request, and each Requested Lender shall, within 30 days after receipt of the Syndicated Facility Extension Request by the Agent, provide to the Agent and the Parent Borrower either (a) written notice that such Requested Lender (each, an "**Extending Lender**") agrees, subject to Section 2.20(4) below, to the requested extension of the current Syndicated Facility Maturity Date applicable to it or (b) written notice (each, a "**Notice of Non-Extension**") that such Requested Lender (each, a "**Non-Extending Lender**") does not agree to such requested extension; provided that, if any Requested Lender shall fail to so notify the Agent and the Parent Borrower, then such Requested Lender shall be deemed to have delivered a Notice of Non-Extension and shall be deemed to be a Non-Extending Lender. The determination of each Syndicated Facility Lender whether or not to extend the Syndicated Facility Maturity Date applicable to it shall be made by each individual Syndicated Facility Lender in its sole discretion.

(4) If the Extending Lenders have Syndicated Facility Commitments which, in aggregate, represent more than 66⅔% of all outstanding Syndicated Facility Commitments, the Syndicated Facility Maturity Date shall be extended in accordance with the Syndicated Facility Extension Request for each of the Extending Lenders. If the Extending Lenders do not have Syndicated Facility Commitments which, in aggregate, represent more than 66⅔% of all outstanding Syndicated Facility Commitments, the Syndicated Facility Maturity Date shall not be extended for any of the Requested Lenders. For certainty, the Syndicated Facility Maturity Date for a Non-Extending Lender shall not be extended, regardless of whether or not the Syndicated Facility Maturity Date is extended for the Extending Lenders as aforesaid.

(5) This Section shall apply from time to time to facilitate successive extensions and requests for extension of the Syndicated Facility Maturity Date. If, as of the current Syndicated Facility Maturity Date (before an agreement of the Extending Lenders to the extension thereof in accordance with the foregoing provisions of this Section 2.20), a Default or Event of Default exists, the Syndicated Facility Maturity Date shall not be extended, notwithstanding any other provision hereof to the contrary, for any Extending Lender unless (a) such Extending Lender has waived such Default or Event of Default in writing and (b) Extending Lenders having Syndicated Facility Commitments which, in aggregate, represent more than 66⅔% of all outstanding Syndicated Facility Commitments have waived such Default or Event of Default in writing.

(6) A Non-Extending Lender may, with the prior written consent of the Parent Borrower, become an Extending Lender with respect to any prior extension of the Syndicated Facility Maturity Date by providing written notice to the Agent revoking the Notice of Non-Extension provided by such Syndicated Facility Lender; such revocation shall be effective from and after receipt by the Agent of such notice from such Syndicated Facility Lender together with a copy of the Parent Borrower's consent in relation thereto.

(7) To the extent the Syndicated Facility Maturity Date has been extended in accordance with this Section 2.20 but there are Non-Extending Lenders, the Parent Borrower may require any Non-Extending Lender to assign its Syndicated Facility Commitment, its Rateable Portion of all Loans and other Obligations outstanding under the Syndicated Facility and all of its rights, benefits and interests under the Documents relating thereto (collectively, the "**Assigned Interests**") to (i) any Extending Lenders which have agreed to increase their Commitments and

purchase Assigned Interests, and (ii) to the extent the Assigned Interests are not transferred to Extending Lenders, financial institutions selected by the Parent Borrower and acceptable to the Agent, acting reasonably. Such assignments shall be effective upon: (a) execution of assignment documentation satisfactory to the relevant Non-Extending Lender, the assignee, the Parent Borrower and the Agent (each acting reasonably); (b) payment to the relevant Non-Extending Lender (in immediately available funds) by the relevant assignee of an amount equal to its Rateable Portion of all Obligations being assigned and all accrued but unpaid interest and fees hereunder in respect of those portions of the Loans and Commitments being assigned; (c) payment by the relevant assignee to the Agent (for the Agent's own account) of the recording fee contemplated in Section 15.6, and (d) provision satisfactory to the Non-Extending Lender (acting reasonably) being made for any costs, losses, premiums or expenses incurred by such Lender by reason of the liquidation or re-deployment of deposits or other funds in respect of CORRA Loans or SOFR Loans outstanding hereunder. Upon such assignment and transfer, the Non-Extending Lender shall have no further right, interest, benefit or obligation in respect of the Assigned Interests and the assignee thereof shall succeed to the position of such Lender as if the same was an original party hereto in the place and stead of such Non-Extending Lender and shall be deemed to be an Extending Lender; for such purpose, to the extent that the assignee is not already a party hereto, the assignee shall execute and deliver an Assignment Agreement and such other documentation as may be reasonably required by the Agent and the Parent Borrower to confirm its agreement to be bound by the provisions hereof and to give effect to the foregoing; and

(8) To the extent that any Non-Extending Lender has not assigned its rights and interests to an Extending Lender or other financial institution as provided in Section 2.20(7), the Parent Borrower may, notwithstanding any other provision hereof, repay the Non-Extending Lender's Rateable Portion of all Loans outstanding under the Syndicated Facility, together with all accrued but unpaid interest and fees thereon with respect to its Commitments, without making corresponding repayment to the Extending Lenders and, upon such repayment and provision satisfactory to the relevant Non-Extending Lender being made for any costs, losses, premiums or expenses incurred by such Lender by reason of a liquidation or re-deployment of deposits or other funds in respect of CORRA Loans or SOFR Loans outstanding hereunder, the Parent Borrower may cancel such Lender's Commitments. Upon completion of the foregoing, such Non-Extending Lender shall have no further right, interest, benefit or obligation in respect of the Syndicated Facility and the Syndicated Facility shall be reduced by the amount of such Lender's cancelled Syndicated Facility Commitment.

2.21 Extension of Operating Facility Maturity Date

(1) In this Section, "**Operating Facility Extension Request**" means a written request by the Parent Borrower, on behalf of the Borrowers, to the Operating Lender to extend the Operating Facility Maturity Date by one or more years (or any portion thereof), which request shall include an Officer's Certificate certifying that no Default or Event of Default has occurred and is continuing.

(2) The Parent Borrower may, once in each calendar year, by delivering to the Operating Lender an executed Operating Facility Extension Request, request the Operating Lender to extend the Operating Facility Maturity Date by one or more years (or any portion thereof); provided that: (a) such request may not be made more than 90 days or less than 30 days before

May 15 in each calendar year; and (b) the Operating Facility Maturity Date, if extended in accordance herewith and therewith, shall not be later than three (3) years after the effectiveness of such extension.

(3) Upon receipt from the Parent Borrower of an executed Operating Facility Extension Request, the Operating Lender shall, within 30 days after receipt of the Operating Facility Extension Request, provide to the Agent and the Parent Borrower either (a) written notice that the Operating Lender agrees to the requested extension of the current Operating Facility Maturity Date in which case the Operating Facility Maturity Date shall be extended in accordance with the Operating Facility Extension Request or (b) written notice that the Operating Lender does not agree to such requested extension, in which case the Operating Facility Maturity Date shall not be extended; provided that, if the Operating Lender shall fail to so notify the Agent and the Parent Borrower, then the Operating Lender shall be deemed to have denied the request to extend the Operating Facility Maturity Date. The determination of the Operating Lender whether or not to extend the Operating Facility Maturity Date shall be made by the Operating Lender in its sole discretion.

(4) This Section shall apply from time to time to facilitate successive extensions and requests for extension of the Operating Facility Maturity Date. If, as of the current Operating Facility Maturity Date (before an agreement of the Operating Lender to the extension thereof in accordance with the foregoing provisions of this Section 2.21), a Default or Event of Default exists, the Operating Facility Maturity Date shall not be extended, notwithstanding any other provision hereof to the contrary unless the Operating Lender has waived such Default or Event of Default in writing.

2.22 Replacement of Lenders

(1) In addition to and not in limitation of or derogation from Section 2.20(7), the Parent Borrower, on behalf of the Borrowers, shall have the right, at its option, under the Syndicated Facility to (a) replace (by causing a Syndicated Facility Lender to assign its rights and interests under the Syndicated Facility to additional financial institutions or to existing Lenders which have agreed to increase their Syndicated Facility Commitment) or (b) provided that no Default or Event of Default has occurred and is continuing, repay the Obligations outstanding and cancel the Syndicated Facility Commitment of (without corresponding repayment to or cancellation of the Commitments of other Lenders) or (c) do any combination thereof with respect to: (i) those Syndicated Facility Lenders which have not agreed to a consent under, waiver of or proposed amendment to the provisions of the Documents (each, a "**Dissenting Lender**") requested by the Parent Borrower, (ii) those Lenders which have notified the Parent Borrower that they have a conflict of interest in respect of a Hostile Acquisition; (iii) those Lenders which have notified the Parent Borrower and the Agent of an entitlement to receive Additional Compensation under Section 12.3; (iv) those Lenders which, pursuant to Section 12.5, have declared their obligations under this Agreement in respect of any Loan to be terminated; and (v) any Lender who is a

Defaulting Lender, for such purposes, the provisions of Section 2.20(7) shall apply thereto, *mutatis mutandis*; provided that, notwithstanding the foregoing:

(a) if applicable, the Parent Borrower shall not be entitled to replace or repay a Dissenting Lender unless, after doing so, the requested consent, waiver or amendment would be approved in accordance with the Documents; and

(b) for certainty, the addition of new financial institutions as Lenders shall require the consent of the Agent, such consent not to be unreasonably withheld.

(2) For the purposes of Section 2.22(1), the Parent Borrower may require any such Syndicated Facility Lender to assign its Commitments, its Rateable Portion of all Loans and other Obligations outstanding under the Syndicated Facility and all of its rights, benefits and interests under the Documents relating thereto (collectively, the "**Lender Assigned Interests**") to (i) any other Syndicated Facility Lenders which have agreed to increase their Syndicated Facility Commitments and purchase the Lender Assigned Interests, and (ii) to the extent the Lender Assigned Interests are not transferred to such other Lenders, financial institutions selected by the Parent Borrower and acceptable to the Agent, each acting reasonably. Such assignments shall be effective upon execution of assignment documentation satisfactory to the relevant Lender, the assignee, the Parent Borrower and the Agent (each acting reasonably), upon payment to the relevant Lender (in immediately available funds) by the relevant assignee of an amount equal to its Rateable Portion of all Obligations being assigned and all accrued but unpaid interest and fees hereunder in respect of those portions of the Loans and Syndicated Facility Commitments being assigned, upon payment by the relevant assignee to the Agent (for the Agent's own account) of the transfer fee contemplated in Section 15.6, and upon provision satisfactory to the relevant Lender (acting reasonably) being made for (i) indemnity in respect of its share of outstanding Letters of Credit and (ii) any costs, losses, premiums or expenses incurred by such Lender by reason of the liquidation or re-deployment of deposits or other funds in respect of CORRA Loans or SOFR Loans outstanding hereunder. Upon such assignment and transfer, the relevant Lender shall have no further right, interest, benefit or obligation in respect of the Credit Facilities and the assignee thereof shall succeed to the position of such Lender as if the same was an original party hereto in the place and stead of such Lender and shall be deemed to be a Lender hereunder; for such purpose, to the extent that the assignee is not already a party hereto, the assignee shall execute and deliver an Assignment Agreement and such other documentation as may be reasonably required by the Agent and the Parent Borrower to confirm its agreement to be bound by the provisions hereof and to give effect to the foregoing.

(3) To the extent that any such Lender has not assigned its rights and interests to another Lender or other financial institution as provided in subparagraph (2) above, the Parent Borrower may, notwithstanding any other provision hereof, repay such Lender's Rateable Portion of all Loans outstanding under the relevant Credit Facility, together with all accrued but unpaid interest and fees thereon with respect to its relevant Commitments, without making corresponding repayment to the other Lenders and, upon such repayment and provision satisfactory to the relevant Lender (acting reasonably) being made for (i) indemnity in respect of its share of outstanding Letters of Credit and (ii) any costs, losses, premiums or expenses incurred by such Lender by reason of the liquidation or re-deployment of deposits or other funds in respect of CORRA Loans or SOFR Loans outstanding hereunder. Upon completion of the foregoing, such Lender shall have

no further right, interest, benefit or obligation in respect of the relevant Credit Facility and the relevant Credit Facility shall be reduced by the amount of such Lender's cancelled Commitment.

2.23 Designation of Material and Non-Material Subsidiaries

The Parent Borrower shall from time to time, by notice in writing (which notice may be included in a Compliance Certificate) to the Agent, be entitled to designate effective on the date set out in such notice, which date shall not be earlier than the commencement of the fiscal quarter which immediately precedes the fiscal quarter during which such notice is given, that either:

(a) a Material Subsidiary shall be a non-Material Subsidiary; or

(b) a non-Material Subsidiary will be a Material Subsidiary;

provided that, the Parent Borrower shall not be entitled to designate that a Material Subsidiary shall be a non-Material Subsidiary if:

(c) a Default or an Event of Default has occurred and is continuing other than a Default or Event of Default that would be cured by such designation;

(d) a Default or an Event of Default would result from or exist immediately after such a designation;

(e) such Subsidiary owns or holds, directly or indirectly (whether through the ownership of or investments in other Subsidiaries of the Parent Borrower or otherwise), any ownership interest in any assets or properties which are included in the most recent determination of the Borrowing Base (if the Borrowing Base is required to be tested in accordance with Section 2.24); or

(f) such Material Subsidiary is also a Borrower hereunder.

2.24 Borrowing Base Limit; Determinations of Borrowing Base

(1) The Borrowing Base shall be determined and re-determined as follows:

(a) subject to the other provisions of this Section 2.24, the Borrowing Base shall be the amount certified as such in the most recent Borrowing Base Certificate delivered by the Parent Borrower to the Agent;

(b) within 5 days after receipt by the Lenders of each Borrowing Base Certificate required to be delivered hereunder, each Lender shall advise the Agent if it agrees with the certification of the Borrowing Base provided in the Borrowing Base Certificate (such determination to be made by each Lender acting reasonably); provided that, if a Lender shall not so advise the Agent within the requisite period of time, then such Lender shall be deemed to have agreed with the certification of the Parent Borrower in the Borrowing Base Certificate;

(c) if all of the Lenders do not agree (nor are deemed to have agreed) to the amount of the Borrowing Base as certified in the Borrowing Base Certificate, the Lenders may re-determine the Borrowing Base (acting reasonably) and the Agent shall deliver to the Parent Borrower written notice of the re-determination of the Borrowing Base (each such notice, a "**Borrowing Base Notice**") (with a copy thereof to each Lender) specifying such re-determined Borrowing Base;

(d) if all of the Lenders cannot agree on the re-determination of the Borrowing Base within 10 days after receipt of the Borrowing Base Certificate, then the Borrowing Base shall be deemed to have been determined by the Lenders as the amount agreed to by the Majority of the Lenders and if the Majority of the Lenders cannot agree on the re-determination of the Borrowing Base within 10 days after receipt of the Borrowing Base Certificate, then the Borrowing Base shall be deemed to have been determined by the Lenders as the average amount proposed by all the Lenders to the Agent and promptly after the expiry of such 10 day period the Agent shall deliver a Borrowing Base Notice to the Parent Borrower (with a copy thereof to each Lender) specifying such Borrowing Base; and

(e) for certainty, the re-determined Borrowing Base shall be effective immediately upon receipt by the Parent Borrower of a Borrowing Base Notice delivered pursuant to Section 2.24(1)(c) or 2.24(1)(d), as applicable.

(2) If, after a Borrowing Base determination or re-determination, the aggregate Outstanding Principal of all Loans under the Borrowing Base Facilities exceeds the Borrowing Base then in effect (a "**Borrowing Base Shortfall**"), the Borrowers will within 15 Banking Days repay Loans under the Borrowing Base Facilities to the extent necessary to reduce the Outstanding Principal of Loans under the Borrowing Base Facilities by not less than the amount of the Borrowing Base Shortfall.

2.25 Additional Borrowers

Subsidiaries of the Parent Borrower organized under the laws of Canada or any province or territory thereof, the United States of America or any state or territory thereof or any other jurisdiction acceptable to the Agent (acting reasonably) may be added to any Credit Facility, as borrowers thereunder, pursuant to an amending agreement executed and delivered by the Parent Borrower, the other Borrowers, such new Borrowers, the Agent and the Operating Lender and, for certainty, no consent of any other Lender shall be required, provided, however, that each Lender has received and is satisfied with all documentation and information reasonably requested from such new Borrowers in order to comply with any Anti-Money Laundering Laws.

2.26 MIRE Events

Each of the parties hereto acknowledges and agrees that, if there is any real property of the Loan Parties located in the United States of America which is subject to the Security (collectively, the "**U.S. Mortgaged Properties**"), any increase, extension or renewal of any of the Credit Facilities by any Lender that is a financial institution regulated by the United States federal government or any agency thereof or any affiliate of such a Lender (each, a "**Regulated Lender**

Entity") (including the provision of any Commitment in connection with any incremental credit facilities hereunder, but excluding (i) any Rollover or Conversion of a Loan, (ii) the making of any Loan or (iii) the issuance, renewal or extension of Letters of Credit) may be subject to (and conditioned upon): (A) the prior delivery of all flood hazard determination certifications, acknowledgements and evidence of flood insurance and other flood-related documentation with respect to the U.S. Mortgaged Properties as required by any Regulated Lender Entity for compliance by such Regulated Lender Entity with Applicable Law with respect to flood insurance, diligence, documentation and coverage under applicable flood insurance laws and as otherwise reasonably required by the Lenders and (B) the Agent having received written confirmation from each Regulated Lender Entity that flood insurance due diligence and flood insurance compliance has been completed by such Regulated Lender Entity (such written confirmation not to be unreasonably withheld, conditioned or delayed, and shall be delivered promptly upon such completion by the applicable Regulated Lender Entity).

2.27 Designated Lender

The Agent and each Lender at its option may make any Advances or otherwise perform its obligations hereunder through any Designated Lender, provided that any exercise of such option shall (a) not affect the obligation of the Borrowers to repay any Credit Facilities in accordance with the terms of this Agreement and (b) not affect the Parent Borrower's rights under Section 2.22, including its right to replace any Lender in accordance with the terms thereof.

ARTICLE 3- CONDITIONS PRECEDENT TO DRAWDOWNS AND AMENDMENT AND RESTATEMENT

3.1 Conditions for Drawdowns

On or before each Drawdown hereunder the following conditions shall be satisfied:

(a) except in the case of Overdraft Loans, the Agent or the Operating Lender, as applicable, shall have received a proper and timely Drawdown Notice from the applicable Borrower requesting the Drawdown;

(b) the representations and warranties set forth in Section 8.1 shall be true and accurate in all material respects on and as of the date of the requested Drawdown (except to the extent that (i) any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date of such Drawdown such representations and warranties shall continue to be true and correct in all material respects as of such specified earlier date and (ii) any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects);

(c) no Default or Event of Default shall have occurred and be continuing nor shall the Drawdown result in the occurrence of a Default or Event of Default;

(d) if required to be tested pursuant to Section 2.24, a Borrowing Base Shortfall shall not exist and, after giving effect to the proposed Drawdown, the Outstanding

Principal of all Loans under the Borrowing Base Facilities shall not exceed the Borrowing Base then in effect; and

(e) after giving effect to the proposed Drawdown, the Outstanding Principal of all Loans outstanding under the relevant Credit Facility shall not exceed the maximum amount of such Credit Facility.

3.2 Additional Conditions For Amendment and Restatement

This Agreement shall be effective upon, and the Existing Credit Agreement shall be amended and restated as herein provided upon, the following conditions being satisfied:

(a) the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries, as applicable, shall have delivered to the Agent a fully executed copy of this Agreement;

(b) the Borrowers shall have paid to the Agent all fees and expenses set out in the Fee Agreement;

(c) the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries shall have delivered to the Agent, if applicable, a current certificate of status, compliance or good standing, as the case may be, in respect of its jurisdiction of incorporation or formation;

(d) the Security and other Documents (or, if applicable, confirmations in respect thereof) shall have been fully executed and delivered, each in form and substance satisfactory to the Agent (acting reasonably), and all registrations, filings and recordings necessary or desirable (as determined by the Lenders' Counsel, acting reasonably) in connection with the Security shall have been made and completed;

(e) the assets and property of the Parent Borrower, the other Borrowers and the other Subsidiaries shall be free and clear of all Security Interests except for Permitted Encumbrances and evidence of the foregoing satisfactory to the Agent, acting reasonably, shall have been received by the Agent;

(f) any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall have delivered to each Lender that so requests, a Beneficial Ownership Certification in relation to such Loan Party; and

(g) the Agent and the Lenders shall have received, to the extent requested by the Agent or such Lender at least 2 Banking Days prior to the date of this Agreement, all such other documentation and information reasonably requested from the Parent Borrower, the other Borrowers and the other Subsidiaries, including all documentation and other information reasonably requested by any Lender or the Agent, in order to comply with any Anti-Money Laundering Laws.

Without limiting the generality of the provisions of Section 15.10, for purposes of determining compliance with the conditions specified in this Section 3.2, each Lender that has

signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required under this Section 3.2 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Agent shall have received notice from such Lender prior to the date of this Agreement specifying its objection thereto.

3.3 Waiver

The conditions set forth in Sections 3.1 and 3.2 are inserted for the sole benefit of the applicable Lenders and, in the case of the Syndicated Facility, the Agent and may be waived by the applicable Lenders, in whole or in part (with or without terms or conditions) without prejudicing the right of the applicable Lenders or Agent at any time to assert such waived conditions in respect of any subsequent Drawdown.

ARTICLE 4- EVIDENCE OF DRAWDOWNS

4.1 Account of Record

(1) The Agent shall open and maintain books of account evidencing all Loans under the Syndicated Revolving Tranche and Syndicated Term Tranche and all other amounts owing by the Borrowers to the Syndicated Facility Lenders hereunder. The Agent shall enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrowers hereunder. The information entered in the foregoing accounts shall, absent manifest error, constitute *prima facie* evidence of the obligations of the Borrowers to the Syndicated Facility Lenders hereunder with respect to all Loans and all other amounts owing by the Borrowers to the Syndicated Facility Lenders hereunder. After a request by a Borrower, the Agent shall promptly advise such Borrower of such entries made in the Agent's books of account.

(2) The Operating Lender shall open and maintain books of account evidencing all Loans and all other amounts owing by the Borrowers to the Operating Lender hereunder. The Operating Lender shall enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrowers hereunder. The information entered in the foregoing accounts shall, absent manifest error, constitute *prima facie* evidence of the obligations of the Borrowers to the Operating Lender hereunder with respect to all Loans and all other amounts owing by the Borrowers to the Operating Lender hereunder. After a request by a Borrower, the Operating Lender shall promptly advise such Borrower of such entries made in the Operating Lender's books of account.

ARTICLE 5- PAYMENTS OF INTEREST AND FEES

5.1 Interest on Canadian Prime Rate Loans

The applicable Borrower shall pay interest on each Canadian Prime Rate Loan owing by it during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum* equal to the Canadian Prime Rate in effect from time to time during such Interest Period plus the Applicable Pricing Rate. Each determination by the Agent or the Operating Lender, as applicable, of the Canadian Prime Rate applicable from time to time during an Interest Period shall, in the absence of manifest error, be *prima facie* evidence thereof. Such interest shall accrue daily and shall be payable in arrears on each Interest Payment Date for such Loan for the period from and

including the Drawdown Date or the preceding Conversion Date or Interest Payment Date, as the case may be, for such Loan to and including the day preceding such Interest Payment Date and shall be calculated on the principal amount of the Canadian Prime Rate Loan outstanding during such period and on the basis of the actual number of days elapsed in a year of 365 days. Changes in the Canadian Prime Rate shall cause an immediate adjustment of the interest rate applicable to such Loans without the necessity of any notice to any Borrower.

5.2 Interest on U.S. Base Rate Loans

The applicable Borrower shall pay interest on each U.S. Base Rate Loan owing by it during each Interest Period applicable thereto in United States Dollars at a rate *per annum* equal to the U.S. Base Rate in effect from time to time during such Interest Period plus the Applicable Pricing Rate. Each determination by the Agent or the Operating Lender, as applicable, of the U.S. Base Rate applicable from time to time during an Interest Period shall, in the absence of manifest error, be *prima facie* evidence thereof. Such interest shall be payable in arrears on each Interest Payment Date for such Loan for the period from and including the Drawdown Date or the preceding Conversion Date or Interest Payment Date, as the case may be, for such Loan to and including the day preceding such Interest Payment Date and shall be calculated on the principal amount of the U.S. Base Rate Loan outstanding during such period and on the basis of the actual number of days elapsed in a year of 365 days. Changes in the U.S. Base Rate shall cause an immediate adjustment of the interest rate applicable to such Loans without the necessity of any notice to any Borrower.

5.3 Interest on SOFR Loans

The applicable Borrower shall pay interest on each SOFR Loan owing by it during each Interest Period applicable thereto in United States Dollars at a rate *per annum*, calculated on the basis of a 360 day year, equal to the Adjusted Term SOFR with respect to such Interest Period plus the Applicable Pricing Rate. Each determination by the Agent of the Adjusted Term SOFR applicable to an Interest Period shall, in the absence of manifest error, be *prima facie* evidence thereof. Such interest shall accrue daily and shall be payable in arrears on each Interest Payment Date for such Loan for the period from and including the Drawdown Date or the preceding Rollover Date, Conversion Date or Interest Payment Date, as the case may be, for such Loan to and including the day preceding such Interest Payment Date and shall be calculated on the principal amount of the SOFR Loan outstanding during such period and on the basis of the actual number of days elapsed divided by 360.

5.4 Interest of Daily Compounded CORRA Loans

The applicable Borrower shall pay interest on each Daily Compounded CORRA Loan owing by it during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum*, calculated on the basis of a 365 day year, equal to the Adjusted Daily Compounded CORRA with respect to such Interest Period plus the Applicable Pricing Rate. Each determination by the Agent of the Adjusted Daily Compounded CORRA applicable to an Interest Period shall, in the absence of manifest error, be *prima facie* evidence thereof. Such interest shall accrue daily and shall be payable in arrears on each Interest Payment Date for such Loan for the period from and including the Drawdown Date or the preceding Rollover Date, Conversion Date or Interest

Payment Date, as the case may be, for such Loan to and including the day preceding such Interest Payment Date and shall be calculated on the principal amount of the Daily Compounded CORRA Loan outstanding during such period and on the basis of the actual number of days elapsed divided by 365.

5.5 Interest on Term CORRA Loans

The applicable Borrower shall pay interest on each Term CORRA Loan owing by it during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum*, calculated on the basis of a 365 day year, equal to the Adjusted Term CORRA with respect to such Interest Period plus the Applicable Pricing Rate. Each determination by the Agent of the Adjusted Term CORRA applicable to an Interest Period shall, in the absence of manifest error, be *prima facie* evidence thereof. Such interest shall accrue daily and shall be payable in arrears on each Interest Payment Date for such Loan for the period from and including the Drawdown Date or the preceding Rollover Date, Conversion Date or Interest Payment Date, as the case may be, for such Loan to and including the day preceding such Interest Payment Date and shall be calculated on the principal amount of the Term CORRA Loan outstanding during such period and on the basis of the actual number of days elapsed divided by 365.

5.6 *Interest Act* (Canada); Conversion of 360 Day Rates

(1) Whenever a rate of interest or other rate *per annum* hereunder is expressed or calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

(2) Whenever a rate of interest or other rate *per annum* hereunder is expressed or calculated on the basis of a year of 360 days, such rate of interest or other rate shall be expressed as a rate *per annum*, calculated on the basis of a 365 day year, by multiplying such rate of interest or other rate by 365 and dividing it by 360.

(3) Each of the Borrowers acknowledges and confirms that: (a) this Agreement, including Article 5 hereof and the constituent definitions herein and under the other Documents relating to interest and other amounts payable hereunder and thereunder, satisfies the requirements of section 4 of the *Interest Act* (Canada) to the extent that such section 4 of the *Interest Act* (Canada) applies to the expression, statement or calculation of any rate of interest or other rate *per annum* hereunder or under any other Document; and (b) each of the Borrowers and other Material Subsidiaries fully understands and is able to calculate the rate of interest applicable to the Credit Facilities based on the methodology for calculating *per annum* rates provided for in this Agreement. The Agent agrees that, if requested in writing by a Borrower, it will calculate the nominal and effective *per annum* rate of interest on any Loan outstanding at the time of such request and provide such information to the Borrowers within a reasonable time following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve any Borrower or any other Material Subsidiary of any of its obligations under this Agreement or any other Document, nor result in any liability to the Agent or any Lender.

(4) The Parent Borrower and each of the Borrowers hereby irrevocably agrees not to, and irrevocably agrees to cause each other Material Subsidiary not to, plead or assert, whether by way of defence or otherwise, in any proceeding relating to the Documents, that the interest payable under this Agreement and the calculation thereof has not been adequately disclosed to the Borrowers and the other Material Subsidiaries, whether pursuant to section 4 of the *Interest Act* (Canada) or any other applicable law or legal principle.

5.7 Nominal Rates; No Deemed Reinvestment

The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Agreement; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after maturity, default and judgment. The rates of interest specified in this Agreement are intended to be nominal rates and not effective rates. Interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

5.8 Standby Fees

(1) The Borrowers shall pay to the Agent for the account of the Syndicated Facility Lenders a standby fee in Canadian Dollars in respect of the Syndicated Facility calculated at a rate *per annum* equal to the Applicable Pricing Rate on the amount, if any, by which the amount of the Outstanding Principal under the Syndicated Facility in question for each day in the period of determination is less than the maximum amount for each such day of the Syndicated Facility. Fees determined in accordance with this Section shall accrue daily from and after the date of this Agreement and be payable by the Borrowers quarterly in arrears and on cancellation in full of the Syndicated Facility and on the Syndicated Facility Maturity Date.

(2) The Borrowers shall pay to the Operating Lender a standby fee in Canadian Dollars in respect of the Operating Facility calculated at a rate *per annum* equal to the Applicable Pricing Rate on the amount, if any, by which the amount of the Outstanding Principal under the Operating Facility for each day in the period of determination is less than the maximum amount for each such day of the Operating Facility. Fees determined in accordance with this Section shall accrue daily from and after the date of this Agreement and be payable by the Borrowers quarterly in arrears and on cancellation in full of the Operating Facility and on the Operating Facility Maturity Date.

(3) As of: (i) the first day of January, April, July and October in each year, (ii) the date of any cancellation in full of a Credit Facility and (iii) the Maturity Date applicable to a Credit Facility, the Agent, or, in the case of the Operating Facility, the Operating Lender, shall determine the standby fees under this Section in respect of the applicable Credit Facility for the period from and including the date of this Agreement or the date of the immediately preceding determination, as the case may be, to but excluding that date of determination and shall deliver to the applicable Borrower or Borrowers a written request for payment of the standby fees so determined, as detailed therein which request shall constitute *prima facie* evidence of the amount owing. The applicable Borrower or Borrowers shall pay to the Agent for the account of the Syndicated Facility Lenders, or, in the case of the Operating Facility, the Operating Lender, the standby fees referred to and hereby authorizes and directs the Agent, or, in the case of the Operating Facility, the Operating

Lender to debit the applicable accounts of the applicable Borrower in respect of payment of such standby fees.

(4) For certainty, no standby fees shall be payable by a Borrower in respect of a given Credit Facility for any period of time after the Maturity Date applicable to such Credit Facility.

5.9 Agent's Fees

From and after the date of this Agreement, the Parent Borrower shall pay to the Agent, for its own account, until the Credit Facilities have been fully cancelled and all Obligations hereunder have been paid in full, the non-refundable agency fees in the amounts specified in the Fee Agreement.

5.10 Interest on Overdue Amounts

Notwithstanding any other provision hereof, in the event that any amount due hereunder (including any interest payment) is not paid when due (whether by acceleration or otherwise), the applicable Borrower shall pay interest on such unpaid amount (including interest on interest), if and to the fullest extent permitted by applicable law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is received for value at the required place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded monthly and be payable on demand, after as well as before maturity, default and judgment, at a rate *per annum* that is equal to (i) in respect of amounts due in Canadian Dollars, the rate of interest then payable on Canadian Prime Rate Loans plus 2.0% *per annum* or (ii) in respect of amounts due in United States Dollars, the rate of interest then payable on U.S. Base Rate Loans plus 2.0% *per annum*.

5.11 Waiver

To the extent permitted by applicable law, the covenant of the Borrowers to pay interest at the rates provided herein shall not merge in any judgment relating to any obligation of any Borrower to the Lenders or the Agent and any provision of the *Interest Act* (Canada) or *Judgment Interest Act* (Alberta) which restricts any rate of interest set forth herein shall be inapplicable to this Agreement and is hereby waived by the Borrowers.

5.12 Maximum Rate Permitted by Law

No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by applicable law. In the event that such interest or fee exceeds such maximum rate, such interest or fees shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under applicable law.

5.13 Conforming Changes

Notwithstanding anything to the contrary in this Agreement or any other Document, in connection with the use or administration of any Benchmark, or the use, administration, adoption or implementation of a Benchmark Replacement, the Agent will have the right to make Conforming Changes from time to time in accordance with Section 12.1 and, notwithstanding

anything to the contrary herein or in any other Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Document.

ARTICLE 6- LETTERS OF CREDIT

6.1 Availability

(1) Subject to the provisions hereof, the Borrowers may require that Letters of Credit be issued under the Operating Facility in accordance with the Drawdown Notices and Rollover Notices of the Borrowers; provided that the aggregate Outstanding Principal represented by all outstanding Letters of Credit under the Operating Facility shall not exceed Cdn.$5,000,000.00. The issuance of Letters of Credit shall constitute Drawdowns or Rollovers (as applicable) hereunder and shall reduce the availability of Operating Facility by the aggregate Outstanding Principal of Letters of Credit under such Credit Facility.

(2) Concurrently with delivery of a Drawdown Notice requesting the issuance of a Letter of Credit under the Operating Facility, the applicable Borrower shall deliver an executed Letter of Credit application on the standard form of the Operating Lender.

6.2 Currency, Type, Form and Expiry

Letters of Credit issued pursuant hereto shall be denominated in Canadian Dollars or United States Dollars and amounts payable thereunder shall be paid in the currency in which the Letter of Credit is denominated. Letters of Credit issued under the Operating Facility shall be in a form satisfactory to the Operating Lender, acting reasonably, and shall have an expiration date not in excess of one year from the date of issue and, in any event, not later than the then current Operating Facility Maturity Date. On the Operating Facility Maturity Date, the Borrowers shall provide or cause to be provided to the Operating Lender cash collateral or letters of credit (or any combination thereof) in accordance with the provisions of Section 2.17(2) in an amount equal to or greater than the aggregate undrawn amount of all unexpired Letters of Credit outstanding under the Operating Facility; such cash collateral and letters of credit shall be held by the Operating Lender and be applied in accordance with said Section 2.17(2) in satisfaction of and security for the Obligations of the Borrowers for such unexpired Letters of Credit.

6.3 No Conversion

Except as provided in Section 6.5, the Borrowers may not effect a Conversion of a Letter of Credit.

6.4 Records

The Operating Lender shall maintain records showing the undrawn and unexpired amount of each Letter of Credit outstanding under the Operating Facility and showing for each such Letter of Credit issued hereunder:

(a) the dates of issuance and expiration thereof;

(b) the amount thereof; and

(c) the date and amount of all payments made thereunder.

The Operating Lender shall make copies of such records available to any Borrower upon its request.

6.5 Reimbursement or Conversion on Presentation

On presentation of a Letter of Credit and payment thereunder by the Operating Lender, the Borrowers shall forthwith pay to and reimburse the Operating Lender for all amounts paid pursuant to such Letter of Credit; failing such payment, the Borrowers shall be deemed to have effected a Conversion of such Letter of Credit into a Canadian Prime Rate Loan or into a U.S. Base Rate Loan, as applicable, under the Operating Facility and to the extent of the payment by the Operating Lender thereunder.

6.6 Fees and Expenses

(1) From and after the date of this Agreement, the Borrowers shall pay to the Operating Lender in respect of Letters of Credit issued under the Operating Facility, an issuance fee payable quarterly in arrears on the last Banking Day of each calendar quarter and payable on the date which the Operating Facility is fully cancelled, calculated at a rate *per annum* equal to the Applicable Pricing Rate and on the amount of each such Letter of Credit for the number of days which such Letter of Credit will be outstanding in the year of 365 days in which the Letter of Credit is issued; provided that the minimum issuance fee for each such Letter of Credit shall be Cdn.$350 for a Letter of Credit denominated in Canadian Dollars and U.S.$350 for a Letter of Credit denominated in United States Dollars. To the extent any existing and currently outstanding Letters of Credit for which issuance fees have been paid in advance are presented, cancelled, terminated or reduced prior to their original expiry date, the Operating Lender shall reimburse the applicable Borrower for the amount of any applicable overpayment of any such issuance fees in connection with any such presentment, cancellation, termination or reduction.

(2) In addition, with respect to all Letters of Credit, the Borrowers shall from time to time pay to the Operating Lender its usual and customary fees and charges (at the then prevailing rates) for the amendment, delivery and administration of letters of credit such as the Letters of Credit and shall pay and reimburse the Operating Lender for any out-of-pocket costs and expenses incurred in connection with any Letter of Credit, including in connection with any payment thereunder.

6.7 Additional Provisions

(1) Indemnity and No Lender Liability

The Borrowers shall indemnify and save harmless the Operating Lender against all claims, losses, costs, expenses or damages to the Operating Lender arising out of or in connection with any Letter of Credit, the issuance thereof, any payment thereunder or any action taken by Operating Lender or any other person in connection therewith, including all costs relating to any legal process or proceeding instituted by any party restraining or seeking to restrain the issuer of a

Letter of Credit or the Operating Lender from accepting or paying any Draft or any amount under any such Letter of Credit, except as a result of such person's gross negligence or wilful misconduct. The Borrowers also agree that the Operating Lender shall have no liability to it for any reason in respect of or in connection with any Letter of Credit, the issuance thereof, any payment thereunder or any other action taken by the Operating Lender or any other person in connection therewith, except as a result of such person's gross negligence or wilful misconduct.

(2) No Obligation to Inquire

The Borrowers hereby acknowledge and confirm to the Operating Lender that such person shall not be obliged to make any inquiry or investigation as to the right of any beneficiary to make any claim or Draft or request any payment under a Letter of Credit and payment pursuant to a Letter of Credit shall not be withheld by reason of any matters in dispute between the beneficiary thereof and any Borrower. The sole obligation of the Operating Lender with respect to Letters of Credit is to cause to be paid a Draft drawn or purporting to be drawn in accordance with the terms of the applicable Letter of Credit and for such purpose the Operating Lender is only obliged to determine that the Draft purports to comply with the terms and conditions of the relevant Letter of Credit.

The Operating Lender shall not have any responsibility or liability for or any duty to inquire into the form, sufficiency (other than to the extent provided in the preceding paragraph), authorization, execution, signature, endorsement, correctness (other than to the extent provided in the preceding paragraph), genuineness or legal effect of any Draft, certificate or other document presented to it pursuant to a Letter of Credit and the Borrowers unconditionally assume all risks with respect to the same. The Borrowers agree that they assume all risks of the acts or omissions of the beneficiary of any Letter of Credit with respect to the use by such beneficiary of the relevant Letter of Credit. The Borrowers further agree that neither the Operating Lender nor any of its officers, directors or correspondents will assume liability for, or be responsible for:

(a) the validity, correctness, genuineness or legal effect of any document or instrument relating to any Letter of Credit, even if such document or instrument should in fact prove to be in any respect invalid, insufficient, inaccurate, fraudulent or forged;

(b) the failure of any document or instrument to bear any reference or adequate reference to any Letter of Credit;

(c) any failure to note the amount of any Draft on any Letter of Credit or on any related document or instrument; any failure of the beneficiary of any Letter of Credit to meet the obligations of such beneficiary to a Borrower or any other person;

(d) any errors, inaccuracies, omissions, interruptions or delays in transmission or delivery of any messages, directions or correspondence by mail, facsimile or otherwise, whether or not they are in cipher;

(e) any inaccuracies in the translation of any messages, directions or correspondence or for errors in the interpretation of any technical terms; or

(f) any failure by the Operating Lender to make payment under any Letter of Credit as a result of any law, control or restriction rightfully or wrongfully exercised or imposed by any domestic or foreign court or government or Governmental Authority or as a result of any other cause beyond the control of such person or its officers, directors or correspondents.

(3) Obligations Unconditional

The obligations of the Borrowers hereunder with respect to all Letters of Credit shall be absolute, unconditional and irrevocable and shall not be reduced by any event, circumstance or occurrence, including any lack of validity or enforceability of a Letter of Credit, or any Draft paid or acted upon by the Operating Lender or any of its correspondents being fraudulent, forged, invalid or insufficient in any respect (except with respect to their gross negligence or wilful misconduct or payment under a Letter of Credit other than in substantial compliance herewith), or any set-off, defenses, rights or claims which any of the Borrowers may have against any beneficiary or transferee of any Letter of Credit. The obligations of the Borrowers hereunder shall remain in full force and effect and shall apply to any alteration to or extension of the expiration date of any Letter of Credit or any Letter of Credit issued to replace, extend or alter any Letter of Credit.

(4) Other Actions

Any action, inaction or omission taken or suffered by the Operating Lender or by any of its correspondents under or in connection with a Letter of Credit or any Draft made thereunder, if in good faith and in conformity with foreign or domestic laws, regulation or customs applicable thereto shall be binding upon the Borrowers and shall not place the Operating Lender or any of its correspondents under any resulting liability to any Borrower. Without limiting the generality of the foregoing, Operating Lender and its correspondents may receive, accept or pay as complying with the terms of a Letter of Credit, any Draft thereunder, otherwise in order which may be signed by, or issued to, the administrator or any executor of, or the trustee in bankruptcy of, or the receiver for any property of, or any person or entity acting as a representative or in the place of, such beneficiary or its successors and assigns. The Borrowers covenant that they will not take any steps, issue any instructions to the Operating Lender or any of its correspondents or institute any proceedings intended to derogate from the right or ability of the Operating Lender or its correspondents to honour and pay any Letter of Credit or any Drafts.

(5) Payment of Contingent Liabilities

The Borrowers shall pay to the Operating Lender an amount equal to the maximum amount available to be drawn under any unexpired Letter of Credit which becomes the subject of any order, judgment, injunction or other such determination (an "**Order**"), or any petition, proceeding or other application for any Order by any Borrower or any other party, restricting payment under and in accordance with such Letter of Credit or extending the Operating Lender's liability under such Letter of Credit beyond the expiration date stated therein; payment in respect of each such Letter of Credit shall be due forthwith upon demand in the currency in which such Letter of Credit is denominated.

Any amount paid to the Operating Lender pursuant to the preceding paragraph shall be held by the Operating Lender in interest bearing cash collateral accounts (with interest payable for the account of the applicable Borrower at the rates and in accordance with the then prevailing practices of the Operating Lender for accounts of such type) as continuing security for the Obligations and shall, prior to an Event of Default be applied by the Operating Lender against the Obligations for, or (at the option of the Operating Lender) be applied in payment of, such Letter of Credit if payment is required thereunder; after an Event of Default the Operating Lender may apply such amounts, firstly, against any Obligations in respect of the relevant Letter of Credit, and, after satisfaction of such Obligations or expiry of such Letter of Credit, against any other Obligations as it sees fit.

The Operating Lender shall release to the applicable Borrower any amount remaining in the cash collateral accounts after applying the amounts necessary to discharge the Obligations relating to such Letter of Credit, upon the later of:

(a) the date on which any final and non-appealable order, judgment or other determination has been rendered or issued either terminating any applicable Order or permanently enjoining the Operating Lender from paying under such Letter of Credit;

(b) the earlier of:

(i) the date on which either the original counterpart of such Letter of Credit is returned to the Operating Lender for cancellation or the Operating Lender is released by the beneficiary thereof from any other obligation in respect of such Letter of Credit; and

(ii) the expiry of such Letter of Credit; and

(c) if an Event of Default has occurred, the payment and satisfaction of all Obligations and the cancellation or termination of the Credit Facilities.

(6) No Consequential Damages

Notwithstanding any other provision of the Documents to the contrary, the Operating Lender shall not be liable to any Borrower for any consequential, indirect, punitive or exemplary damages with respect to action taken or omitted to be taken by any of them under or in respect of any Letter of Credit.

(7) ISP 98

The International Standby Practices most recently published by the International Chamber of Commerce ("**ISP 98**") shall in all respects apply to each Letter of Credit unless expressly provided to the contrary therein and shall be deemed for such purpose to be a part of this Agreement as if fully incorporated herein. In the event of any conflict or inconsistency between ISP and the governing law of this Agreement, ISP 98 shall, to the extent permitted by applicable law, prevail to the extent necessary to remove the conflict or inconsistency.

ARTICLE 7- PLACE AND APPLICATION OF PAYMENTS

7.1 Place of Payment of Principal, Interest and Fees; Payments to Agent and the Operating Lender

All payments of principal, interest, fees and other amounts to be made by the applicable Borrower to the Agent, the Operating Lender, and the Lenders pursuant to this Agreement shall be made to the Agent (for, as applicable, the account of the relevant Lenders or its own account) or the Operating Lender, as applicable, without set off or counterclaim in the currency in which the Loan is outstanding for value on the day such amount is due, and if such day is not a Banking Day on the Banking Day next following, by deposit or transfer thereof to the applicable Agent's Accounts or applicable account of the Operating Lender, as applicable, or at such other place as the applicable Borrower and the Agent or Operating Lender, as applicable, may from time to time agree. Notwithstanding anything to the contrary expressed or implied in this Agreement, the receipt by the Agent in accordance with this Agreement of any payment made by a Borrower for the account of any of the Syndicated Facility Lenders shall, insofar as such Borrower's obligations to the Syndicated Facility Lenders are concerned, be deemed also to be receipt by such Lenders and such Borrower shall have no liability in respect of any failure or delay on the part of the Agent in disbursing and/or accounting to the relevant Lenders in regard thereto.

7.2 Designated Accounts of the Lenders

All payments of principal, interest, fees or other amounts to be made by the Agent to the applicable Lenders pursuant to this Agreement shall be made for value on the day required hereunder, provided the Agent receives funds from the applicable Borrower for value on such day, and if such funds are not so received from such Borrower or if such day is not a Banking Day, on the Banking Day next following, by deposit or transfer thereof at the time specified herein to the account of each applicable Lender designated by such Lender to the Agent for such purpose or to such other place or account as the applicable Lenders may from time to time notify the Agent.

7.3 Funds

Each amount advanced, disbursed or paid hereunder shall be advanced, disbursed or paid, as the case may be, in such form of funds as may from time to time be customarily used in Calgary, Alberta, Toronto, Ontario and New York, New York in the settlement of banking transactions similar to the banking transactions required to give effect to the provisions of this Agreement on the day such advance, disbursement or payment is to be made.

7.4 Application of Payments

Except as otherwise agreed in writing by the Lenders, if any Event of Default shall occur and be continuing, all payments made by the Borrowers to the Agent and the Lenders shall be applied in the following order:

(a) to amounts due hereunder as fees other than issuance fees for Letters of Credit;

(b) to amounts due hereunder as costs and expenses;

(c) to amounts due hereunder as default interest;

(d) to amounts due hereunder as issuance fees for Letters of Credit; and

(e) to amounts due hereunder as principal (including reimbursement obligations in respect of Letters of Credit).

7.5 Payments Clear of Taxes

(1) Any and all payments by the Parent Borrower, the other Borrowers or the Material Subsidiaries to the Agent or the Lenders hereunder or under any Document shall be made free and clear of, and without deduction or withholding for or on account of, any and all Taxes, except as required by Applicable Law. If the Parent Borrower, another Borrower or a Material Subsidiary shall be required by Applicable Law to deduct or withhold any amount from any payment or other amount required to be paid to the Agent or the Lenders hereunder or under any other Document, or if any liability therefor shall be imposed or shall arise from or in respect of any sum payable hereunder, and if such deducted or withheld amount is an Indemnified Tax, then the sum payable to the Agent or the Lenders hereunder shall be increased as may be necessary so that after making all required deductions, withholdings and any other payments attributable thereto (including deductions, withholdings and any other Indemnified Tax payable for additional sums payable under this provision), the Agent or the Lenders, as the case may be, receive an amount equal to the amount they would have received had no such deductions or withholdings been made or if such Taxes had not been imposed.

(2) Without limitation of the obligations set forth in Section 7.5(1), the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(3) The applicable Loan Party shall pay the full amount deducted or withheld for such liabilities to the relevant Governmental Authority or other authority in accordance with Applicable Law, such payment to be made (if the liability is imposed on such Loan Party) for its own account or (if the liability is imposed on the Agent or the Lenders) on behalf of and in the name of the Agent or the Lenders, as the case may be. The applicable Loan Party shall indemnify the Agent or any Lenders, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 7.5) payable or paid by such Agent or Lender or required to be withheld or deducted from a payment to such Agent or Lender and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority.

(4) If the liability is imposed on the Agent or the Lenders, as soon as practicable after the payment of any Taxes by the applicable Loan Party to a Governmental Authority pursuant to this Section 7.5, such Loan Party shall deliver to the Agent or the Lenders a copy of the return reporting such payment or the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment of the full amount deducted or withheld.

(5) Any Lender shall, to the extent it is legally entitled to do so, deliver to the applicable Borrower and the Agent on or about the date on which such Lender becomes a Lender under this

Agreement, executed copies of any form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the applicable Borrower or the Agent to determine the withholding or deduction required to be made.

(6) If a payment made to a Lender under any Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the U.S. Code, as applicable), such Lender shall deliver to the applicable Loan Party and the Agent at the time or times prescribed by Applicable Law and at such time or times requested by the applicable Loan Party or the Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the U.S. Code) and such additional documentation requested by the applicable Borrower or the Agent as may be necessary for the applicable Borrower and the Agent (and the Operating Lender, if applicable) to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

(7) Each party's obligations under this Section shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Loans and the repayment, satisfaction or discharge of all obligations under any Document.

7.6 Set Off

(1) In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence of an Event of Default which remains unremedied (whether or not the Loans have been accelerated hereunder), the Agent and each Lender shall have the right (and are hereby authorized by each Borrower) at any time and from time to time to combine all or any of each Borrower's accounts with the Agent or the Lender, as the case may be, and to set off and to appropriate and to apply any and all deposits (general or special, term or demand) including, but not limited to, indebtedness evidenced by certificates of deposit whether matured or unmatured, and any other indebtedness at any time held by such Borrower or owing by such Lender or the Agent, as the case may be, to or for the credit or account of such Borrower against and towards the satisfaction of any Obligations owing by such Borrower, and may do so notwithstanding that the balances of such accounts and the liabilities are expressed in different currencies, and the Agent and each Lender are hereby authorized to effect any necessary currency conversions at the rate of exchange announced by the Bank of Canada at approximately the end of business (Toronto time) on the Banking Day before the day of conversion.

(2) The Agent or the applicable Lender, as the case may be, shall notify the applicable Borrower of any such set off from such Borrower's accounts within a reasonable period of time thereafter, although the Agent or the Lender, as the case may be, shall not be liable to any Borrower for its failure to so notify.

7.7 Margin Changes; Adjustments for Margin Changes

(1) Changes in Applicable Pricing Rate shall be effective:

(a) from and as of the third Banking Day following the date on which the Parent Borrower delivers a Compliance Certificate in accordance with Section 9.1(e) evidencing a change in the Consolidated Net Funded Debt to EBITDA Ratio as at a Quarter End which results in a change in the Applicable Pricing Rate in accordance with the provisions of such definition; and

(b) without the necessity of notice to the Parent Borrower or any other Borrower.

(2) For any Loans outstanding as of the effective date of a change in an Applicable Pricing Rate:

(a) in the case of increases in such rates *per annum*, the applicable Borrower shall pay to the Agent for the account of the Lenders or to the Operating Lender, as applicable, such additional interest or fees, as the case may be, as may be required to give effect to the relevant increases in the interest or fees payable on or in respect of such Loans from and as of the effective date of the relevant increase in rates; and

(b) in the case of decreases in such rates *per annum*, the applicable Borrower shall receive a credit against subsequent interest payable on Loans or fees payable pursuant to Section 5.8, as the case may be, to the extent necessary to give effect to the relevant decreases in the interest or fees payable on or in respect of such Loans from and as of the effective date of the relevant decrease in rates.

(3) The additional payments required by Section 7.7(2)(a) shall be made on the first Banking Day of the calendar month immediately following the calendar month in which the changes in Applicable Pricing Rate are effective. The adjustments required by Section 7.7(2)(b) shall be accounted for in successive interest and fee payments by the applicable Borrower until the amount of the credit therein contemplated has been fully applied; provided that, upon satisfaction in full of all Obligations and cancellation of all Credit Facilities in accordance herewith, the Lenders shall pay to the applicable Borrower an amount equal to any such credit which remains outstanding.

(4) Notwithstanding the foregoing provisions of this Section 7.7, if the Parent Borrower has failed to deliver a Compliance Certificate for the immediately preceding fiscal quarter in accordance with the provisions hereof, then the Consolidated Net Funded Debt to EBITDA Ratio shall be deemed to be greater than 2.50:1.0 for the purposes of determining the Applicable Pricing Rate until the Parent Borrower has remedied such failure and delivered such Compliance Certificate (and, from and after such delivery, the Applicable Pricing Rate shall be based upon the Consolidated Net Funded Debt to EBITDA Ratio set forth in such Compliance Certificate for the remainder of the period until the next such Compliance Certificate is required to be delivered hereunder).

ARTICLE 8- REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties

The Parent Borrower represents and warrants as follows to the Agent and to each of the Lenders and acknowledges and confirms that the Agent and each of the Lenders is relying upon such representations and warranties:

(a) Existence and Good Standing

The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by the Documents.

(b) Authority

The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into the Documents to which it is a party and do all such acts and things as are required by such Documents to be done, observed or performed, in accordance with the terms thereof.

(c) Valid Authorization and Execution

The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution, delivery and performance of the Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) Validity of Agreement – Non-Conflict

None of the authorization, execution or delivery of this Agreement or the other Documents or performance of any obligation pursuant hereto or thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any

other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. The Documents when executed and delivered will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries which is a party thereto enforceable against each such party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Ownership of Property

The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has good and marketable title to its property, assets and undertaking, subject to Permitted Encumbrances and to minor defects of title which, individually and in the aggregate, do not materially affect their respective rights of ownership therein or the value thereof or their right or ability to utilize the same in conduct of their business and affairs.

(f) Debt

Neither the Parent Borrower, any other Borrower nor any of their other Subsidiaries has created, incurred, assumed, suffered to exist, or entered into any contract, instrument or undertaking pursuant to which, the Parent Borrower, the other Borrowers or any of the other Subsidiaries is now or may hereafter become liable for any Debt except for Permitted Debt.

(g) Encumbrances

Neither the Parent Borrower, the other Borrowers nor any of the other Subsidiaries has created, incurred, assumed, suffered to exist, or entered into any contract, instrument or undertaking pursuant to which, any person may have or be entitled to any Security Interest on or in respect of its property and assets or any part thereof except for Permitted Encumbrances.

(h) No Material Adverse Change

No Material Adverse Change has occurred.

(i) No Omissions

The Parent Borrower, the other Borrowers and each of the other Subsidiaries has made available to the Agent all material information necessary to make any representations, warranties and statements contained in this Agreement not misleading in any material respect in light of the circumstances in which they are given.

(j) Non-Default

No Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by the Documents or following any Drawdown hereunder.

(k) Financial Condition

(i) The audited and unaudited consolidated financial statements of the Parent Borrower delivered to the Lenders and the Agent pursuant hereto present fairly, in all material respects, the consolidated financial condition of the Parent Borrower as at the respective dates thereof and the results of the consolidated operations thereof for the fiscal year or fiscal quarter (as applicable) then ending, all in accordance with generally accepted accounting principles consistently applied.

(ii) Except as has been disclosed to the Agent by written notice in accordance with the provisions of this Agreement, no filing is imminent of a report of a material change as required to be filed by the Parent Borrower, any other Borrower or any other Subsidiary with any securities commission or exchange or with any Governmental Authority having jurisdiction over the issuance and sale of securities of the Parent Borrower, any other Borrower or any other Subsidiary and which material change would have or would reasonably be expected to have a Material Adverse Effect.

(l) Information Provided

All information, materials and documents, including all cash flow projections, economic models, capital and operating budgets and other information and data:

(i) prepared and provided to the Agent by the Parent Borrower, any other Borrower or any other Subsidiary in respect of the transactions contemplated by this Agreement, or as required by the terms of this Agreement, were in the case of financial projections and other forward looking financial information, prepared in good faith based upon reasonable assumptions at the date of preparation and in all other cases, true, complete and correct in all material respects as of the respective dates thereof; and

(ii) to the extent prepared by persons other than the Parent Borrower, another Borrower or another Subsidiary and provided to the Agent by or on behalf of the Parent Borrower, another Borrower or any other Subsidiary in respect of the transactions contemplated by this Agreement, or as required by the terms of this Agreement, were, to the best of the knowledge of the Parent Borrower, after due inquiry, in the case of financial projections and other forward looking information, prepared in good faith based upon reasonable assumptions at the date of preparation and, in all other cases, true, complete and correct in all material respects as of the respective dates thereof.

(m) Absence of Litigation

There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(n) Compliance with Applicable Laws, Court Orders and Agreements

The Parent Borrower, the other Borrowers and each of the other Subsidiaries and their respective property, businesses and operations are in compliance with all Applicable Laws (including all applicable Environmental Laws), all applicable directives, judgments, decrees, injunctions and orders rendered by any Governmental Authority or court of competent jurisdiction, their articles, by laws and other constating and organizational documents, all agreements or instruments to which each is a party or by which their property or assets are bound, and any employee benefit plans, except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect.

(o) Required Permits in Effect

All Required Permits for the Parent Borrower, the other Borrowers and the other Material Subsidiaries are in full force and effect, except to the extent that the failure to have or maintain the same in full force and effect would not, when taken in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

(p) Remittances Up to Date

All of the material remittances required to be made by the Parent Borrower, the other Borrowers and the other Subsidiaries to Governmental Authorities have been made, are currently up to date and there are no outstanding arrears, other than those which are being contested by a Permitted Contest.

(q) Environmental

(i) To the best of the knowledge and belief of the Parent Borrower, after due inquiry, the Parent Borrower, the other Borrowers and the other Subsidiaries, and their respective properties, assets and undertakings taken as a whole, comply in all respects, and the businesses, activities and operations of same and the use of such properties, assets and undertakings and the processes and undertakings performed thereon comply in all respects, with all Environmental Laws except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect; further, the Parent Borrower does not know, and

has no reasonable grounds to know, of any facts which result in or constitute or are likely to give rise to non-compliance by the Parent Borrower, another Borrower or any other Subsidiary with any Environmental Laws, which facts or non-compliance have or would reasonably be expected to have a Material Adverse Effect.

(ii) The Parent Borrower, the other Borrowers and the other Subsidiaries have not received written notice and, except as previously disclosed to the Agent in writing, the Parent Borrower has no knowledge after due inquiry, of any facts which could give rise to any notice of non-compliance by the Parent Borrower, another Borrower on any other Subsidiary with any Environmental Laws, which non-compliance has or would reasonably be expected to have a Material Adverse Effect and neither the Parent Borrower, any other Borrower nor any other Subsidiary has received any notice that the Parent Borrower, any other Borrower or any of the other Subsidiaries is a potentially responsible party for a federal, provincial, regional, municipal or local clean up or corrective action in connection with their respective properties, assets and undertakings where such clean up or corrective action has or would reasonably be expected to have a Material Adverse Effect.

(r) Taxes

The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 8.1(r).

(s) Material Subsidiaries and Other Subsidiaries

As of the date hereof, except as set forth on Schedule 8.1(s), there are no Subsidiaries that are not also Material Subsidiaries.

(t) Intellectual Property

The Parent Borrower, the other Borrowers and the other Subsidiaries have or have the legal right to use all Intellectual Property necessary for the operation and conduct of their business, affairs, operations and processes, except to the extent that the failure to have the same would not have or reasonably be expected to have a Material Adverse Effect and, to the best of their knowledge and belief, no person has asserted any claim or taken any step or proceedings to prohibit or limit the use of such Intellectual Property by the Parent Borrower, the other Borrowers and the other Subsidiaries, in respect of which claim, step or proceedings there is a reasonable likelihood of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(u) Insurance

The Parent Borrower, the other Borrowers and each other Subsidiary maintains, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses and against such casualties and contingencies and in such types and amounts as are in accordance with customary business practices for corporations of similar size and type of business and operations as the Parent Borrower, the other Borrowers and each such other Subsidiary, when taken as a whole.

(v) Sanctions Laws and Anti-Money Laundering Laws

(i) Neither the Parent Borrower, any other Borrower nor any of the other Subsidiaries is in breach of or is the subject of any action or, to the knowledge of the Parent Borrower or another Borrower, any investigation under any Anti-Money Laundering Laws. The Parent Borrower, the other Borrowers and the other Subsidiaries have taken reasonable measures to ensure compliance in all material respects with Anti-Money Laundering Laws.

(ii) Neither the Parent Borrower, any other Borrower nor any of the other Subsidiaries nor, to the knowledge of the Parent Borrower or any other Borrower, any director, officer, agent or employee of the Parent Borrower, any other Borrower or any of the other Subsidiaries (i) is a Sanctioned Person, (ii) has any business affiliation or commercial dealings with a Sanctioned Person to the extent such business affiliation or commercial dealings breaches Sanctions Laws, (iii) is in breach of or, to the knowledge of the Parent Borrower and the other Borrowers, the subject of any action or investigation under, any Sanctions Laws, or (iv) is located, organized or resident in a Sanctioned Country. Neither the Parent Borrower, any other Borrower nor any of the others Subsidiaries has knowingly engaged in any dealings or transactions with or in a country or territory in violation of any Sanctions Laws, in the preceding three years.

(iii) The Parent Borrower, any other Borrower, and all Subsidiaries have conducted their businesses in compliance in all material respects with all applicable Sanctions Laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such Sanctions Laws.

(iv) No proceeds from any Loan have been used, directly or, to the knowledge of the Parent Borrower or any other Borrower, indirectly, to lend, contribute, provide, or have otherwise been made available to fund, any activity or business with or related to any Sanctioned Person in breach of Sanctions Laws, or in any other manner that will result in any violation or breach by the Parent Borrower, any other Borrower or any of the other Subsidiaries of Sanctions Laws.

(w) Pension Plans

The Parent Borrower, the other Borrowers and the other Subsidiaries do not have, and do not contribute to, any Pension Plans or any Canadian Pension Plans.

(x) ERISA

(i) No ERISA Event has occurred, and neither the Parent Borrower, any other Borrower or any other Subsidiary nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event that, in each case, when taken together with all such other ERISA Events for which liability is reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect;

(ii) The Parent Borrower, each other Borrower and each other Subsidiary and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained;

(iii) As of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the U.S. Code) is 60% or higher and neither the Parent Borrower, any other Borrower or any other Subsidiary nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60%;

(iv) Neither the Parent Borrower, any other Borrower or any other Subsidiary nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA;

(v) No Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under

Title IV of ERISA to terminate any Pension Plan, in each case when taken together with all other such ERISA Events for which liability is reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect;

(vi) Each Pension Plan that is intended to qualify under Section 401(a) of the U.S. Code has received a favorable determination letter, or may rely upon an opinion letter for a prototype plan, from the U.S. Internal Revenue Service or an application for such a letter is currently being processed by the U.S. Internal Revenue Service with respect thereto and, as of the date of this Agreement, nothing has occurred which would reasonably be expected to prevent or cause the loss of, such qualification;

(vii) As of the most recent valuation date for any Pension Plan, any "amount of unfunded benefit liabilities" (within the meaning of Section 4001(a)(18) of ERISA), individually or in the aggregate for all Pension Plans (except, for purposes of such computation, any Pension Plans with respect to which assets exceed benefit liabilities), could not reasonably be expected to have a Material Adverse Effect;

(viii) As of the most recent valuation date for each Multiemployer Plan for which the actuarial report is available, the potential Withdrawal Liability of the Loan Parties and the ERISA Affiliates for a complete withdrawal from such Multiemployer Plan (within the meaning of Section 4203 of ERISA), when aggregated with such potential Withdrawal Liability for a complete withdrawal from all Multiemployer Plans, based on information available pursuant to Section 101(l) of ERISA, could not reasonably be expected to have a Material Adverse Effect; and

(ix) No Loan Party has any contingent liability with respect to any post-retirement benefit under an employee welfare benefit plan (as defined in Section 3(1) of ERISA), other than liability for continuation coverage described in Part 6 of Title I of ERISA (COBRA) or similar state law that could reasonably be expected to have a Material Adverse Effect.

(y) Compliance with Regulations T, U, and X

Neither the Parent Borrower, any other Borrower or any other Subsidiary is engaged principally in or has as one of its important activities the business of extending credit for the purpose of purchasing or carrying any "margin security" or "margin stock" as defined in Regulations T, U, and X (12 C.F.R. Parts 221 and 224) of the Federal Reserve Board (herein called "**Margin Stock**"). Neither the Parent Borrower, any other Borrower or any other Subsidiary has taken or will take any action which might cause this Agreement to violate Regulation T, U, or X, or any other regulation of the Federal Reserve System with respect to Margin Stock, in each case as now in effect or as the same may hereafter be in effect. Neither the

making of the Loans nor the use of proceeds thereof will violate the provisions of Regulation T, U, or X of the Federal Reserve Board.

(z) Sanctions

The Parent Borrower shall not and shall not permit any other Borrower to request any Loan or the issuance, increase or extension of any Letter of Credit, and the Parent Borrower shall not and shall not permit any other Borrower or any other Subsidiary or any of their respective directors, officers, employees or agents to use the proceeds of any Loan or Letter of Credit (i) in furtherance of an offer, payment, promise to pay or authorization of the payment or giving of money, or anything else of value, to any person in violation of any Anti-Money Laundering Laws in any material respect, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person or in any Sanctioned Country or (iii) in any manner that would result in the violation of any Sanctions Laws applicable to any party hereto.

(aa) Solvency

Upon effectiveness of this Agreement, the Parent Borrower, the other Borrowers and the other Subsidiaries, on a consolidated basis, are solvent and the Parent Borrower, the other Borrowers and the other Subsidiaries, on a consolidated basis, are able to realize upon their assets and pay their debts and other liabilities, contingent obligations and other commitments, on a consolidated basis, as they mature in the normal course of business.

(bb) Patriot Act

Neither the Parent Borrower, any other Borrower or any other Subsidiary is an "enemy" or an "ally of the enemy" within the meaning of Section 2 of the Trading with the Enemy Act. None of the Parent Borrower, any other Borrower or any other Subsidiary is in violation of (a) the Trading with the Enemy Act, (b) any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto; (c) the Patriot Act; or (d) any other applicable Anti-Money Laundering Laws. None of the Parent Borrower, any other Borrower or any other Subsidiary (i) is a Sanctioned Person or (ii) to its knowledge, engages in any dealings or transactions, or is otherwise associated, with any such Sanctioned Person.

(cc) *Interest Act* (Canada)

(i) This Agreement, including Article 5 hereof and the constituent definitions herein and under the other Documents relating to interest and other amounts payable hereunder and thereunder, satisfies the requirements of section 4 of the *Interest Act* (Canada) to the extent that such section 4 of the *Interest Act* (Canada) applies to the expression, statement or calculation of any rate of interest or other rate *per annum* hereunder or under any other Document.

(ii) The Borrowers and each other Material Subsidiary are each able to calculate the yearly rate or percentage of interest payable under any Document based on the methodology set out herein and under the other Documents, including Article 5 hereof and the constituent definitions herein and under the other Documents relating to interest and other amounts payable hereunder and thereunder.

(dd) Beneficial Ownership Certificate

As of the date hereof, the information included in any Beneficial Ownership Certification, if applicable, is true and correct in all respects.

(ee) Anti-Corruption Laws

Each Loan Party has conducted its businesses in compliance in all material respects with all applicable Anti-Corruption Laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

(ff) Titled Assets

The Shacks do not constitute Titled Assets under any Applicable Law.

(gg) BCAP Credit Document Default

No default or event of default has occurred and is continuing under the BCAP Credit Documents.

8.2 Deemed Repetition

On the date of delivery by the Parent Borrower or any other Borrower of a Drawdown Notice to the Agent or the Operating Lender, as applicable, and again on the date of any Drawdown made by the applicable Borrower pursuant thereto:

(a) except those representations and warranties which are stated to be made as at a specific date or which a Borrower has notified the Agent and, if applicable, the Operating Lender in writing cannot be repeated for such Drawdown and in respect of which the applicable Lenders have waived in writing (with or without terms or conditions) the application of the condition precedent in Section 3.1(b) for such Drawdown, each of the representations and warranties contained in Section 8.1 shall be deemed to be repeated as true and correct in all material respects (except to the extent that any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects); and

(b) the Borrowers shall be deemed to have represented to the Agent and the Lenders that, except as has otherwise been notified to the Agent and, if applicable, the

Operating Lender in writing and has been waived in accordance herewith, no event has occurred and remains outstanding which would constitute a Default or an Event of Default nor will any such event occur as a result of the aforementioned Drawdown.

8.3 Other Documents

All representations, warranties and statements of the Parent Borrower, any other Borrower or any other Subsidiary contained in any other Document delivered pursuant hereto or thereto shall be deemed to constitute representations and warranties made by the Borrowers to the Agent and the Lenders under Section 8.1 of this Agreement.

8.4 Effective Time of Repetition

All representations and warranties, when repeated or deemed to be repeated hereunder, shall be construed with reference to the facts and circumstances existing at the time of repetition, unless they are stated herein to be made as at the date of this Agreement or as at another date.

8.5 Nature of Representations and Warranties

The representations and warranties set out in this Agreement or deemed to be made pursuant hereto shall survive the execution and delivery of this Agreement and the making of each Drawdown, notwithstanding any investigations or examinations which may be made by the Agent, the Lenders or Lenders' Counsel. Such representations and warranties shall survive until this Agreement has been terminated.

ARTICLE 9- GENERAL COVENANTS

9.1 Affirmative Covenants of the Parent Borrower

So long as any Obligation is outstanding or any Credit Facility is available hereunder, the Parent Borrower covenants and agrees with each of the Lenders and the Agent that, unless (subject to Section 15.10) a Majority of the Lenders otherwise consent in writing:

(a) Punctual Payment and Performance

It shall, and shall cause the other Borrowers to, duly and punctually pay the principal of all Loans, all interest thereon and all fees and other amounts required to be paid by the Parent Borrower or any other Borrower hereunder in the manner specified hereunder and the Parent Borrower and the other Borrowers shall perform and observe all of its obligations under this Agreement and under any other Document to which it is a party and shall cause each of the Material Subsidiaries to perform and observe all of their obligations under any Documents to which each is a party.

(b) Books and Records

It shall, and shall cause the other Borrowers and each of the other Subsidiaries, to keep proper books of record and account in which complete and correct entries will be made of its transactions in accordance with generally accepted accounting principles.

(c) Maintenance and Operation

It shall do or cause to be done, and will cause each other Borrower and each other Material Subsidiary to do or cause to be done, all things necessary or required to have all its properties, assets and operations owned, operated and maintained in accordance with diligent and prudent industry practice and Applicable Laws except to the extent that the failure to do or cause to be done the same would not have and would not reasonably be expected to have a Material Adverse Effect, and at all times cause the same to be owned, operated, maintained and used in compliance with all terms of any applicable insurance policy.

(d) Maintain Existence; Compliance with Legislation Generally; Required Permits

Except as otherwise permitted by Section 9.2(c) and 9.2(k), the Parent Borrower shall, and shall cause each other Borrower and each of the other Material Subsidiaries, to preserve and maintain its corporate, partnership or trust existence (as the case may be) as a corporation, partnership or trust existing under the laws of its applicable jurisdiction of organization. The Parent Borrower shall do or cause to be done, and shall cause the other Borrowers and each of the other Material Subsidiaries to do or cause to be done, all acts necessary or desirable to comply with all Applicable Laws, except (other than in the case of laws relating to corruption and bribery) where such failure to comply does not and would not reasonably be expected to have a Material Adverse Effect, and to preserve and keep in full force and effect all Required Permits and all other franchises, licences, rights, privileges, permits and Governmental Authorizations necessary to enable the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries to operate and conduct their respective businesses in accordance with prudent industry practice, except to the extent that the failure to have any of the same does not and would not reasonably be expected to have a Material Adverse Effect.

(e) Budgets, Financial Statements and Other Information

The Parent Borrower shall deliver, or cause to be delivered, to the Agent with sufficient copies for each of the Lenders:

(i) Annual Business Plan / Capital and Operating Budgets - as soon as available and, in any event, within 120 days after the end of each of its fiscal years, copies of (A) its annual business plan for the next fiscal year, including *pro forma* consolidated financial statements for the Parent Borrower prepared on a quarterly basis for such period (including a *pro forma* balance sheet, *pro forma* statement of operations and *pro forma* statement of cash flows),

(B) its annual consolidated capital budget (which segregates those Capital Expenditures attributed to maintenance and to growth) for the next fiscal year and (C) its annual operating budget for the next fiscal year (approved by its board of directors);

(ii) Annual Financials - as soon as available and, in any event, within 120 days after the end of each of its fiscal years (or such earlier date if required by applicable law), copies of the Parent Borrower's audited annual financial statements on a consolidated basis consisting of a balance sheet, statement of operations, statement of comprehensive income, statement of cash flows and statement of changes in equity for each such fiscal year, together with the notes thereto, all prepared in accordance with generally accepted accounting principles consistently applied, together with a report and an audit opinion of the Parent Borrower's auditors thereon, and the accompanying management discussion and analysis of the Parent Borrower;

(iii) Quarterly Financials - as soon as available and, in any event within 30 days after the end of each of its fiscal quarters, copies of the Parent Borrower's unaudited quarterly financial statements on a consolidated basis, in each case consisting of a balance sheet, statement of operations, statement of comprehensive income, statement of cash flows and statement of changes in equity for each such period all in reasonable detail and stating in comparative form the figures for the corresponding date and period in the previous fiscal year, all prepared in accordance with generally accepted accounting principles consistently applied, and the accompanying management discussion and analysis of the Parent Borrower;

(iv) Compliance Certificate - concurrently with furnishing the financial statements pursuant to Sections 9.1(e)(ii) and (iii), a Compliance Certificate (including a report on the status of all outstanding Financial Instruments) signed by any one of the president, chief financial officer, vice president finance, treasurer or controller of the Parent Borrower and stating that, *inter alia*, the representations and warranties in Section 8.1 are true and accurate in all material respects (without duplication of any materiality or Material Adverse Effect or Material Adverse Change qualified therein) (or, if applicable, specifying those that are not), that no Default or Event of Default has occurred and is continuing (or, if applicable, specifying those defaults or events notified in accordance with Section 9.1(h) below), the variance between Capital Expenditures actually incurred and the Capital Expenditures budgeted for in the most recent annual consolidated capital budget delivered to the Agent together with commentary and demonstrating compliance with all covenants contained herein including the financial covenants contained in Section 9.3;

(v) Borrowing Base Certificate / Officer's Certificate - within 30 days after each calendar month end (i) a Borrowing Base Certificate for (and as of the end of) the immediately preceding calendar month certifying that the

Borrowing Base is in effect in accordance with Section 2.24 and (ii) an Officer's Certificate certifying compliance with Section 9.3(d);

(vi) Patriot Act / Beneficial Ownership - promptly following any request therefor, information and documentation reasonably requested by the Agent or any Lender for purposes of compliance with applicable Anti-Money Laundering Laws (including "know your customer" rules and regulations, the Patriot Act and the Beneficial Ownership regulation); and

(vii) Other - at the request of the Agent, such other information, reports, certificates, projections of income and cash flow or other matters affecting the business, affairs, financial condition, property or assets of the Parent Borrower, the other Borrowers or any of the other Subsidiaries, or the business, affairs, financial condition, property or assets of any of them, as the Agent may reasonably request.

(f) Rights of Inspection

At any reasonable time and from time to time upon reasonable prior notice, the Parent Borrower shall permit, and shall cause the other Borrowers and the other Material Subsidiaries to permit, the Agent and any Lender or any representative thereof (at the expense of the Parent Borrower during the continuance of a Default or Event of Default and, otherwise, at the expense of the Agent or such Lender, as applicable) to (i) examine and make copies of and abstracts from the records and books of account of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries, (ii) visit and inspect the premises and properties of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries (in each case at the risk of the Parent Borrower, the other Borrowers and the other Material Subsidiaries except for the gross negligence or wilful misconduct of the inspecting party or the failure of any such inspecting party to comply with Applicable Law and the Parent Borrower's, the other Borrower's or any such other Material Subsidiary's health and safety requirements, as advised to such inspecting party), and (iii) discuss the affairs, operations, finances and accounts of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries with any of the officers of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries.

(g) Notice of Material Litigation

The Parent Borrower shall promptly give written notice to the Agent of any litigation, proceeding or dispute affecting the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries in respect of a demand or claim in respect of which there is a reasonable likelihood of an adverse determination and which if adversely determined would reasonably be expected to result in a liability, obligation or judgment in excess of U.S.$2,000,000 or to have a Material Adverse Effect, and shall from time to time furnish to the Agent all reasonable information

requested by the Agent concerning the status of any such litigation, proceeding or dispute.

(h) Notice of Default or Event of Default

The Parent Borrower shall deliver to the Agent, as soon as reasonably practicable, and in any event no later than 3 Banking Days after becoming aware of a Default or the occurrence of an Event of Default, an Officer's Certificate describing in detail such Default or such Event of Default and specifying the steps, if any, being taken to cure or remedy the same.

(i) Notice of Material Adverse Effect or Material Adverse Change

The Parent Borrower shall, as soon as reasonably practicable, promptly notify the Agent of:

(i) any event, circumstance or condition that has had or is reasonably likely to have a Material Adverse Effect; and

(ii) any Material Adverse Change.

(j) Securities Disclosure

If and when applicable, the Parent Borrower shall promptly furnish to the Agent copies of all reports, material change reports, notices and other non-confidential information that the Parent Borrower is required by applicable law to file with any securities commission or stock exchange, furnish to its shareholders or publicly disclose (whether by way by advertisement or otherwise), except for insider reports and other filings which are of an administrative nature and do not contain any material information with respect to the business, affairs or financial condition of the Parent Borrower, the other Borrowers and the other Subsidiaries. The Parent Borrower shall be deemed to have satisfied its obligations under this Section 9.1(j) if and to the extent the registration materials, material change reports, circulars, reports, notices and other information, as the case may be, shall have been filed either (i) with the Canadian Securities Administrators (and are accessible to the Agent and the Lenders) in the SEDAR filing system at www.sedar.com or (ii) on EDGAR at www.sec.gov (or other successor government website that is freely and readily available to the Agent and the Lenders), and, in each case, the Parent Borrower shall have notified the Agent of such filing.

(k) Payment of Royalties, Taxes, Withholdings, etc.

The Parent Borrower shall, and shall cause the other Borrowers and the other Subsidiaries to, pay or cause to be paid all material royalties, rents, Taxes, rates, levies or assessments, ordinary or extraordinary, governmental fees or dues, and to make and remit all withholdings, lawfully levied, assessed or imposed upon the Parent Borrower, the other Borrowers and the other Subsidiaries or any of the assets of the Parent Borrower, the other Borrowers and the other Subsidiaries, as and when

the same become due and payable, except when and so long as the validity of any such royalties, rents, Taxes, rates, levies, assessments, fees, dues or withholdings is being contested by the Parent Borrower, the other Borrowers or the other Subsidiaries by a Permitted Contest.

(l) Payment of Preferred Claims

The Parent Borrower shall, and shall cause the other Borrowers and the other Material Subsidiaries to, from time to time pay when due or cause to be paid when due all amounts related to wages, workers' compensation obligations, government royalties or pension fund obligations and any other amount which may result in a lien, charge, Security Interest or similar encumbrance against the assets of the Parent Borrower, another Borrower or any such Material Subsidiary arising under statute or regulation, except when and so long as the validity of any such amounts or other obligations is being contested by the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries by a Permitted Contest.

(m) Environmental Covenants

(i) Without limiting the generality of Section 9.1(d) above, the Parent Borrower shall, and shall cause the other Borrowers and the other Subsidiaries to, conduct their business and operations so as to comply at all times with all Environmental Laws if the consequence of a failure to comply, either alone or in conjunction with any other such non-compliances, would have or would reasonably be expected to have a Material Adverse Effect.

(ii) If the Parent Borrower, any other Borrower or any of the other Subsidiaries shall:

(A) receive or give any notice that a violation of any Environmental Law has or may have been committed or is about to be committed by the same, and if such violation has or would reasonably be expected to have a Material Adverse Effect or a liability to the Parent Borrower, the other Borrowers and the other Subsidiaries in excess of U.S.$2,000,000;

(B) receive any notice that a complaint, proceeding or order has been filed or is about to be filed against the same alleging a violation of any Environmental Law, and if such violation would reasonably be expected to have a Material Adverse Effect or a liability to the Parent Borrower, the other Borrowers and the other Subsidiaries in excess of U.S.$2,000,000; or

(C) receive any notice requiring the Parent Borrower, another Borrower or another Subsidiary, as the case may be, to take any action in connection with the release of Hazardous Materials into the environment or alleging that the Parent Borrower, another Borrower

or another Subsidiary may be liable or responsible for costs associated with a response to or to clean up a Release of Hazardous Materials into the environment or any damages caused thereby in excess of U.S.$2,000,000, or if such action or liability has or would reasonably be expected to have a Material Adverse Effect,

the Parent Borrower shall promptly provide the Agent with a copy of such notice and shall, or shall cause such other Borrower or other Subsidiary to, furnish to the Agent from time to time all reasonable information requested by the Agent relating to the same.

(n) Use of Loans

The Parent Borrower shall, and shall cause the other Borrowers to, use all Loans and the proceeds thereof solely for the purposes set forth in Section 2.3 hereof.

(o) Required Insurance

The Parent Borrower shall, and shall cause the other Borrowers and the other Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and business and against such casualties and contingencies and in such types and such amounts as shall be in accordance with customary business practices for corporations of similar size and type of business and operations as the Parent Borrower, the other Borrowers and the other Subsidiaries to the extent such insurance is available on reasonable commercial terms, which policies shall names the Agent as an additional insured and first loss payee.

(p) Ownership of Assets

The Parent Borrower shall ensure that it, the other Borrowers and the other Material Subsidiaries who have provided Security hereunder (i) legally, beneficially and directly own not less than 95% of the Consolidated Net Tangible Assets as at each Quarter End and (ii) have combined EBITDA attributable to them equal to or greater than 95% of the consolidated EBITDA of the Parent Borrower over the previous 12 months, as calculated at each Quarter End, in each case, based on the most recent financial statements of the Parent Borrower.

(q) Sanctions Laws and Anti-Money Laundering Laws

(i) The Parent Borrower shall ensure that it, the other Borrowers and the other Subsidiaries shall comply with Anti-Money Laundering Laws. The Parent Borrower shall, and shall cause the other Borrowers and the other Subsidiaries to, use commercially reasonable efforts to ensure that no funds used to pay the Obligations are derived from any unlawful activity, including but not limited to, activity in material violation of Anti-Money Laundering Laws or Sanctions Laws.

(ii) The Parent Borrower shall ensure that (i) it, and each of the other Borrowers and the other Subsidiaries, shall comply with Sanctions Laws (ii) neither it nor any of the other Borrowers nor any of the other Subsidiaries shall become a Sanctioned Person and (iii) no proceeds from any Loan will be used, directly or, to its knowledge, indirectly, to lend, contribute, provide or otherwise be made available to fund, any activity or business with or related to any Sanctioned Person in violation of Sanctions Laws or in any other manner that will result in any violation or breach by any person (including any Loan Party and any person participating in the transaction, whether as Lender, Agent, arranger, bookrunner, issuer of a Letter of Credit, or otherwise) of Sanctions Laws.

(r) Keepwell

The Parent Borrower shall, and shall ensure that, to the extent any other Borrower or any other Material Subsidiary is a Qualified ECP Guarantor, each such other Borrower or other Material Subsidiary shall, absolutely, unconditionally and irrevocably undertake to provide such funds or other support as may be needed from time to time by any Loan Party (that provides a guarantee to the Agent, the Lenders, the Hedging Affiliates and the Bank Product Affiliates) to honour all of its obligations under its Guarantee in respect of Swap Obligations (provided, however, the Loan Parties shall only be liable under such undertaking for the maximum amount of such liability that can be incurred without rendering its obligations under this undertaking, or otherwise under the Documents to which it is a party, voidable under Applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of the Loan Parties under this undertaking shall remain in full force and effect until discharged in accordance with the provisions of the relevant Document. The Parent Borrower intends that this Section and the undertaking provided for shall constitute, and shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of the Loan Parties (that provide a guarantee to the Agent, the Lenders, the Hedging Affiliates and the Bank Product Affiliates) for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

(s) New Subsidiaries and Organizational Chart

(i) The Parent Borrower shall promptly give written notice to the Agent of the acquisition, creation or existence of each new Material Subsidiary, together with such other information as the Agent may reasonably require.

(ii) The Parent Borrower shall promptly notify the Agent if at any time it has knowledge that the information contained in the Organizational Chart most recently delivered to the Agent will or has become incorrect and shall in such event promptly (and in any event within 10 Banking Days) provide to the Agent an updated Organizational Chart.

(t) Location of Accounts

The Parent Borrower shall, and shall cause the other Borrowers and the other Material Subsidiaries to (i) with respect to deposit accounts located in the United States of America, maintain such deposit accounts with an account bank that has entered in to a deposit account control agreement, or similar document, acceptable to the Agent, acting reasonably, and (ii) with respect to deposit accounts located in Canada or any other jurisdiction, maintain such deposit accounts with a Lender or Lenders unless the relevant account bank has entered in to a deposit account control agreement, or similar document, acceptable to the Agent, acting reasonably; provided that, in each case, no deposit account control agreement or similar document shall be required for (A) deposit accounts holding, in the aggregate, daily maximum balance for all such deposit accounts on any day less than or equal to Cdn.$1,000,000, (B) any deposit account that is a zero balance account or a deposit account for which the balance of such deposit account is transferred at the end of each date to a deposit account not qualifying under the proviso herein, or (C) any deposit accounts exclusively used for trust, payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of any employees of the Parent Borrower or any of its Subsidiaries.

(u) Notice of ERISA Event

The Parent Borrower shall promptly, and in any event within five Banking Days after any Loan Party or any ERISA Affiliate knows or has reason to know that an ERISA Event has occurred, give written notice to the Agent of the occurrence of such ERISA Event, which notice shall include a statement of an authorized officer of a Loan Party or ERISA Affiliate describing such ERISA Event and the action, if any, that the Loan Party or ERISA Affiliate proposes to take with respect thereto.

(v) Borrowing Base

The Borrowers shall not permit, at any time that the Borrowing Base is required to be tested in accordance with Section 2.24, the Outstanding Principal under the Borrowing Base Facilities to exceed the Borrowing Base then in effect.

(w) Flood Insurance

With respect to each U.S. Mortgaged Property that is located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a "special flood hazard area" with respect to which flood insurance has been made available under applicable flood insurance laws, (i) the Parent Borrower shall, and shall cause each other Loan Party to, as applicable, upon the request of any Regulated Lender Entity, obtain and maintain, with financially sound and reputable insurance companies (except to the extent that any insurance company insuring the U.S. Mortgaged Property of the Loan Party ceases to be financially sound and reputable after the date of this Agreement, in which case, the Parent Borrower shall, and shall cause each other applicable Loan Party to, as applicable, upon the request

of any Regulated Lender Entity, promptly replace such insurance company with a financially sound and reputable insurance company), such flood insurance in such reasonable total amount as the Agent and the Lenders may from time to time reasonably require, and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to applicable flood insurance laws and (ii) the Parent Borrower shall promptly, upon request of any Regulated Lender Entity , deliver to the Agent or such Lender, as applicable, evidence of such compliance in form and substance reasonably acceptable to such Regulated Lender Entity, including evidence of annual renewals of such insurance.

(x) Notices under BCAP Credit Documents

The Parent Borrower shall ensure that it, the other Borrowers and the other Subsidiaries, on a timely basis, furnish to the Agent copies of all notices, reports and other information delivered or received under any BCAP Credit Documents, including for certainty, pursuant to Section 5 of the BCAP Credit Agreement.

(y) Mandatory Hedging

Within 90 days of the date of this Agreement (and for a hedge period from the date of this Agreement until the Maturity Date), the Borrowers shall enter into Interest Hedging Agreements with Lenders or Hedging Affiliates which hedge at least 50% of the total interest rate exposure on the existing and future Loans under the Syndicated Term Tranche; provided that, in each case, such percentage calculation of the total interest rate exposure will be calculated in a manner which is jointly agreed between the Borrowers and the Agent, each acting reasonably, and such calculation will be based upon the percentage of the notional amount of the interest rate exposure hedged on a monthly basis averaged over each calendar year that is included within the deemed amortization profile of the applicable hedge period.

(z) Appraisals

Upon the reasonable request of the Agent after reasonable prior notice, the Parent Borrower shall deliver to the Agent with sufficient copies for each of the Lenders, appraisals on the assets and property of the Parent Borrower, other Borrowers or any other Subsidiary (provided that no more than one appraisal will be required in any fiscal year) and, in connection with the foregoing, the Parent Borrower shall permit, and shall cause the other Borrowers and the other Subsidiaries to permit, the Agent or professionals (including consultants, accountants and appraisers) retained by Agent (at the Parent Borrowers' expense) to conduct such appraisals.

9.2 Negative Covenants of the Parent Borrower

So long as any Obligation is outstanding or any Credit Facility is available hereunder, the Parent Borrower covenants and agrees with each of the Lenders and the Agent that, unless (subject to Section 15.10) a Majority of the Lenders otherwise consent in writing:

(a) Change of Business

The Parent Borrower shall not, and shall not permit any other Borrower or any other Material Subsidiary to, change in any material respect the nature of its business.

(b) Negative Pledge

The Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, create, issue, incur, assume or permit to exist any Security Interests on any of their property, undertakings or assets other than Permitted Encumbrances.

(c) No Dissolution

The Parent Borrower shall not, nor shall it permit any other Borrower or any other Material Subsidiary to, liquidate, dissolve or wind up or take any steps or proceedings in connection therewith except, in the case of Material Subsidiaries, where the successor thereto or transferee thereof is the Parent Borrower, another Borrower or another Subsidiary which has provided Security.

(d) Limit on Sale of Assets

Except for Permitted Dispositions, the Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, sell, transfer or otherwise dispose of any of their respective property or assets. Furthermore, the Parent Borrower shall not, nor shall it permit any other Borrower or Subsidiary to, enter into any Sale-Leaseback.

(e) Limitation on Debt

The Parent Borrower shall not have or incur, or permit any other Borrower or any other Subsidiary to have or incur, any Debt other than Permitted Debt.

(f) Limit on Financial Assistance

The Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, provide any Financial Assistance, together with the amount of all Investments made pursuant to Section 9.2(g), in an amount in excess, in the aggregate, at any one time outstanding, of U.S.$1,000,000 to any person, other than Financial Assistance to or for the benefit of the Parent Borrower, another Borrower or another Material Subsidiary.

(g) Limitation on Investments

The Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, make any Investments, together with the amount of all Financial Assistance provided pursuant to Section 9.2(f), in an amount in excess of, in the aggregate, in any fiscal year, U.S.$1,000,000, other than Investments in the Parent Borrower, another Borrower or another Material Subsidiary provided that no Default or Event of Default shall have occurred or shall occur as a result of making such Investment.

(h) Limits on Distributions

The Parent Borrower shall not make, and shall not permit any other Borrower or any of the other Subsidiaries to make, any Distributions, except with the consent of all of the Lenders, other than:

(i) Distributions in favor of the Parent Borrower, another Borrower or another Material Subsidiary; and

(ii) in respect of the Shareholder Loan, Distributions to the Shareholder in the form of:

(A) scheduled interest payments thereunder, provided that no Default or Event of Default shall have occurred and be continuing and no Default or Event of Default shall occur as a result of such Distribution; and

(B) principal payments thereunder, provided that (w) no Default or Event of Default shall have occurred and be continuing and no Default or Event of Default shall occur as a result of such Distribution, (x) the Loan Parties shall be in *pro forma* compliance with each Financial Covenant/Term both immediately prior to and following such Distribution, (y) the Consolidated Net Senior Debt to EBITDA Ratio shall have been less than or equal to 2.00:1.00 for at least two Quarter Ends immediately preceding such Distribution and (z) Liquidity shall be at least Cdn.$6,000,000.00 immediately prior to and on a *pro forma* basis after giving effect to such Distribution, which in each case shall be certified to the Agent in an Officer's Certificate in form and substance satisfactory to the Agent.

(i) No Financial Instruments Other Than Permitted Hedging

The Parent Borrower shall not and shall not permit any other Borrower or any other Subsidiary to enter into, transact or have outstanding any Financial Instruments or Financial Instrument Obligations other than Permitted Hedging.

(j) Non Arm's Length Transactions

Except in respect of transactions between or among the Parent Borrower and/or one or more of the other Borrowers and/or one or more of the other Material Subsidiaries, the Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, enter into any contract, agreement or transaction whatsoever, including for the sale, purchase, lease or other dealing in any property or the provision of any services (other than office and administration services provided in the ordinary course of business), with any Related Party except upon fair and reasonable terms, which terms are not less favourable to the Parent Borrower, the other Borrowers or the other Subsidiaries than it would obtain in an arm's length transaction and, if applicable, for consideration which equals the fair market value of such property or other than at a fair market rental regarding leased property. The restrictions set forth in this Section 9.2(j) shall not apply to:

(i) (A) compensation to, and the terms of any employment contracts with, individuals who are officers, managers or directors of the Parent Borrower and its Subsidiaries and (B) employment and severance arrangements and health, disability and similar insurance or benefit plans between the Parent Borrower (or any direct or indirect parent thereof) and the Subsidiaries and their respective directors, officers, employees or consultants (including management and employee benefit plans or agreements, subscription agreements or similar agreements pertaining to the repurchase of equity interests pursuant to put/call rights or similar rights with current or former employees, officers, directors or consultants and equity option or incentive plans and other compensation arrangements) in the ordinary course of business or as otherwise approved by the board of directors or managers of the Parent Borrower (or any direct or indirect parent thereof); and

(ii) Distributions of the Parent Borrower to the extent otherwise permitted pursuant to Section 9.2(h).

(k) No Merger, Amalgamation, etc.

The Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other person whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise except where the successor thereto or transferee thereof is the Parent Borrower, another Borrower or another Material Subsidiary and except as permitted under Section 9.2(c) or 9.2(d).

(l) Limit on Acquisitions

The Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to make any acquisitions of substantially all the equity or assets of another person other than Permitted Acquisitions.

(m) Anti-Cash Hoarding

The Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, use the proceeds of any Drawdown or Advance to accumulate or maintain cash or cash equivalents in one or more accounts (including, for certainty, any depository, investment or securities account) maintained by the Parent Borrower, any other Borrower or any of the other Subsidiaries in excess of U.S.$5,000,000 except for cash or cash equivalents accumulated or maintained therein for a specified business purpose in the ordinary course of business (other than simply accumulating a cash reserve). For certainty (i) the Agent may refuse to make any requested Drawdown under the Syndicated Facility which all of the Syndicated Facility Lenders, acting reasonably, determine would result in a contravention of this Section 9.2(m), (ii) the Operating Lender may refuse to make any requested Drawdown under the Operating Facility which the Operating Lender acting reasonably, determines would result in a contravention of this Section 9.2(m) and (iii) there shall be no limitation on the cash or cash equivalents that the Parent Borrower, any other Borrower or any of the other Subsidiaries may maintain so long as the Outstanding Principal under the Credit Facilities is zero.

(n) Use of Loans

The Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, directly or indirectly, use the proceeds of the Loans or the Letters of Credit for (i) any purposes other than those set forth in Section 2.3, (ii) for any purpose that violates, or is inconsistent with, Regulation T, U or X of the Federal Reserve Board, or (iii) a Hostile Acquisition.

(o) Sanctions

The Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, directly or, to the knowledge of the Parent Borrower, indirectly, use the proceeds of any Advance or Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual or entity, or in any Sanctioned Country, that, at the time of such funding, is the subject of Sanctions Laws, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as a Lender, Agent or otherwise) of Sanctions Laws.

(p) Anti-Corruption Laws

The Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, directly or, to the knowledge of the Parent Borrower, indirectly, use the proceeds of any Advance or Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner, or other individual or entity, for any purpose which would breach any Anti-Corruption Law.

(q) Capital Expenditures

The Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, make Capital Expenditures in an aggregate amount which exceeds 110% of Capital Expenditures as set forth in the annual consolidated capital budget of the Parent Borrower approved by the Lenders.

(r) Change of Name, Location, Etc.

No Loan Party shall change its legal name or its jurisdiction of formation or the jurisdiction of its location.

(s) Repayment of BCAP Indebtedness

The Parent Borrower shall not, and shall not permit any other Borrower or any other Subsidiary to, make any payments of principal, interest, fees or otherwise in respect of the BCAP Indebtedness except to the extent such payments constitute Permitted Payments (as defined in the BCAP Intercreditor Agreement).

(t) Amendments to BCAP Credit Documents

The Parent Borrower shall not, without the prior consent of the Majority of the Lenders, amend, restate, supplement or otherwise modify the BCAP Credit Agreement or any BCAP Credit Document if such amendment, restatement, supplement or other modification is prohibited by Section 7.1 of the BCAP Intercreditor Agreement.

(u) Shareholder Loan

The Parent Borrower shall not:

(i) grant any Security Interest (directly or indirectly through any trustee or nominee) on, to or against any property, assets or undertaking of the Parent Borrower or any of its subsidiaries or take, hold or have any collateral security for the Shareholder Loan;

(ii) without the prior written consent of the Agent, on behalf of the Lenders, increase either the principal amount of Shareholder Loan outstanding or the rate of interest or returns thereon, or reduce the term to maturity of the Shareholder Loan; and

(iii) subject to paragraph (ii) above, amend, modify, supplement or restate the Shareholder Loan without the prior written consent of the Agent, on behalf of the Lenders, other than any changes that are administrative or curative in nature or are not adverse to the Lenders.

9.3 Financial Covenants

So long as any Obligation is outstanding or any Credit Facility is available hereunder, the Parent Borrower covenants and agrees with each of the Lenders and the Agent that, unless (subject to Section 15.10) a Majority of the Lenders otherwise consent in writing:

(a) Maximum Consolidated Net Funded Debt to EBITDA Ratio

As of and at all times following the date of this Agreement, the Parent Borrower shall not permit the Consolidated Net Funded Debt to EBITDA Ratio to exceed 3.00:1.00.

(b) Minimum Fixed Charge Coverage Ratio

As of and at all times following the date of this Agreement, the Fixed Charge Coverage Ratio shall be equal to or greater than 1.25:1.00.

(c) Maximum Consolidated Net Senior Debt to EBITDA

As of and at all times following the date of this Agreement, the Parent Borrower shall not permit the Consolidated Senior Debt to EBITDA Ratio to exceed 2.75:1.00.

(d) Minimum Liquidity

As of and at all times following the date of this Agreement, the Parent Borrower shall have Liquidity of not less than Cdn.$6,750,000 (or the Equivalent Amount thereof in United States Dollars).

9.4 Agent May Perform Covenants

If the Parent Borrower fails to perform any covenants on its part herein contained, subject to any consents or notice or cure periods required by Section 11.1, the Agent may give notice to the Parent Borrower of such failure and if such covenant remains unperformed, the Agent may, in its discretion but need not, perform any such covenant capable of being performed by the Agent and if the covenant requires the payment or expenditure of money, the Agent may, upon having received approval of all Lenders, make such payments or expenditure and all sums so expended shall be forthwith payable by the Parent Borrower to the Agent on behalf of the Lenders and shall bear interest at the applicable interest rate provided in Section 5.12 for amounts due in Canadian Dollars or United States Dollars, as the case may be. No such performance, payment or expenditure by the Agent shall be deemed to relieve the Parent Borrower, any other Borrower or any other Subsidiary of any default hereunder or under the other Documents.

ARTICLE 10- SECURITY

10.1 Security

(1) The Obligations, the Lender Financial Instrument Obligations and the Bank Product Obligations shall be secured, equally and rateably, by first priority Security Interests on, to and against all present and future property, assets and undertaking of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries which is subject to the Security.

(2) (i) The Parent Borrower shall, and shall cause the other Borrowers and other Material Subsidiaries domiciled in Canada to, execute and deliver the Security including a guarantee, a fixed and floating charge debenture, a debenture pledge agreement and a general security agreement substantially in the forms of Schedules H-1, H-2, H-3 and H-4, respectively, annexed hereto, (ii) the Parent Borrower shall execute and deliver a security agreement substantially in the form of Schedule H-6 annexed hereto, (iii) the Parent Borrower shall cause each other Borrower and each other Material Subsidiary domiciled in the United States to execute and deliver Security including a guarantee and security agreement substantially in the forms of Schedules H-5 and H-6, respectively, annexed hereto, (iv) the Parent Borrower shall cause Subsidiaries which own or hold, directly or indirectly (whether through the ownership of or investments in other Subsidiaries of the Parent Borrower or otherwise), any ownership interest in any assets or properties which are included for the purposes of the determination of the Borrowing Base, to execute and deliver Security in the forms referred to in the definition of "Security" and (v) the Parent Borrower shall, and shall cause the other Borrowers and other Material Subsidiaries domiciled in Canada and the United States to, execute and deliver the Colorado Deed and the North Dakota Deed, in each case with such modifications and insertions as may be required by the Agent, acting reasonably (including having regard to the jurisdictions where such Subsidiaries carry on business).

(3) The Parent Borrower (i) shall, as soon as reasonably practicable, give written notice to the Agent of the acquisition, creation or existence of each Material Subsidiary created or acquired after the date of this Agreement, together with such other information as the Agent may reasonably require, and (ii) shall promptly, and in any event within 20 Banking Days (or such longer period as agreed to by the Agent, acting reasonably) of such acquisition, creation or existence, cause each new Material Subsidiary to promptly execute and deliver to the Agent the Security contemplated hereby (together with a certified copy of its constating and other organizational documents and a legal opinion in form and substance satisfactory to the Agent, acting reasonably).

(4) The Parent Borrower shall ensure that, at all times, at least 95% of the Consolidated Net Tangible Assets shall be legally, beneficially and directly owned by, and at least 95% of the consolidated EBITDA of the Parent Borrower is generated by, the Parent Borrower, the other Borrowers and the other Material Subsidiaries which have provided Security hereunder; and if at any time less than 95% of the Consolidated Net Tangible Assets shall be legally, beneficially and directly owned by, or less than 95% of the consolidated EBITDA of the Parent Borrower is generated by, the Parent Borrower, the other Borrowers and the other Material Subsidiaries which have provided Security hereunder, the Parent Borrower shall promptly, and in any event within 20 Banking Days (or such longer period as agreed to by the Agent, acting reasonably) after any such

occurrence, designate another Subsidiary or Subsidiaries which are not then Material Subsidiaries to be Designated Material Subsidiaries pursuant hereto to the extent required to ensure that after such designation, 95% or more of the Consolidated Net Tangible Assets shall be legally, beneficially and directly owned by, and 95% of the consolidated EBITDA of the Parent Borrower is generated by, the Parent Borrower, the other Borrowers and the other Material Subsidiaries which have provided Security hereunder.

(5) The Parent Borrower shall from time to time, by notice in writing to the Agent (together with reasonable particulars which demonstrate compliance with the foregoing covenant), be entitled to designate that either:

(a) a Subsidiary which is not a Material Subsidiary shall become a Designated Material Subsidiary; or

(b) a Designated Material Subsidiary shall cease to be a Material Subsidiary,

provided that the Parent Borrower shall not be entitled to designate that a Designated Material Subsidiary shall cease to be a Material Subsidiary if:

(c) a Default or an Event of Default has occurred and is continuing;

(d) a Default or an Event of Default would result from or exist immediately after such a designation;

(e) such Material Subsidiary is also a Borrower; or

(f) such Designated Material Subsidiary falls within part (a) or (b) of the definition of "Material Subsidiary".

In order to give effect to the foregoing provisions of Section 10.1(3) and this Section 10.1(4), the Parent Borrower shall cause any Subsidiary that becomes a Designated Material Subsidiary to promptly, and in any event within 20 Banking Days (or such longer period as agreed to by the Agent, acting reasonably) after such designation, execute and deliver Security to the Agent (together with a certified copy of its constating and other organizational documents and a legal opinion in form and substance satisfactory to the Agent, acting reasonably).

(6) In addition to the Security described in subsections (1) and (2) of this Section 10.1, the Parent Borrower shall execute and deliver, or shall cause to be executed and delivered, all such guarantees and mortgages, debentures, pledge agreements, mortgages assignments and other security agreements as may be required by the Majority of the Lenders, acting reasonably (each in form and substance satisfactory to the Majority of the Lenders) in order to, or to more effectively, charge in favour of the Agent or grant Security Interests in favour of the Agent on and against all of the undertaking, assets and property (real or personal, tangible or intangible, present or future and of whatsoever nature and kind) of the Parent Borrower, the other Borrowers and the other Material Subsidiaries, as continuing collateral security for the payment and performance by the Parent Borrower, the other Borrowers and the other Material Subsidiaries of all Obligations, Lender Financial Instrument Obligations and Bank Product Obligations. Notwithstanding the foregoing, and for greater certainty, the Parent Borrower and its Subsidiaries shall not be obligated

by this Section 10.1(6) to provide fixed charges on or against real property on the date of this Agreement provided that such fixed charges shall, subject to Section 10.1(7), be granted upon the request of the Agent, acting reasonably (but this sentence shall not restrict the registration, recording or filing of any other Security otherwise provided by the Parent Borrower, the Borrowers and the other Material Subsidiaries).

(7) If any Lender is a Regulated Lender Entity, no Loan Party shall enter into any mortgage in respect of any real property of such Loan Party located in the United States of America at the request of the Agent until:

(a) the date that occurs 45 days after the Agent has delivered to the Lenders (which may be delivered electronically) the following documents in respect of such real property: (i) a completed flood hazard determination from a third party vendor; (ii) if such real property is located in a "special flood hazard area", (A) a notification to the applicable Loan Party of that fact and (if applicable) notification to the applicable Loan Party that flood insurance coverage is not available and (B) evidence of the receipt by the applicable Loan Party of such notice; and (iii) if such notice is required to be provided to the applicable Loan Party and flood insurance is available in the community in which such real property is located, evidence of required flood insurance; and

(b) the Agent has received written confirmation from each Regulated Lender Entity that flood insurance due diligence and flood insurance compliance has been completed by such Regulated Lender Entity (such written confirmation not to be unreasonably conditioned, withheld or delayed, and shall be delivered promptly upon such completion by the applicable Regulated Lender Entity).

(8) The Parent Borrower shall promptly (and in any event within 5 Banking Days) provide notice to the Agent of the consummation of (i) any acquisition of a Titled Asset which, individually, exceeds a value of U.S.$500,000 and (ii) any acquisition, in a single transaction or series of transactions, of any Titled Assets which, in aggregate, exceed a value of U.S.$5,000,000, in each case, together with such other information as the Agent may reasonably request in connection with such acquisitions.

10.2 Registration

(1) The Parent Borrower shall, at its expense, register, file or record the Security in all offices and in all jurisdictions where such registration, filing or recording is necessary, desirable or of advantage to the creation, perfection and preserving of the security applicable to it; provided that the Security shall not be registered (i) by way of serial number goods registrations in Canada or any province thereof, or (ii) at any land registry offices in Canada or the United States of America, and the Agent shall not register any Security against the certificates of title for any Titled Assets, in each case, unless and until the Agent (acting reasonably) requests such registrations. The Parent Borrower shall amend and renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect or to preserve the priority established by any prior registration, filing or recording thereof.

(2) Notwithstanding the foregoing, if any Lender determines, acting reasonably, that any applicable law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender to hold or benefit from a lien over real property pursuant to any law of the United States or any State thereof, such Lender may notify the Agent and disclaim any benefit of such security interest to the extent of such illegality; provided, that such determination or disclaimer shall not invalidate or render unenforceable such lien for the benefit of any other Lender.

10.3 Forms

Unless determined otherwise by the Agent and Lenders' Counsel, except for the Security to be executed and delivered by persons formed pursuant to the laws of any jurisdiction other than Canada (or any province or territory thereof), which Security (not including any Guarantees) may be prepared and based upon the laws of such non-Canadian jurisdiction, the forms of Security shall have been or shall be prepared based upon the laws of Canada and Alberta applicable thereto in effect at the date of this Agreement.

The Agent shall have the right to require that:

(a) any such Security be amended to reflect any changes in such laws, whether arising as a result of statutory amendments, court decisions or otherwise, in order to confer upon the Agent the Security Interests intended to be created thereby; and

(b) the Parent Borrower, the other Borrowers and the other Material Subsidiaries execute and deliver to the Agent such other and further debentures, mortgages, trust deeds, assignments and security agreements as may be reasonably required to ensure the Agent holds, subject to Permitted Encumbrances and any express subordination by the Agent of the Security Interest in the Mortgaged Real Property described in paragraph (a) of the definition thereof pursuant to Section 10.7(3) hereof, first priority Security Interests on and against all of the property and assets of the Parent Borrower, the other Borrowers and the other Material Subsidiaries which is subject to the Security,

except that in no event shall the Agent require that the foregoing be effected if the result thereof would be to grant the Agent or the Lenders greater rights than is otherwise contemplated herein or therein.

10.4 Continuing Security

Each item or part of the Security shall for all purposes be treated as a separate and continuing collateral security and shall be deemed to have been given in addition to and not in place of any other item or part of the Security or any other security now held or hereafter acquired by the Agent or the Lenders. No item or part of the Security shall be merged or be deemed to have been merged in or by this Agreement or any documents, instruments or acknowledgements delivered hereunder, or any simple contract debt or any judgment, and any realization of or steps taken under or pursuant to any security, instrument or agreement shall be independent of and not create a merger with any other right available to the Lenders or the Agent under any security, instruments or agreements held by it or at law or in equity.

10.5 Dealing with Security

The Agent, with the consent of all of the Lenders, may grant extensions of time or other indulgences, take and give up securities (including the Security or any part or parts thereof), accept compositions, grant releases and discharges and otherwise deal with the Borrowers and other parties and with security (including the Security and each part thereof) as the Agent may see fit, without prejudice to or in any way limiting the liability of any Borrower under this Agreement or the other Documents or under any of the Security or any other collateral security.

10.6 Effectiveness

The Security and the security created by any other Document constituted or required to be created shall be effective, and the undertakings as to the Security herein or in any other Document shall be continuing, whether any Loans are then outstanding or any amounts thereby secured or any part thereof shall be owing before or after, or at the same time as, the creation of such Security Interests or before or after or upon the date of execution of any amendments to this Agreement.

10.7 Release and Discharge of Security

(1) The Parent Borrower, the other Borrowers and the other Subsidiaries shall not be discharged from the Security or any part thereof, other than to the extent that such Security applies to a Permitted Disposition or another disposition permitted pursuant to Section 9.2(d) (in which case the Security shall cease to apply to the subject matter thereof for the benefit of the Agent and the Lenders) except by a written release and discharge signed by the Agent with the prior written consent of the Lenders. If all of the Obligations, the Bank Product Obligations and Lender Financial Instrument Obligations have been repaid, paid, satisfied and discharged, as the case may be, in full and the Credit Facilities have been fully cancelled, then the Agent shall cause it and the Lenders' interest in the Security to be released and discharged at the expense of the Parent Borrower.

(2) The Lenders hereby authorize the Agent, upon request of a Borrower, to, without further authorization from the Lenders, sign any and all releases, letters of no interest, or other documents or interests releasing the Security as it applies to a Permitted Disposition and any other disposition permitted by Section 9.2(d).

(3) To the extent that the Parent Borrower or any of the Material Subsidiaries enter into a mortgage or mortgages of the Mortgaged Real Property described in paragraph (a) of the definition thereof and permitted pursuant to subparagraph (d) of the definition of "Permitted Debt" and subparagraph (p) of the definition of "Permitted Encumbrances", upon the request of HSBC Bank USA, N.A., the Agent shall subordinate the Security in the Mortgaged Real Property described in paragraph (a) of the definition thereof on terms satisfactory to the Agent, acting reasonably.

10.8 Transfer of Security

If Royal Bank of Canada, in its capacity as Agent, or any successor thereto, in its capacity as Agent ceases to be the Agent (the "**Departing Agent**"), the Departing Agent shall

transfer and assign all of its right, title and interest in its capacity as Agent in and to the Security to the Successor Agent and the provisions of Section 10.2 shall apply, *mutatis mutandis*, with respect to such assignment and transfer.

10.9 Hedging Affiliates and Bank Product Affiliates

Each Lender hereby confirms to and agrees with the Agent and the other Lenders as follows:

(a) such Lender is, for the purpose of securing the Lender Financial Instrument Obligations owing to or in favour of its Hedging Affiliates and the Bank Product Obligations owing in favor of its Bank Product Affiliates pursuant to the Security, executing and delivering this Agreement both on its own behalf and as agent for and on behalf of such Hedging Affiliates and Bank Product Affiliates;

(b) the Agent shall be and is hereby authorized by each such Hedging Affiliate and Bank Product Affiliate (i) to hold the Security on behalf of such Hedging Affiliate and Bank Product Affiliate as security for the Lender Financial Instrument Obligations and Bank Product Obligations owing to or in favour of it in accordance with the provisions of the Documents and (ii) to act in accordance with the provisions of the Documents (including on the instructions or at the direction of the Majority of the Lenders) in all respects with respect to the Security; and

(c) the Lender Financial Instruments of any such Hedging Affiliate, the Lender Financial Instrument Obligations owing to or in favour of any such Hedging Affiliate, the documents governing any Bank Product or the Bank Product Obligations owing to or in favour of any such Bank Product Affiliate shall not be included or taken into account for the purposes of Section 15.10 or (for certainty) in any determination of the Majority of the Lenders or the Lenders which shall be determined solely based upon the Commitments of the Lenders hereunder or the Outstanding Principal owing to the Lenders, as applicable.

10.10 Security for Hedging with Former Lenders

If a Lender ceases to be a Lender under this Agreement (a "**Former Lender**"), all Lender Financial Instrument Obligations owing to such Former Lender and its Hedging Affiliates under Lender Financial Instruments entered into while such Former Lender was a Lender shall remain secured by the Security (equally and rateably) to the extent that such Lender Financial Instrument Obligations were secured by the Security prior to such Lender becoming a Former Lender and, subject to the following provisions of this Section 10.10 and unless the context otherwise requires, all references herein to "Lender Financial Instrument Obligations" shall include such obligations to a Former Lender and its Hedging Affiliates and all references herein to "Lender Financial Instruments" shall include such Financial Instruments with a Former Lender and its Hedging Affiliates. For certainty, any Financial Instrument Obligations under Financial Instruments entered into with a Former Lender or an Affiliate thereof after the Former Lender has ceased to be a Lender shall not be secured by the Security. Notwithstanding the foregoing, no Former Lender or any Affiliate thereof shall have any right to cause or require the enforcement of

the Security or any right to participate in any decisions relating to the Security, including any decisions relating to the enforcement or manner of enforcement of the Security or decisions relating to any amendment to, waiver under, release of or other dealing with all or any part of the Security; for certainty, the sole right of a Former Lender and its Affiliates with respect to the Security is to share, on a *pari passu* basis, in any proceeds of realization and enforcement of the Security.

ARTICLE 11- EVENTS OF DEFAULT AND ACCELERATION

11.1 Events of Default

The occurrence of any one or more of the following events (each such event being herein referred to as an "**Event of Default**") shall constitute a default under this Agreement:

(a) Principal Default: if any Borrower fails to pay the principal of any Loan hereunder when due and payable;

(b) Other Payment Default: if any Borrower fails to pay:

(i) any interest (including, if applicable, default interest) accrued on any Loan;

(ii) any issuance fee with respect to a Letter of Credit; or

(iii) any other amount not specifically referred to in paragraph (a) above or in this paragraph (b) payable by any Borrower hereunder;

in each case when due and payable, and such default is not remedied within 5 Banking Days after written notice thereof is given by the Agent to the applicable Borrower specifying such default and requiring the applicable Borrower to remedy or cure the same;

(c) Certain Covenant Defaults: if the Parent Borrower fails to observe or perform the covenants in Section 9.1(q), Section 9.2(b) to (h), inclusive, Section 9.2(k) to (o), inclusive or Section 9.3;

(d) Breach of Other Covenants: if the Parent Borrower, any other Borrower or any other Material Subsidiary fails to observe or perform any covenant or obligation herein or in any other Document required on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section) and, after notice has been given by the Agent to the Parent Borrower, such other Borrower or such other Material Subsidiary specifying such default and requiring the Parent Borrower, such other Borrower or such other Material Subsidiary to remedy or cure the same, the Parent Borrower, such other Borrower or such other Material Subsidiary shall fail to remedy such default within a period of 30 days after the giving of such notice;

(e) Incorrect Representations: if any representation or warranty made by the Parent Borrower, any other Borrower or any other Material Subsidiary herein or in any

other Document shall prove to have been incorrect or misleading in any respect on and as of the date made and the facts or circumstances which make such representation or warranty incorrect or misleading are not remedied and the representation or warranty in question remains incorrect or misleading more than 30 days after the Agent notifies the Parent Borrower of the same;

(f) Involuntary Insolvency: if a decree or order of a court of competent jurisdiction is entered adjudging the Parent Borrower, any other Borrower or any other Material Subsidiary a bankrupt or insolvent under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other corporate, bankruptcy, insolvency or analogous laws or ordering the winding up or liquidation of its affairs, including, for certainty, the Bankruptcy Code and such case, proceeding or other action shall continue undismissed, or unstayed and in effect, for any period of 30 consecutive days;

(g) *Idem*: if any case, proceeding or other action shall be instituted in any court of competent jurisdiction against the Parent Borrower, any other Borrower or any other Material Subsidiary, seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition, proposal or arrangement with creditors, a readjustment of debts, the appointment of trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers with respect to the Parent Borrower, any other Borrower or any other Material Subsidiary or of all or any substantial part of its assets, or any other like relief in respect of the Parent Borrower, any other Borrower or any other Material Subsidiary under any bankruptcy or insolvency law and such case, proceeding or other action results in an entry of an order for such relief or any such adjudication or appointment, which is not stayed or dismissed within 30 days;

(h) Voluntary Insolvency: if the Parent Borrower, any other Borrower or any other Material Subsidiary makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other corporate, bankruptcy, insolvency or analogous law, including the Bankruptcy Code, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, administration or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such assignment, proposal, relief, petition, proposal, appointment or proceeding;

(i) Dissolution: except as permitted by Sections 9.2(c) or 9.2(k), if proceedings are commenced for the dissolution, liquidation or winding up of the Parent Borrower, any other Borrower or any other Material Subsidiary unless such proceedings are being actively and diligently contested in good faith to the satisfaction of the Majority of the Lenders;

(j) Security Realization: if creditors of the Parent Borrower, the other Borrowers or and the other Material Subsidiaries having a Security Interest against or in respect of the property and assets thereof, or any part thereof, realize upon or enforce any such security against such property and assets or any part thereof having an aggregate fair market value in excess of U.S.$2,000,000 (or the Equivalent Amount thereof in Canadian Dollars or any other currency) and such realization or enforcement shall continue in effect and not be released, discharged or stayed within the lesser of 30 days and the period of time prescribed under Applicable Laws for the completion of the sale of or realization against the assets subject to such seizure or attachment;

(k) Seizure: if property and assets of the Parent Borrower, the other Borrowers and the other Material Subsidiaries or any part thereof having an aggregate fair market value in excess of U.S.$2,000,000 (or the Equivalent Amount thereof in Canadian Dollars or any other currency) are seized or otherwise attached by anyone pursuant to any legal process or other means, including distress, execution or any other step or proceeding with similar effect and such attachment, step or other proceeding shall continue in effect and not be released, discharged or stayed within the lesser of 30 days and the period of time prescribed under Applicable Laws for the completion of the sale of or realization against the assets subject to such seizure or attachment;

(l) Judgment: if one or more final judgments, decrees or orders (after available appeals have been exhausted) for an aggregate amount in excess of U.S.$2,000,000 (or the Equivalent Amount thereof in Canadian Dollars or any other currency) shall be awarded against the Parent Borrower, the other Borrowers and the other Material Subsidiaries and such persons have not paid (including by insurance), otherwise satisfied or provided security for any of such judgments, decrees or orders within 30 days of such judgment, decree or order being awarded;

(m) Payment Cross Default: if the Parent Borrower, any other Borrower or any of the other Material Subsidiaries (or any combination thereof) defaults in the payment when due (whether at maturity, upon acceleration, or otherwise) of Debt or Financial Instrument Obligations in aggregate in excess of U.S.$2,000,000 (or the Equivalent Amount thereof in Canadian Dollars or the equivalent thereof in any other currency);

(n) Event Cross Default: if a default, event of default or other similar condition or event (however described) in respect of the Parent Borrower, any other Borrower or any of the other Material Subsidiaries (or any combination thereof) occurs or exists under any indentures, credit agreements, agreements or other instruments

evidencing or relating to Debt or Financial Instrument Obligations (individually or collectively) in an aggregate amount in excess of U.S.$2,000,000 (or the Equivalent Amount thereof in Canadian Dollars any other currency) and such default, event or condition has resulted in such Debt or Financial Instrument Obligations becoming, or becoming capable at such time of being declared, due and payable thereunder before it would otherwise have been due and payable;

(o) Cease to Carry on Business: if the Parent Borrower, any other Borrower or any other Material Subsidiary ceases to carry on business, except as permitted by Section 9.2(c) or Section 9.2(k);

(p) Change of Control:

(i) if a Change of Control referenced in subparagraph (a) of the definition thereof occurs; or

(ii) if a Change of Control referenced in subparagraph (b) of the definition thereof occurs and, in the opinion of the Lenders (acting reasonably) such Change of Control would reasonably be expected to have a Material Adverse Effect;

(q) Lender Financial Instruments: if a Financial Instrument Demand for Payment has been delivered to the Parent Borrower, any other Borrower or any other Subsidiary and such person fails to make payment thereunder within the time required for payment thereunder, or if a Termination Event occurs, and in any such case, such default has not been waived, satisfied or cured;

(r) Loss and Priority of Security: except for Permitted Encumbrances which by operation of law take priority, any express subordination by the Agent of the Security Interest in the Mortgaged Real Property described in paragraph (a) of the definition thereof pursuant to Section 10.7(3) hereof or as otherwise permitted by this Agreement, if any of the Security shall cease to be a valid first priority Security Interest against the property, assets and undertaking of the Parent Borrower, any other Borrower or any other Material Subsidiary as against third parties (and the same is not forthwith effectively rectified or replaced by the Parent Borrower, such other Borrower or such other Material Subsidiary, as applicable);

(s) Invalidity: except as would not be an Event of Default pursuant to Section 11.1(r), if any of this Agreement or any Security or any material provision of any of the foregoing shall at any time for any reason cease to be in full force and effect, be declared to be void or voidable (and the same is not forthwith effectively rectified or replaced by a the Parent Borrower, the other Borrower or the other Material Subsidiary, as applicable) or shall be repudiated, or the validity or enforceability thereof shall at any time be contested by such person or such person shall deny that it has any or any further liability or obligation thereunder, or at any time it shall be unlawful or impossible for them to perform any of their respective Obligations;

(t) ERISA Event: if an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, has resulted in or would reasonably be expected to result in a Material Adverse Effect;

(u) Borrowing Base Shortfall: if a Borrowing Base Shortfall exists and is not remedied in accordance with Section 2.24(2);

(v) Material Adverse Effect: if any event or circumstance has occurred and is continuing which, in the opinion of the Majority of the Lenders (acting reasonably), has had or would reasonably be expected to have a Material Adverse Effect; or

(w) BCAP Credit Agreement: notwithstanding the foregoing or any other term hereof, if any default under the BCAP Credit Agreement or any other BCAP Credit Document shall have occurred and be continuing after the expiry of any applicable grace period applicable thereto.

11.2 Acceleration

If any Event of Default shall occur and for so long as it is continuing:

(a) the entire principal amount of all Loans then outstanding from each Borrower and all accrued and unpaid interest thereon,

(b) an amount equal to the maximum amount then available to be drawn under all unexpired Letters of Credit, and

(c) all other Obligations outstanding hereunder,

shall, at the option of the Agent in accordance with Section 14.11 or upon the request of a Majority of the Lenders, become immediately due and payable upon written notice to that effect from the Agent to the Parent Borrower (on behalf of the Parent Borrower and all other Borrowers), all without any other notice and without presentment, protest, demand, notice of dishonour or any other demand whatsoever (all of which are hereby expressly waived by all of the Borrowers). In such event and if the Borrowers (or any of them) do not immediately pay all such amounts upon receipt of such notice, either the Lenders (in accordance with the proviso in Section 14.11(a)) or the Agent on their behalf may, in their discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against the Borrowers authorized or permitted by law for the recovery of all the indebtedness and liabilities of the Borrowers to the Lenders and proceed to exercise any and all rights hereunder and under the other Documents and no such remedy for the enforcement of the rights of the Lenders shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

11.3 Conversion on Default

Upon the occurrence and during the continuance of an Event of Default, the Agent, on behalf of the Lenders, or the Operating Lender, as applicable, may convert, at the Equivalent Amount, if applicable and in the applicable currency, (a) any outstanding Loan (other than a Letter

of Credit) under the Syndicated Facility to either a Canadian Prime Rate Loan or (except in respect of the Syndicated Term Tranche) a U.S. Base Rate Loan (at the Equivalent Amount, if applicable) and (b) any outstanding Loan under the Operating Facility to a Canadian Prime Rate Loan or U.S. Base Rate Loan. Interest shall accrue on each such Loan at the rate specified in Article 5 with interest on all overdue interest at the same rate, such interest to be calculated daily and payable on demand.

11.4 Remedies Cumulative and Waivers

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Lenders and the Agent hereunder or under any other Document are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Lenders or by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other Document shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which any one or more of the Lenders and the Agent may be lawfully entitled for such default or breach. Any waiver by, as applicable, the Majority of the Lenders, the Lenders or the Agent of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein and any indulgence granted, either expressly or by course of conduct, by, as applicable, the Majority of the Lenders, the Lenders or the Agent shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Lenders or the Agent under this Agreement or any other Document as a result of any other default or breach hereunder or thereunder.

11.5 Termination of Lenders' Obligations

The occurrence of a Default or Event of Default shall relieve the Lenders of all obligations to provide any further Drawdowns, Rollovers or Conversions to each Borrower hereunder; provided that the foregoing shall not prevent the Lenders or the Agent from disbursing money or effecting any Conversion which, by the terms hereof, they are entitled to effect, or any Conversion or Rollover requested by a Borrower and acceptable to the Syndicated Facility Lenders and the Agent or the Operating Lender, as applicable.

11.6 Acceleration of All Lender Obligations

(1) If a Lender is actually aware of a Termination Event under Lender Financial Instruments to which it or a Hedging Affiliate is a party or if a Lender has delivered a Financial Instrument Demand for Payment to the Parent Borrower, another Borrower, another Material Subsidiary or another Subsidiary, then it shall promptly notify the Agent and other Lenders thereof.

(2) If an Acceleration Notice has been delivered to a Borrower, then, to the extent that it is not already the case, all Obligations, Bank Product Obligations and Lender Financial Instrument Obligations shall be immediately due and payable and each Lender, Hedging Affiliate, Bank Product Affiliate and the Agent shall (and shall be entitled to) promptly, and in any event within 3 Banking Days of receipt of notice of the foregoing, deliver such other Demands for Payment and notices as may be necessary to ensure that all Obligations, Bank Product Obligations

and Financial Instrument Obligations under Lender Financial Instruments are thereafter due and payable under this Agreement, the documentation relating to Bank Products and the Lender Financial Instruments, as applicable.

(3) Each agreement, indenture, instrument or other document evidencing or relating to a Bank Product or a Lender Financial Instrument shall, notwithstanding any provision thereof to the contrary, be deemed to be hereby amended to allow and permit the Lender which is a party thereto to comply with the provisions of this Section 11.6.

11.7 Application and Sharing of Payments Following Acceleration

Except as otherwise agreed to by all of the Lenders in their sole discretion, all monies and property received by the Lenders for application in respect of the Obligations, the Bank Product Obligations and the Financial Instrument Obligations under Lender Financial Instruments subsequent to the Adjustment Time and all monies received as a result of a realization upon the Security (collectively, the "**Realization Proceeds**") shall be applied and distributed to the Lenders and the Agent in the order and manner set forth below:

(a) firstly, distributed proportionately to the Lenders and the Agent in accordance with amounts owing to each Lender and the Agent on account of the costs and expenses of enforcement and realization upon the Security; and

(b) secondly, distributed Rateably to the Lenders, the Bank Product Affiliates and Hedging Affiliates on account of the Obligations, the Bank Product Obligations and the Financial Instrument Obligations under Lender Financial Instruments;

and the balance of the Realization Proceeds (if any) shall be paid to the Borrowers or otherwise as may be required by law; provided, however, that the Agent shall make such adjustments as it determines is appropriate with respect to payments and collections received from the other Loan Parties (or proceeds received in respect of such other Loan Parties' collateral) to preserve, as nearly as possible, the allocation to the Obligations otherwise set forth above in this Section 11.7 (assuming that, solely for the purposes of such adjustments, the Obligations include Excluded Swap Obligations, and (ii) the Bank Product Obligations and the Lender Financial Instrument Obligations under Lender Financial Instruments may be excluded from the application described above if the Agent has not received written notice thereof, together with such supporting documentation as the Agent may request, from the applicable Bank Product Affiliate or Hedging Affiliate, as applicable. Each Bank Product Affiliate or Hedging Affiliate not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Agent pursuant to the terms of Article 15 for itself and its Affiliates as if a "Lender" party hereto.

11.8 Calculations as at the Adjustment Time

For the purposes of this Agreement, if:

(a) a Financial Instrument Demand for Repayment has been delivered; or

(b) a Termination Event has occurred under any agreement evidencing a permitted Lender Financial Instrument;

then any amount which is payable by a Parent Borrower, another Borrower, another Material Subsidiary or another Subsidiary under such Lender Financial Instrument in settlement of obligations arising thereunder as a result of the early termination of the Lender Financial Instrument shall be deemed to have become payable at the time of delivery of such Financial Instrument Demand for Repayment or the time of occurrence of such Termination Event, as the case may be, notwithstanding that the amount payable by the Parent Borrower, another Borrower, another Material Subsidiary or another Subsidiary is to be subsequently calculated and notice thereof given to the Parent Borrower, such other Borrower, such other Material Subsidiary or such other Subsidiary in accordance with such Lender Financial Instrument.

11.9 Sharing Repayments

Each Lender agrees that, subsequent to the Adjustment Time, it will at any time and from time to time upon the request of the Agent purchase undivided participations in the Obligations owing under the Syndicated Facility and make any other adjustments which may be necessary or appropriate in order that Obligations under the Syndicated Facility which remain outstanding to each Lender are thereafter outstanding proportionately to the aggregate outstanding Obligations under the Syndicated Facility owing to all Lenders. The Parent Borrower agrees to do, or cause to be done (whether by the Parent Borrower, another Borrower, another Material Subsidiary or another Subsidiary), all things reasonably necessary or appropriate to give effect to any and all purchases and other adjustments by and between the Lenders pursuant to this Section. For certainty, subject to the Adjustment Time, all Realization Proceeds will be distributed pursuant to Section 11.7.

11.10 Pro Rata Obligations

After all Obligations are declared by the Agent to be due and payable pursuant to Section 11.2, each Syndicated Facility Lender and the Operating Lender each agree that (a) it will at any time or from time to time thereafter at the request of the Agent as required by any other such Lender, purchase at par on a non-recourse basis a participation in the Outstanding Principal owing to each of the other Lenders under the Syndicated Facility and/or the Operating Facility, as applicable, and make any other adjustments as are necessary or appropriate, in order that the Outstanding Principal owing to each of the Syndicated Facility Lenders and the Operating Lender, as adjusted pursuant to this Section 11.10, will be in the same proportion as each such Lender's individual aggregate Commitments under the Syndicated Facility and the Operating Facility were to the overall aggregate Commitments of all Lenders under the Syndicated Facility and the Operating Facility immediately prior to the Event of Default resulting in such declaration and (b) the amount of any repayment made by or on behalf of the Parent Borrower, the other Borrowers and the other Subsidiaries under the Documents or any proceeds received by the Agent or the Lenders in connection therewith will be applied by the Agent in a manner such that to the extent possible the amount of the Outstanding Principal owing to each Syndicated Facility Lender and the Operating Lender after giving effect to such application will be in the same proportion as each such Lender's individual aggregate Commitments under the Syndicated Facility and the Operating Facility were to the overall aggregate Commitments of all Lenders under the Syndicated

Facility and the Operating Facility immediately prior to the Event of Default resulting in such declaration.

11.11 Acknowledgment Regarding Any Supported QFCs

To the extent that the Documents provide support, through a guarantee or otherwise, for Lender Financial Instruments or any other agreement or instrument that is a QFC (such support, a "**QFC Credit Support**" and each such QFC, a "**Supported QFC**"), the parties hereto acknowledge and agree as follows with respect to the U.S. Special Resolution Regimes in respect of such Supported QFC and QFC Credit Support (with the following provision applicable notwithstanding that the Documents and any Supported QFC may in fact be stated to be governed by the laws of Alberta and the federal laws of Canada applicable therein:

In the event that a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

ARTICLE 12- CHANGE OF CIRCUMSTANCES

12.1 Benchmark Replacement Setting

(1) **Benchmark Replacement.**

(a) Notwithstanding anything to the contrary herein or in any other Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of any then-current Benchmark, then (A) if a Benchmark Replacement is determined in accordance with clause (a)(i) or (b)(i) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Document and (B) if a Benchmark Replacement is determined in accordance with clause (a)(ii), (b)(ii) or (c) of the definition of "Benchmark Replacement" for such Benchmark

Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other Document in respect of any Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Banking Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(b) If the Benchmark Replacement is based upon Daily Simple SOFR or Daily Compounded CORRA, all interest payments on Benchmark Loans which bear interest with reference to such rate will be payable on a monthly basis.

(2) **Conforming Changes.** In connection with the use or administration of any Benchmark, or the use, administration, adoption or implementation of a Benchmark Replacement, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Document.

(3) **Notices; Standards for Decisions and Determinations.** The Agent will promptly notify the Borrowers and the Lenders of (i) the implementation of any Benchmark Replacement or (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Agent will notify the Borrowers of (A) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 12.1(4) and (B) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 12.1, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Document, except, in each case, as expressly required pursuant to this Section 12.1.

(4) **Unavailability of Tenor of Benchmark.** Notwithstanding anything to the contrary herein or in any other Document, at any time (including in connection with the implementation of any Benchmark Replacement), (i) if any then-current Benchmark is based upon a term rate (including the Term SOFR Reference Rate or the Term CORRA Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its discretion, acting reasonably, or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement

that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(5) **Benchmark Unavailability Period.** Upon the applicable Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (i) the applicable Borrower may revoke any pending request for a Drawdown of, Conversion to or Rollover of any Benchmark Loan, which are of the type that have a rate of interest determined by reference to the then-current Benchmark, to be made, Converted or Rolled Over during any applicable Benchmark Unavailability Period and, failing that, the applicable Borrower will be deemed to have converted any such request into a request for a Drawdown of or Conversion to the applicable Benchmark Fallback Loans and (ii) any outstanding affected Benchmark Loans will be deemed to have been Converted to the applicable Benchmark Fallback Loans, at the end of the applicable Interest Period. During any Benchmark Unavailability Period for any then-current Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of the U.S. Base Rate or the Canadian Prime Rate, as applicable, based upon such Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the U.S. Base Rate or the Canadian Prime Rate, as applicable.

12.2 Temporary Market Disruption

If:

(a) the Agent determines (which determination shall be conclusive and binding absent manifest error) that any Benchmark cannot be determined pursuant to the definition thereof; or

(b) the Lenders holding Commitments which constitute at least 35% of the overall aggregate Commitments determine that for any reason in connection with any request for any Benchmark Loan, or a Conversion thereto or a Rollover thereof that the applicable Benchmark with respect to a proposed Benchmark Loan (or for any requested Interest Period thereof) does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Benchmark Loan, and such Lenders have provided notice of such determination to the Agent,

then, in each case, the Agent will promptly so notify the Borrowers and each Lender. Upon notice thereof by the Agent to the Borrowers, any obligation of the Lenders to make such Benchmark Loans, and any right of the Borrowers to Rollover such Benchmark Loans, or to Convert any other Loans into such Benchmark Loans, shall be suspended (to the extent of the affected Benchmark Loans or affected Interest Periods) until the Agent (with respect to clause (b), at the instruction of Lenders holding at least such proportion of the overall aggregate Commitments) revokes such notice.

Upon receipt of such notice:

(i) in respect of any affected SOFR Loans, (A) the applicable Borrower may revoke any pending request for a Drawdown of, Conversion to or Rollover

of such SOFR Loans (to the extent of the affected SOFR Loans or affected Interest Periods) or, failing such revocation, the applicable Borrower will be deemed to have converted any such request into a request for a Drawdown of or Conversion to U.S. Base Rate Loans in the amount specified therein and (B) any such outstanding affected SOFR Loans will be deemed to have been Converted into the U.S. Base Rate Loans at the end of the applicable Interest Period; and

(ii) in respect of any affected CORRA Loans, (A)(1) the applicable Borrower may revoke any pending request for a Drawdown of, Conversion to or Rollover of such CORRA Loans (to the extent of such affected CORRA Loans or affected Interest Periods), (2) in respect of Term CORRA Loans, the applicable Borrower may elect to Convert any such request into a request for a Drawdown of, or Conversion to, Daily Compounded CORRA Loans or Canadian Prime Rate Loans, or, failing such revocation or election (3) the applicable Borrower will be deemed to have converted any such request into a request for a Drawdown of or Conversion to Canadian Prime Rate Loans, in the amount specified therein, and (B)(1) in respect of Term CORRA Loans, the applicable Borrower may elect to convert any outstanding affected Term CORRA Loans at the end of the applicable Interest Period, into Daily Compounded CORRA Loans or Canadian Prime Rate Loans, and (2) otherwise, or failing such election, any outstanding CORRA Loans will be deemed to have been converted, at the end of the applicable Interest Period into Prime Rate Loans,

in each case, upon any such Conversion, the applicable Borrower shall also pay accrued interest on the amount so Converted, together with any additional amounts required pursuant to Section 2.17(1). Subject to Section 12.1, if the Agent determines (which determination shall be conclusive and binding absent manifest error) that any Benchmark cannot be determined pursuant to the definition thereof on any given day, the interest rate on U.S. Base Rate Loans or Canadian Prime Rate Loans, as applicable, shall be determined by the Agent without reference to clause (c) of the definition of "U.S. Base Rate" or clause (b) of the definition of "Canadian Prime Rate" until the Agent revokes such determination.

12.3 Change in Law

(1) If the adoption of any applicable law, regulation, treaty or official directive (whether or not having the force of law) or any change therein or in the interpretation or application thereof by any court or by any Governmental Authority or any other entity charged with the interpretation or administration thereof or compliance by a Lender with any request or direction (whether or not having the force of law) of any such authority or entity in each case after the date of this Agreement:

(a) subjects such Lender to, or causes the withdrawal or termination of a previously granted exemption with respect to, any Taxes, or changes the basis of taxation of payments due to such Lender, or increases any existing Taxes on payments of

principal, interest or other amounts payable by a Loan Party to such Lender under this Agreement;

(b) imposes, modifies or deems applicable any reserve, liquidity, special deposit, regulatory or similar requirement against assets or liabilities held by, or deposits in or for the account of, or loans by such Lender, or any acquisition of funds for loans or commitments to fund loans or obligations in respect of undrawn or committed lines of credit;

(c) imposes on such Lender or requires there to be maintained by such Lender any capital adequacy or additional capital requirements (including a requirement which affects such Lender's allocation of capital resources to its obligations) in respect of any Loan or obligation of such Lender hereunder, or any other condition with respect to this Agreement; or

(d) directly or indirectly affects the cost to such Lender of making available, funding or maintaining any Loan or otherwise imposes on such Lender any other condition or requirement affecting this Agreement or any Loan or any obligation of such Lender hereunder;

and the result of (a), (b), (c) or (d) above, in the sole determination of such Lender acting in good faith, is:

(e) to increase the cost to such Lender of performing its obligations hereunder with respect to any Loan;

(f) to reduce any amount received or receivable by such Lender hereunder or its effective return hereunder or on its capital in respect of any Loan or any Credit Facility;

(g) to reduce the standby fees payable pursuant to Section 5.8; or

(h) to cause such Lender to make any payment with respect to or to forego any return on or calculated by reference to, any amount received or receivable by such Lender hereunder with respect to any Loan or any Credit Facility;

such Lender shall determine that amount of money which shall compensate the Lender for such increase in cost, payments to be made or reduction in income or return or interest foregone (herein referred to as "**Additional Compensation**"). Upon a Lender having determined that it is entitled to Additional Compensation in accordance with the provisions of this Section, the Lender shall promptly so notify the applicable Borrower or Borrowers and, in the case of the Syndicated Facility, the Agent. The relevant Lender shall provide the applicable Borrower or Borrowers and, in the case of the Syndicated Facility, the Agent with a photocopy of the relevant law, rule, guideline, regulation, treaty or official directive (or, if it is impracticable to provide a photocopy, a written summary of the same) and a certificate of a duly authorized officer of such Lender setting forth the Additional Compensation and the basis of calculation therefor, which shall be conclusive evidence of such Additional Compensation in the absence of manifest error. The applicable Borrower or Borrowers shall pay to such Lender within 10 Banking Days of the giving of such

notice such Lender's Additional Compensation. Each of the Lenders shall be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this Section are then applicable notwithstanding that any Lender has previously been paid any Additional Compensation.

(2) Notwithstanding anything herein to the contrary, (i) any provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act and all regulations, requests, rules, guidelines or directives thereunder or issued in connection therewith, in each case not announced or known and implemented before the date of this Agreement that are applicable to a Lender making a claim for compensation under Section 12.3 and (ii) all regulations, requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States, Canadian or other regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "change in law" for the purposes of this Section 12.3 (and shall without limitation include the implementation by a Lender of Basel IV), regardless of the date enacted, adopted or issued, in each case, to the extent materially different from that in effect of the date of this Agreement.

(3) Each Lender agrees that it will not claim Additional Compensation from a Borrower under Section 12.3(1) if it is not generally claiming similar compensation from its other customers in similar circumstances or in respect of any period greater than 3 months prior to the delivery of notice in respect thereof by such Lender, unless, in the latter case, the adoption, change or other event or circumstance giving rise to the claim for Additional Compensation is retroactive or is retroactive in effect.

12.4 Prepayment of Portion

In addition to the other rights and options of the Borrowers hereunder and notwithstanding any contrary provisions hereof, if a Lender gives the notice provided for in Section 12.3 with respect to any Loan (an "**Affected Loan**"), the applicable Borrower may, upon 2 Banking Days' notice to that effect given to such Lender and, in the case of the Syndicated Facility, the Agent (which notice shall be irrevocable), either effect a Conversion in accordance with the provisions hereof (if such Conversion would reduce the applicable Additional Compensation) and/or prepay in full without penalty such Lender's Rateable Portion of the Affected Loan outstanding together with accrued and unpaid interest on the principal amount so prepaid up to the date of such prepayment, such Additional Compensation as may be applicable to the date of such payment and all costs, losses and expenses incurred by such Lender by reason of the liquidation or re deployment of deposits or other funds or for any other reason whatsoever resulting from the repayment of such Affected Loan or any part thereof on other than the last day of the applicable Interest Period, and upon such payment being made that Lender's obligations to make such Affected Loans to such Borrower under this Agreement shall terminate.

12.5 Illegality

If a Lender determines, in good faith, that (a) the adoption of any applicable law, regulation, treaty or official directive (whether or not having the force of law) or any change therein or in the interpretation or application thereof by any court or by any Governmental Authority or

any other entity charged with the interpretation or administration thereof or compliance by a Lender or its Lender Parent with any request or direction (whether or not having the force of law) of any such authority or entity, now or hereafter makes it unlawful or impossible for any Lender or for its Lender Parent to permit such Lender to make, fund or maintain a Loan under any Credit Facility or to give effect to its obligations in respect of such a Loan, or (b) as a result of a change in Borrowers under the facility pursuant to Section 2.25, any Lender determines, acting reasonably, that any Applicable Law has made it unlawful, or any Governmental Authority has asserted that it is unlawful, for such Lender or for its Lender Parent to make, fund or maintain a Loan under any Credit Facility or to give effect to its obligations in respect of such Loan, such Lender may, by written notice thereof to applicable Borrower or Borrowers and the Agent declare its obligations under this Agreement in respect of such Loan to be terminated whereupon the same shall forthwith terminate, and the applicable Borrower or Borrowers shall, within the time required by such law (or at the end of such longer period as such Lender at its discretion has agreed), either effect a Conversion of such Loan in accordance with the provisions hereof (if such Conversion would resolve the unlawfulness or impossibility) or prepay the principal of such Loan (including by providing cash collateral in respect of outstanding Letters of Credit in accordance with the provisions hereof) together with accrued interest, such Additional Compensation as may be applicable with respect to such Loan to the date of such payment and all costs, losses and expenses incurred by the Lenders by reason of the liquidation or re-deployment of deposits or other funds or for any other reason whatsoever resulting from the repayment of such Loan or any part thereof on other than the last day of the applicable Interest Period. If any such change shall only affect a portion of such Lender's obligations under this Agreement which is, in the opinion of such Lender and the Agent, severable from the remainder of this Agreement so that the remainder of this Agreement may be continued in full force and effect without otherwise affecting any of the obligations of the Agent, the other Lenders or the Borrowers hereunder, such Lender shall only declare its obligations under that portion so terminated.

ARTICLE 13- COSTS, EXPENSES AND INDEMNIFICATION

13.1 Costs and Expenses

Each Borrower shall pay promptly upon notice from the Agent all reasonable out-of-pocket costs and expenses of the Lenders and the Agent, including travel expenses of Royal Bank of Canada and direct expenses related to posting documentation, correspondence and related matters on Intralinks (or any other document sharing service used by the Agent in connection with the Credit Facilities) including, for certainty, annual fees charged in connection therewith, in connection with the Documents and the establishment and syndication of the applicable Credit Facilities, including in connection with preparation, printing, execution and delivery of this Agreement and the other Documents whether or not any Drawdown has been made hereunder, and also including the reasonable fees and out-of-pocket costs and expenses of Lenders' Counsel with respect thereto and with respect to advising the Agent and the Lenders as to their rights and responsibilities under this Agreement and the other Documents. Except for ordinary expenses of the Lenders and the Agent relating to the day to day administration of this Agreement, the Borrowers further agree to pay within 30 days of demand by the Agent all reasonable out-of-pocket costs and expenses in connection with the preparation or review of waivers, consents and amendments pertaining to this Agreement (whether or not the transactions contemplated thereby shall be consummated), and in connection with the establishment of the validity and enforceability

of this Agreement and the preservation or enforcement of rights of the Lenders and the Agent under this Agreement and other Documents, including all reasonable out-of-pocket costs and expenses sustained by the Lenders and the Agent as a result of any failure by a Borrower to perform or observe any of its obligations hereunder or in connection with any action, suit or proceeding (whether or not an Indemnified Party is a party or subject thereto) and all out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Credit Facilities, this Agreement and the other Documents, together with interest thereon from and after such 30th day if such payment is not made by such time.

13.2 General Indemnity

In addition to any liability of any Borrower to any Lender or the Agent under any other provision hereof, each Borrower shall indemnify each Indemnified Party and hold each Indemnified Party harmless against any losses, claims, costs, damages or liabilities (including any expense or cost incurred in the liquidation and re deployment of funds acquired to fund or maintain any portion of a Loan and reasonable out-of-pocket expenses and reasonable legal fees on a solicitor and his own client basis) incurred by the same as a result of or in connection with the Credit Facilities or the Documents, including as a result of or in connection with:

(a) the execution or delivery of this Agreement, any other Document or any agreement or instrument contemplated hereby or thereby, the consummation of the transactions contemplated hereby, or, in the case of the Agent (and any sub agent thereof) and its Related Parties only, the administration of this Agreement and the other Documents;

(b) any Loan or the use or proposed use of the proceeds therefrom (including any refusal by the Operating Lender or an issuer of a Letter of Credit to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit);

(c) any cost or expense incurred by reason of the liquidation or re-deployment in whole or in part of deposits or other funds required by any Lender to fund or maintain any Loan as a result of a Borrower's failure to complete a Drawdown or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder;

(d) a Borrower's failure to pay any other amount, including any interest or fee, due hereunder on its due date after the expiration of any applicable grace or notice periods (subject, however, to the interest obligations of such Borrowers hereunder for overdue amounts);

(e) a Borrower's repayment or prepayment of a CORRA Loan or a SOFR Loan otherwise than on the last day of its Interest Period;

(f) a Borrower's failure to give any notice required to be given by it to the Agent or the Lenders hereunder;

(g) the failure of a Borrower to make any other payment due hereunder;

(h) any inaccuracy or incompleteness of a Borrower's representations and warranties contained in Article 9;

(i) any failure of a Borrower to observe or fulfil its obligations under Article 10;

(j) without limiting the foregoing, any inaccuracy or incompleteness of any Borrower's representation and warranty contained in Section 8.1(cc);

(k) any failure of any Borrower to fulfil its obligations under Section 5.6(4) hereof;

(l) any failure of a Borrower to observe or fulfil any other Obligation not specifically referred to above;

(m) the occurrence of any Default or Event of Default in respect of a Borrower; or

(n) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by a Borrower or any other Loan Party, and regardless of whether any Indemnified Party is a party thereto, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNIFIED PARTY**,

provided that this Section shall not apply to any losses, claims, costs, damages or liabilities that arise (i) by reason of the gross negligence or wilful misconduct of the Indemnified Party claiming indemnity hereunder, as determined by a court of competent jurisdiction by final and nonappealable judgment or (ii) in connection with any dispute or proceeding solely among Indemnified Parties, other than claims (x) against the Agent in its capacity or fulfilling its role as Agent or (y) arising out of any act or omission of any Borrower, any other Loan Party or any Affiliate of any Loan Party, in each of the foregoing clauses (i) and (ii), as determined by a court of competent jurisdiction by final and nonappealable judgment. Without limiting the provisions of Section 7.5, this Section 13.2 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claims. The provisions of this Section shall survive repayment of the Obligations.

13.3 Environmental Indemnity

(1) Each Borrower shall indemnify and hold harmless the Indemnified Parties forthwith on demand by the Agent from and against any and all claims, suits, actions, debts, damages, costs, losses, liabilities, penalties, obligations, judgments, charges, expenses and disbursements (including all reasonable legal fees and disbursements on a solicitor and his own client basis) of any nature whatsoever, suffered or incurred by the Indemnified Parties or any of them in connection with any Credit Facility, whether as beneficiaries under the Documents, as successors in interest of the Parent Borrower, any other Borrower or any of the other Subsidiaries, or voluntary transfer in lieu of foreclosure, or otherwise howsoever, with respect to any Environmental Claims relating to the property of the Parent Borrower, any other Borrower or any of the other Subsidiaries arising under any Environmental Laws as a result of the past, present or future operations of the Parent Borrower, any other Borrower or any of the other Subsidiaries (or

any predecessor in interest to the Parent Borrower, any other Borrower or any of the other Subsidiaries) relating to the property of the Parent Borrower, the other Borrowers or any of the other Subsidiaries, or the past, present or future condition of any part of the property of the Parent, any other Borrower or any of the other Subsidiaries owned, operated or leased by the Parent Borrower, any other Borrower or any of the other Subsidiaries (or any such predecessor in interest), including any liabilities arising as a result of any indemnity covering Environmental Claims given to any person by the Lenders or the Agent or a receiver, receiver manager or similar person appointed hereunder or under applicable law (collectively, the "**Indemnified Third Party**"); but excluding any Environmental Claims or liabilities relating thereto to the extent that such Environmental Claims or liabilities arise by reason of the gross negligence or wilful misconduct of the Indemnified Party or the Indemnified Third Party claiming indemnity hereunder. The provisions of this Section shall survive the repayment of the Obligations.

(2) For the purposes of providing the benefit of the indemnities contained in Sections 14.2 and 13.3 in favour of the Indemnified Parties and Indemnified Third Parties which are not a party hereto, the applicable Lender or the Agent, as the case may be, shall, in addition to contracting on its own behalf, be deemed to be contracting as agent and trustee for and on behalf of such persons.

13.4 Judgment Currency

(1) If for the purpose of obtaining or enforcing judgment against a Borrower in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section referred to as the "**Judgment Currency**") an amount due in Canadian Dollars or United States Dollars under this Agreement, the conversion shall be made at the rate of exchange prevailing on the Banking Day immediately preceding:

(a) the date of actual payment of the amount due, in the case of any proceeding in the courts of any jurisdiction that will give effect to such conversion being made on such date; or

(b) the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section being hereinafter in this Section referred to as the "**Judgment Conversion Date**").

(2) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 13.4(1)(b), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable Borrower shall pay such additional amount (if any) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of Canadian Dollars or United States Dollars, as the case may be, which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date.

(3) Any amount due from a Borrower under the provisions of Section 13.4(2) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement.

(4) The term "rate of exchange" in this Section 13.4 means the rate of exchange for Canadian interbank transactions in Canadian Dollars or United States Dollars, as the case may be, in the Judgment Currency published by the Bank of Canada at approximately the end of business (Toronto time) on the Banking Day immediately preceding the day in question, or if such rate is not so published by the Bank of Canada, such term shall mean the Equivalent Amount of the Judgment Currency.

ARTICLE 14- THE AGENT AND ADMINISTRATION OF THE CREDIT FACILITIES

14.1 Authorization and Action

(1) Each Lender hereby irrevocably appoints and authorizes the Agent to be its agent in its name and on its behalf to exercise such rights or powers granted to the Agent or the Lenders under this Agreement to the extent specifically provided herein and on the terms hereof, together with such powers as are reasonably incidental thereto and the Agent hereby accepts such appointment and authorization. As to any matters not expressly provided for by this Agreement, the Agent shall not be required to exercise any discretion or take any action, but, subject to Section 15.10, shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority of the Lenders and such instructions shall be binding upon all Lenders; provided, however, that the Agent shall not be required to take any action which exposes the Agent to liability in such capacity or which could result in the Agent's incurring any costs and expenses, without provision being made for indemnity of the Agent by the Lenders against any loss, liability, cost or expense incurred, or to be incurred or which is contrary to this Agreement or applicable law.

(2) The Lenders agree that all decisions as to actions to be or not to be taken, as to consents or waivers to be given or not to be given, as to determinations to be made and otherwise in connection with this Agreement and the Documents, shall be made upon the decision of the Majority of the Lenders except in respect of a decision or determination where it is specifically provided in this Agreement that "all of the Lenders" or "the Lenders" or words to similar effect, or the Agent alone, is to be responsible for same. Each of the Lenders shall be bound by and agrees to abide by and adopt all decisions made as aforesaid and covenants in all communications with the Borrowers to act in concert and to join in the action, consent, waiver, determination or other matter decided as aforesaid.

(3) For certainty, the Agent is authorized to execute and deliver the Security.

14.2 Procedure for Making Loans

(1) With respect to the Syndicated Facility, the Agent shall make Loans available to the Borrowers as required hereunder by debiting the account of the Agent to which the Lenders' Rateable Portions of such Loans have been credited in accordance with Section 2.12 (or causing such account to be debited) and, in the absence of other arrangements agreed to by the Agent and

the applicable Borrower in writing, by crediting the account of such Borrower or, at the expense of such Borrower, transferring (or causing to be transferred) like funds in accordance with the instructions of such Borrower as set forth in the Drawdown Notice, Rollover Notice or Conversion Notice, as the case may be, in respect of each Loan; provided that the obligation of the Agent hereunder to effect such a transfer shall be limited to taking such steps as are commercially reasonable to implement such instructions, which steps once taken shall constitute conclusive and binding evidence that such funds were advanced hereunder in accordance with the provisions relating thereto and the Agent shall not be liable for any damages, claims or costs which may be suffered by the Parent Borrower and occasioned by the failure of such Loan to reach the designated destination.

(2) With respect to the Syndicated Facility, unless the Agent has been notified by a Lender at least one Banking Day prior to the Drawdown Date, Rollover Date or Conversion Date, as the case may be, requested by a Borrower that such Lender will not make available to the Agent its Rateable Portion of such Loan, the Agent may assume that such Lender has made or will make such portion of the Loan available to the Agent on the Drawdown Date, Rollover Date or Conversion Date, as the case may be, in accordance with the provisions hereof and the Agent may, but shall be in no way obligated to, in reliance upon such assumption, make available to such Borrower on such date a corresponding amount. If and to the extent such Lender shall not have so made its Rateable Portion of a Loan available to the Agent, such Lender agrees to pay to the Agent forthwith on demand such Lender's Rateable Portion of the Loan and all reasonable costs and expenses incurred by the Agent in connection therewith together with interest thereon (at the rate payable hereunder by such Borrower in respect of such Loan) for each day from the date such amount is made available to such Borrower until the date such amount is paid to the Agent; provided, however, that notwithstanding such obligation if such Lender fails to so pay, such Borrower covenants and agrees that, without prejudice to any rights such Borrower may have against such Lender, it shall repay such amount to the Agent forthwith after demand therefor by the Agent. The amount payable to the Agent pursuant hereto shall be set forth in a certificate delivered by the Agent to such Lender and the applicable Borrower (which certificate shall contain reasonable details of how the amount payable is calculated) and shall be *prima facie* evidence thereof, in the absence of manifest error. If such Lender makes the payment to the Agent required herein, the amount so paid shall constitute such Lender's Rateable Portion of the Loan for purposes of this Agreement. The failure of any Lender to make its Rateable Portion of any Loan shall not relieve any other Lender of its obligation, if any, hereunder to make its Rateable Portion of such Loan on the Drawdown Date, Rollover Date or Conversion Date, as the case may be, but no Lender shall be responsible for the failure of any other Lender to make the Rateable Portion of any Loan to be made by such other Lender on the date of any Drawdown, Rollover or Conversion, as the case may be.

14.3 Remittance of Payments

Except for amounts payable to the Agent for its own account, forthwith after receipt of any repayment pursuant hereto or payment of interest or fees pursuant to Article 5 or payment pursuant to Article 8, the Agent shall remit to each applicable Lender its Rateable Portion of such payment; provided that, if the Agent, on the assumption that it will receive on any particular date a payment of principal, interest or fees hereunder, remits to a Lender its Rateable Portion of such payment and the applicable Borrower fails to make such payment, each of the Lenders on receipt

of such remittance from the Agent agrees to repay to the Agent forthwith on demand an amount equal to the remittance together with all reasonable costs and expenses incurred by the Agent in connection therewith and interest thereon at the rate and calculated in the manner applicable to the Loan in respect of which such payment is made for each day from the date such amount is remitted to the Lenders without prejudice to any right such Lender may have against the applicable Borrower. The exact amount of the repayment required to be made by the Lenders pursuant hereto shall be as set forth in a certificate delivered by the Agent to each Lender, which certificate shall be conclusive and binding for all purposes in the absence of manifest error.

14.4 Redistribution of Payment

Each Lender agrees that:

(a) if the Lender exercises any security against or right of counter claim, set off or banker's lien or similar right with respect to the property of the Parent Borrower, any other Borrower or any other Subsidiary or if under any applicable bankruptcy, insolvency or other similar law it receives a secured claim and collateral for which it is, or is entitled to exercise any set off against, a debt owed by it to the Parent Borrower, any other Borrower or any other Subsidiary, the Lender shall apportion the amount thereof proportionately between:

(i) such Lender's Rateable Portion of all outstanding Obligations owing by the applicable Borrower, which amounts shall be applied in accordance with Section 14.4(b); and

(ii) amounts otherwise owed to such Lender by the Parent Borrower, the other Borrowers and the other Subsidiaries,

provided that (i) any cash collateral account held by such Lender as collateral for a letter of credit issued or accepted by such Lender on behalf of the Parent Borrower, any other Borrower or any other Subsidiary which is Permitted Debt may be applied by such Lender to such amounts owed by the Parent Borrower, such other Borrower or such other Subsidiary, as the case may be, to such Lender pursuant to such letter of credit without apportionment and (ii) these provisions do not apply to:

(A) a right or claim which arises or exists in respect of a loan or other debt in respect of which the relevant Lender holds a Security Interest which is a Permitted Encumbrance;

(B) cash collateral provided, or the exercise of rights of counterclaim, set-off or banker's lien or similar rights, in respect of account positioning arrangements for the Parent Borrower, the other Borrowers and the other Subsidiaries provided by a Lender in the ordinary course of business or in respect of other cash management services provided by a Lender in the ordinary course of business;

(C) any reduction in amounts owing by a Lender (or its Hedging Affiliates) to the Parent Borrower, any other Borrower or any other

Subsidiary upon the termination of Lender Financial Instruments entered into with the relevant Lender (or its Hedging Affiliates); or

(D) any payment to which a Lender is entitled as a result of any credit derivative or other form of credit protection obtained by such Lender;

(b) if, in the aforementioned circumstances, the Lender, through the exercise of a right, or the receipt of a secured claim described in Section 14.4(a) above or otherwise, receives payment of a proportion of the aggregate amount of Obligations due to it hereunder which is greater than the proportion received by any other Lender in respect of the aggregate Obligations due to the Lenders (having regard to the respective Rateable Portions of the Lenders), the Lender receiving such proportionately greater payment shall purchase, on a non-recourse basis at par, and make payment for a participation (which shall be deemed to have been done simultaneously with receipt of such payment) in the outstanding Loans of the other Lender or Lenders so that their respective receipts shall be pro rata to their respective Rateable Portions; provided, however, that if all or part of such proportionately greater payment received by such purchasing Lender shall be recovered by or on behalf of a Borrower or any trustee, liquidator, receiver or receiver manager or person with analogous powers from the purchasing Lender, such purchase shall be rescinded and the purchase price paid for such participation shall be returned to the extent of such recovery, but without interest unless the purchasing Lender is required to pay interest on such amount, in which case each selling Lender shall reimburse the purchasing Lender pro rata in relation to the amounts received by it. Such Lender shall exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section to share in the benefits of any recovery on such secured claims; and

(c) if the Lender does, or is required to do, any act or thing permitted by Section 14.4(a) or (b) above, it shall promptly provide full particulars thereof to the Agent.

14.5 Duties and Obligations

Neither the Agent nor any of its directors, officers, agents or employees (and, for purposes hereof, the Agent shall be deemed to be contracting as agent and trustee for and on behalf of such persons) shall be liable to the Lenders for any action taken or omitted to be taken by it or them under or in connection with this Agreement except for its or their own gross negligence or wilful misconduct. Without limiting the generality of the foregoing, the Agent:

(a) may assume that there has been no assignment or transfer by any means by the Lenders of their rights hereunder, unless and until the Agent receives written notice of the assignment thereof from such Lender and the Agent receives from the assignee an executed Assignment Agreement providing, *inter alia*, that such assignee is bound hereby as it would have been if it had been an original Lender party hereto;

(b) may consult with legal counsel (including receiving the opinions of Borrowers' counsel and Lenders' Counsel required hereunder), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts;

(c) shall incur no liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, cable, telecopier or telex) believed by it to be genuine and signed or sent by the proper party or parties or by acting upon any representation or warranty of a Borrower made or deemed to be made hereunder;

(d) may assume that no Default or Event of Default has occurred and is continuing unless it has actual knowledge to the contrary;

(e) may rely as to any matters of fact which might reasonably be expected to be within the knowledge of any person upon a certificate signed by or on behalf of such person;

(f) shall not be bound to disclose to any other person any information relating to the Parent Borrower, any other Borrower, any of the other Subsidiaries or any other person if such disclosure would or might in its opinion constitute a breach of any applicable law, be in default of the provisions hereof or be otherwise actionable at the suit of any other person; and

(g) may refrain from exercising any right, power or discretion vested in it which would or might in its reasonable opinion be contrary to any applicable law or any directive or otherwise render it liable to any person, and may do anything which is in its reasonable opinion necessary to comply with such applicable law.

Further, the Agent (i) does not make any warranty or representation to any Lender nor shall it be responsible to any Lender for the accuracy or completeness of the representations and warranties of the Borrowers herein or the data made available to any of the Lenders in connection with the negotiation of this Agreement, or for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (ii) shall not have any duty to ascertain or to enquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Borrowers or to inspect the property (including the books and records) of the Parent Borrower, the other Borrowers or any of the other Subsidiaries; and (iii) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any instrument or document furnished pursuant hereto.

14.6 Prompt Notice to the Lenders

Notwithstanding any other provision herein, the Agent agrees to provide to the Lenders, with copies where appropriate, all information, notices and reports required to be given to the Agent by the Borrowers, promptly upon receipt of same, excepting therefrom information and notices relating solely to the role of Agent hereunder.

14.7 Agent's and Lenders' Authorities

With respect to its Commitments and the Drawdowns, Rollovers, Conversions and Loans made by it as a Lender, the Agent shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not the Agent. Subject to the express provisions hereof relating to the rights and obligations of the Agent and the Lenders in such capacities, the Agent and each Lender may accept deposits from, lend money to, and generally engage in any kind of business with the Parent Borrower, the other Borrowers and the other Subsidiaries or any corporation or other entity owned or controlled by any of them and any person which may do business with any of them without any duties to account therefor to the Agent or the other Lenders and, in the case of the Agent, all as if it was not the Agent hereunder.

14.8 Lender Credit Decision

It is understood and agreed by each Lender that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, condition, affairs, status and nature of the Parent Borrower, the other Borrowers and the other Subsidiaries. Each Lender represents to the Agent that it is engaged in the business of making and evaluating the risks associated with commercial revolving loans or term loans, or both, to corporations similar to the Borrowers, that it can bear the economic risks related to the transaction contemplated hereby, that it has had access to all information deemed necessary by it in making such decision (provided that this representation shall not impair its rights against the Borrowers) and that it is entering into this Agreement in the ordinary course of its commercial lending business. Accordingly, each Lender confirms with the Agent that it has not relied, and will not hereafter rely, on the Agent (i) to check or enquire on its behalf into the adequacy, accuracy or completeness of any information provided by a Borrower or any other person under or in connection with this Agreement or the transactions herein contemplated (whether or not such information has been or is hereafter distributed to such Lender by the Agent), or (ii) to assess or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of the Parent Borrower, the other Borrowers or any of the other Subsidiaries. Each Lender acknowledges that a copy of this Agreement has been made available to it for review and each Lender acknowledges that it is satisfied with the form and substance of this Agreement. Each Lender hereby covenants and agrees that, subject to Section 14.4, it will not make any arrangements with a Borrower for the satisfaction of any Loans or other Obligations without the consent of all the other Lenders.

14.9 Indemnification of Agent

The Lenders hereby agree to indemnify the Agent (to the extent not reimbursed by a Borrower or Borrowers), on a *pro rata* basis in accordance with their respective Commitments as a proportion of the aggregate of all outstanding Commitments, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent under or in respect of this Agreement in its capacity as Agent; provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs expenses or disbursements resulting from the Agent's gross

negligence or wilful misconduct. If a Borrower subsequently repays all or a portion of such amounts to the Agent, the Agent shall reimburse the Lenders their *pro rata* shares (according to the amounts paid by them in respect thereof) of the amounts received from such Borrower. Without limiting the generality of the foregoing, each Lender agrees to reimburse the Agent promptly upon demand for its portion (determined as above) of any out-of-pocket expenses (including counsel fees) incurred by the Agent in connection with the preservation of any rights of the Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Agent is not reimbursed for such expenses by the Borrowers.

14.10 Successor Agent

The Agent may, as hereinafter provided, resign at any time by giving 45 days' prior written notice thereof to the Lenders and the Parent Borrower. Upon any such resignation, the Lenders shall, after soliciting the views of the Parent Borrower, have the right to appoint another Lender as a successor agent (the "**Successor Agent**") who shall be acceptable to the Parent Borrower, acting reasonably. If no Successor Agent shall have been so appointed by the Lenders and shall have accepted such appointment within 30 days after the retiring Agent's giving of notice of resignation, then the retiring Agent shall, on behalf of the Lenders, appoint a Successor Agent who shall be a Lender acceptable to the Parent Borrower, acting reasonably. Upon the acceptance of any appointment as Agent hereunder by a Successor Agent, such Successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall thereupon be discharged from its further duties and obligations as Agent under this Agreement. After any retiring Agent's resignation hereunder as Agent, the provisions of this Article shall continue to enure to its benefit as to any actions taken or omitted to be taken by it as Agent or in its capacity as Agent while it was Agent hereunder.

14.11 Taking and Enforcement of Remedies

Each of the Lenders hereby acknowledges that, to the extent permitted by applicable law, the remedies provided hereunder to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder are to be exercised not severally, but collectively by the Agent upon the decision of the Majority of the Lenders regardless of whether acceleration was made pursuant to Section 11.2. Notwithstanding any of the provisions contained herein, each of the Lenders hereby covenants and agrees that it shall not be entitled to individually take any action with respect to any Credit Facility, including any acceleration under Section 11.2, but that any such action shall be taken only by the Agent with the prior written agreement or instructions of the Majority of the Lenders; provided that, notwithstanding the foregoing, if (a) the Agent, having been adequately indemnified against costs and expenses of so doing by the Lenders, shall fail to carry out any such instructions of a Majority of the Lenders, any Lender may do so on behalf of all Lenders and shall, in so doing, be entitled to the benefit of all protections given the Agent hereunder or elsewhere, and (b) in the absence of instructions from the Majority of the Lenders and where in the sole opinion of the Agent the exigencies of the situation warrant such action, the Agent may without notice to or consent of the Lenders or any of them take such action on behalf of the Lenders as it deems appropriate or desirable in the interests of the Lenders. Each of the Lenders hereby further covenants and agrees that upon any such written consent being given by the Majority of the Lenders, or upon a Lender

or the Agent taking action as aforesaid, it shall cooperate fully with the Lender or the Agent to the extent requested by the Lender or the Agent in the collective realization including and, if applicable, the appointment of a receiver, or receiver and manager to act for their collective benefit. Each Lender covenants and agrees to do all acts and things and to make, execute and deliver all agreements and other instruments, including any instruments necessary to effect any registrations, so as to fully carry out the intent and purpose of this Section; and each of the Lenders hereby covenants and agrees that, subject to Section 5.11, Section 14.4 and Section 9.2(b) it has not heretofore and shall not seek, take, accept or receive any security for any of the obligations and liabilities of the Borrowers hereunder or under any other document, instrument, writing or agreement ancillary hereto and shall not enter into any agreement with any of the parties hereto or thereto relating in any manner whatsoever to the Credit Facilities, unless all of the Lenders shall at the same time obtain the benefit of any such security or agreement.

With respect to any enforcement, realization or the taking of any rights or remedies to enforce the rights of the Lenders hereunder, the Agent shall be a trustee for each Lender, and all monies received from time to time by the Agent in respect of the foregoing shall be held in trust and shall be trust assets within the meaning of applicable bankruptcy or insolvency legislation and shall be considered for the purposes of such legislation to be held separate and apart from the other assets of the Agent, and each Lender shall be entitled to their Rateable Portion of such monies. In its capacity as trustee, the Agent shall be obliged to exercise only the degree of care it would exercise in the conduct and management of its own business and in accordance with its usual practice concurrently employed or hereafter instituted for other substantial commercial loans.

14.12 Reliance Upon Agent

The Borrowers shall be entitled to rely upon any certificate, notice or other document or other advice, statement or instruction provided to it by the Agent pursuant to this Agreement, and the Borrowers shall generally be entitled to deal with the Agent with respect to matters under this Agreement which the Agent is authorized to deal with without any obligation whatsoever to satisfy itself as to the authority of the Agent to act on behalf of the Lenders and without any liability whatsoever to the Lenders for relying upon any certificate, notice or other document or other advice, statement or instruction provided to it by the Agent, notwithstanding any lack of authority of the Agent to provide the same.

14.13 No Liability of Agent

The Agent shall have no responsibility or liability to the Borrowers on account of the failure of any Lender to perform its obligations hereunder (unless such failure was caused, in whole or in part, by the Agent's failure to observe or perform its obligations hereunder), or to any Lender on account of the failure of a Borrower or any Lender to perform its obligations hereunder.

14.14 The Agent and Defaulting Lenders

(1) To the extent permitted by Applicable Law, each Defaulting Lender shall be required to provide to the Agent cash in an amount, as shall be determined from time to time by the Agent in its discretion, equal to all obligations of such Defaulting Lender to the Agent that are owing or may become owing pursuant to this Agreement, including such Defaulting Lender's

obligation to pay its Rateable Portion of any indemnification or expense reimbursement amounts not paid by the applicable Borrower. Such cash shall be held by the Agent in one or more cash collateral accounts, which accounts shall be in the name of the Agent and shall not be required to be interest bearing. The Agent shall be entitled to apply the foregoing cash in accordance with Section 14.9.

(2) In addition to the indemnity and reimbursement obligations noted in Section 14.9, the Lenders agree to indemnify the Agent (to the extent not reimbursed by the Borrowers and without limiting the obligations of the Borrowers hereunder) rateably according to their respective Rateable Portions (and in calculating the Rateable Portion of a Lender, ignoring the Commitments of Defaulting Lenders) any amount that a Defaulting Lender fails to pay the Agent and which is due and owing to the Agent pursuant to Section 14.9. Each Defaulting Lender agrees to indemnify each other Lender for any amounts paid by such Lender and which would otherwise be payable by the Defaulting Lender.

(3) The Agent shall be entitled to set off and/or withhold any Defaulting Lender's Rateable Portion of all payments received from a Borrower against such Defaulting Lender's obligations to fund payments and Loans required to be made by it and to purchase participations required to be purchased by it in each case under this Agreement and the other Documents. To the extent permitted by Applicable Laws, the Agent shall be entitled to withhold and deposit in one or more non-interest bearing cash collateral accounts in the name of the Agent all amounts (whether principal, interest, fees or otherwise) received by the Agent and due to a Defaulting Lender pursuant to this Agreement, which amounts shall be used by the Agent:

(a) first, to reimburse the Agent for any amounts owing to it by the Defaulting Lender pursuant to any Document;

(b) second, to repay on a pro rata basis, any payments made by a Lender pursuant to Section 14.14(2) in order to fund a shortfall created by a Defaulting Lender;

(c) third, to cash collateralize all other obligations of such Defaulting Lender to the Agent owing pursuant to this Agreement in such amount as shall be determined from time to time by the Agent in its discretion, including such Defaulting Lender's obligation to pay its Rateable Portion of any indemnification or expense reimbursement amounts not paid by the applicable Borrower; and

(d) fourth, to fund from time to time the Defaulting Lender's Rateable Portion of Loans.

(4) For greater certainty and in addition to the foregoing, neither the Agent nor any of its Affiliates nor any of their respective shareholders, officers, directors, employees, agents or representatives shall be liable to any Lender (including a Defaulting Lender) for any action taken or omitted to be taken by it in connection with amounts payable by a Borrower to a Defaulting Lender and received and deposited by the Agent in a cash collateral account and applied in accordance with the provisions of this Agreement, save and except for the gross negligence or wilful misconduct of the Agent as determined by a final non-appealable judgement of a court of competent jurisdiction.

14.15 Certain ERISA Matters

(1) Each Lender (x) represents and warrants, as of the date such person became a Lender party hereto, to, and (y) covenants, from the date such person became a Lender party hereto to the date such person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that at least one of the following is and will be true:

(a) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(b) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(c) (i) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (ii) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (iii) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (iv) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(d) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Lender.

(2) In addition, unless either (i) Section 14.15(1)(a) is true with respect to a Lender or (ii) a Lender has provided another representation, warranty and covenant in accordance with Section 14.15(1)(d), such Lender further (x) represents and warrants, as of the date such person became a Lender party hereto, to, and (y) covenants, from the date such person became a Lender party hereto to the date such person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that the Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the

Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, any Document or any documents related hereto or thereto).

14.16 Article for Benefit of Agent and Lenders

The provisions of this Article 15 which relate to the rights and obligations of the Lenders to each other or to the rights and obligations between the Agent and the Lenders shall be for the exclusive benefit of the Agent and the Lenders, and, except to the extent provided in Sections 14.1, 14.2, 14.6, 14.10, 14.11, 14.12, 14.13, 14.14, 14.15 and this Section 14.16, the Borrowers shall not have any rights or obligations thereunder or be entitled to rely for any purpose upon such provisions. Any Lender may waive in writing any right or rights which it may have against the Agent or the other Lenders hereunder without the consent of or notice to the Borrowers.

14.17 Erroneous Payments

(1) If the Agent notifies a Lender or any person who has received funds on behalf of a Lender under or pursuant to any of the Documents (any such Lender or other recipient, a "**Payment Recipient**") that the Agent has determined in its sole discretion (whether or not after receipt of any notice under Section 14.17(2)) that any funds received by such Payment Recipient from the Agent or any of its Affiliates were erroneously or mistakenly transmitted or paid to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Agent, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two (2) Banking Days thereafter, return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of (x) a fluctuating rate *per annum* equal to the overnight rate at which Canadian Dollars may be borrowed by the Agent in the interbank market in an amount comparable to such Erroneous Payment (as determined by the Agent), and (y) a rate determined by the Agent in accordance with banking industry rules or prevailing market practice for interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this Section 14.17(1) shall be conclusive, absent manifest error.

(2) Without limiting the immediately preceding Section 14.17(1), each Lender, or any person who has received funds on behalf of a Lender under or pursuant to any of the Documents, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Agent (or any of its

Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, paid, or received, in error or by mistake (in whole or in part) in each case:

(a) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent express written confirmation from the Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(b) such Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one (1) Banking Day of its knowledge of such error) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 14.17(2).

(3) Each Lender hereby authorizes the Agent to set-off, net and apply any and all amounts at any time owing to such Lender under any Document or otherwise payable or distributable by the Agent to such Lender from any source, against any amount due to the Agent under the preceding Section 14.17(1) or under the indemnification provisions of this Agreement.

(4) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor by the Agent in accordance with the preceding Section 14.17(1) from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its behalf) (such unrecovered amount, an "**Erroneous Payment Return Deficiency**"), upon the Agent's notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Advances (but not any of its Commitment) under the applicable Credit Facility in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of Advances (but not any of its Commitment) under the Facility, the "**Erroneous Payment Deficiency Assignment**") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance), and is hereby (together with the Borrowers) deemed to execute and deliver an Assignment Agreement with respect to such Erroneous Payment Deficiency Assignment, (ii) the Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and any of its Commitment which shall survive as to such assigning Lender and (iv) the Agent may reflect in its records its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. The Agent may, in its discretion, sell any Advances acquired pursuant to an Erroneous Payment Deficiency Assignment and, upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Advance (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its

respective behalf). In addition, each party hereto agrees that, except to the extent that the Agent has sold an Advance (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Agent may be equitably subrogated, the Agent shall be contractually subrogated to all the rights and interests of the applicable Lender under the applicable Documents with respect to each Erroneous Payment Return Deficiency.

(5) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrowers or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from (i) the Borrowers or any other Loan Party or (ii) the proceeds of realization from the enforcement of one or more of the Documents against or in respect of one or more of the Loan Parties, in each case, for the purpose of making such Erroneous Payment.

(6) To the extent permitted by applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including waiver of any defense based on "discharge for value", "good consideration" for the Erroneous Payment or change of position by such Payment Recipient, any defense that the intent of the Agent was that such Payment Recipient retain the Erroneous Payment in all events, or any doctrine or defense similar to any of the foregoing.

(7) Each party's obligations, agreements and waivers under this Section 14.17 shall survive the resignation or replacement of the Agent, or any assignment or transfer of rights or obligations by, or the replacement of, a Lender or an Affiliate thereof the termination of the Commitment and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Document.

(8) For purposes of this Section 14.17, each Lender:

(a) agrees it is executing and delivering this Agreement with respect to this Section 14.17 both on its own behalf and as agent for and on behalf of its Affiliates referred to in this Section 14.17 and any Person receiving funds under or pursuant to any of the Documents on behalf of such Lender or any of such Affiliates;

(b) represents, warrants, covenants and agrees that its Affiliates referred to in this Section 14.17 and any person receiving funds under or pursuant to any of the Documents on behalf of such Lender or any of such Affiliates are bound by the provisions of this Section 14.17; and

(c) agrees that any matter or thing done or omitted to be done by such Lender, its Affiliates, or any person receiving funds under or pursuant to any of the Documents on behalf of such Lender or any of such Affiliates which are the subject of this Section 14.17 will be binding upon such Lender and each Lender does hereby indemnify and save the Agent and its Affiliates harmless from any and all losses, expenses, claims, demands or other liabilities of the Agent and its Affiliates

resulting from the failure of such Lender, its Affiliates or such Persons to comply with their obligations under and in respect of this Section 14.17, in each case, in accordance with and subject to the limitations in Section 14.17.

14.18 BCAP Intercreditor Agreement

Each Lender authorizes the Agent to enter into the BCAP Intercreditor Agreement on behalf of the Lenders and to perform its obligations thereunder. Each Lender also acknowledges that (a) Royal Bank of Canada will also (i) be the lender under the BCAP Credit Agreement, (ii) be the holder of any security granted by Parent Borrower thereunder, and (iii) enter into the BCAP Intercreditor Agreement as the BCAP Lender; and (b) in such role, Royal Bank of Canada may receive information in respect of the BCAP Credit Documents or the Loan Parties that it will not be able to share with the Lenders hereunder as a result on confidentiality restrictions set forth in the BCAP Credit Document, and the Lenders agree that the Agent will not be liable or otherwise responsible to the Lenders for any such information received under the BCAP Credit Documents in its capacity as lender thereunder being withheld from or not being distributed to the Lenders hereunder. Each Lender further acknowledges that each other Lender may also be a BCAP Lender from time to time.

ARTICLE 15- GENERAL

15.1 Exchange and Confidentiality of Information

(1) The Borrowers agree that the Agent and each Lender may provide any assignee or participant or any bona fide prospective assignee or participant pursuant to Sections 15.6 or 15.7 with any information concerning the Parent Borrower, the other Borrowers and the other Subsidiaries provided such party agrees in writing with the Agent or such Lender for the benefit of the Borrowers to be bound by a like duty of confidentiality to that contained in this Section.

(2) Each of the Agent and the Lenders acknowledges the confidential nature of the financial, operational and other information and data provided and to be provided to them by the Borrowers pursuant hereto (the "**Information**") and agrees to use all reasonable efforts to prevent the disclosure thereof provided, however, that:

(a) the Agent and the Lenders may disclose all or any part of the Information if, in their reasonable opinion, such disclosure is required in connection with any actual or threatened judicial, administrative or governmental proceedings including proceedings initiated under or in respect of this Agreement;

(b) the Agent and the Lenders shall incur no liability in respect of any Information required to be disclosed by any applicable law or regulation, or by applicable order, policy or directive having the force of law, to the extent of such requirement;

(c) the Agent and each Lender may disclose the Information to any Governmental Authority (including any self-regulatory agency or authority) having jurisdiction over it (i) upon the request thereof or (ii) where it considers such disclosure to be required, acting reasonably;

(d) the Agent and the Lenders may provide Lenders' Counsel and their other agents and professional advisors with any Information; provided that such persons shall be under a like duty of confidentiality to that contained in this Section;

(e) the Agent and each of the Lenders shall incur no liability in respect of any Information: (i) which is or becomes readily available to the public (other than by a breach hereof) or which has been made readily available to the public by the Parent Borrower, the other Borrower or any of the other Subsidiaries, (ii) which the Agent or the relevant Lender can show was, prior to receipt thereof from a Borrower or a Subsidiary, lawfully in the Agent's or Lender's possession and not then subject to any obligation on its part to a Borrower or a Subsidiary to maintain confidentiality, or (iii) which the Agent or the relevant Lender received from a third party who was not, to the knowledge of the Agent or such Lender, under a duty of confidentiality to the applicable Borrower at the time the information was so received;

(f) the Agent and the Lenders may disclose the Information to (i) any of their respective Affiliates and (ii) other financial institutions and other persons in connection with the syndication by the Agent or Lenders of the Credit Facilities or the granting by a Lender of a participation in the Credit Facilities, in each case, where such Affiliate or financial institution or other person agrees to be under a like duty of confidentiality to that contained in this Section;

(g) the Agent and the Lenders may disclose all or any part of the Information so as to enable the Agent and the Lenders to initiate any lawsuit against the Parent Borrower, another Borrower or another Subsidiary or to defend any lawsuit commenced by the Parent Borrower, another Borrower or another Subsidiary the issues of which touch on the Information, but only to the extent such disclosure is necessary to the initiation or defense of such lawsuit;

(h) if permitted by applicable law or court order, the Agent or applicable Lender shall promptly notify the Borrowers of any request by any Governmental Authority or representative thereof or in connection with any judicial, administrative or governmental proceeding (other than any such request in connection with an examination of the financial condition of such Lender by such Governmental Authority or other examinations of such Lender by such Governmental Authority) for disclosure of any part of the Information pursuant to this Section 15.1(2); and

(i) the Agent and the Lenders may disclose all or any part of the Information with the consent of the Borrowers.

15.2 Nature of Obligation under this Agreement; Defaulting Lenders

(1) The obligations of each Lender and of the Agent under this Agreement are several. The failure of any Lender to carry out its obligations hereunder shall not relieve the other Lenders, the Agent or any Borrower of any of their respective obligations hereunder.

(2) Without derogating from the operation of Section 14.14 and this Section 15.2, neither the Agent nor any Lender shall be responsible for the obligations of any other Lender hereunder.

(3) Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) the standby fees payable pursuant to Section 5.8 shall cease to accrue on the unused portion of the Commitment of such Defaulting Lender;

(b) a Defaulting Lender shall not be included in determining whether, and the Commitment and the Rateable Portion of the Outstanding Principal of such Defaulting Lender shall not be included in determining whether, all Lenders or the Majority of the Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or modification pursuant to Section 15.10), provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that (i) affects such Defaulting Lender in a manner that differs in any material respect from its application to other affected Lenders, (ii) increases the Commitment of such Defaulting Lender, (iii) extends the Maturity Date applicable to such Defaulting Lender, (iv) decreases the Applicable Pricing Rate applicable to such Defaulting Lender or (v) postpones, reduces or waives any principal payment due to such Defaulting Lender hereunder shall in each case require the consent of such Defaulting Lender; and

(c) for the avoidance of doubt, the Borrowers shall retain and reserve their other rights and remedies respecting each Defaulting Lender.

(4) Each Defaulting Lender hereby indemnifies each Borrower for any losses, claims, costs, damages or liabilities (including reasonable out-of-pocket expenses and reasonable legal fees on a solicitor and his own client basis) incurred by such Borrower as a result of such Defaulting Lender failing to comply with the terms of this Agreement including any failure to fund its portion of any Loans required to be made by it hereunder.

15.3 Notices

Any demand, notice or communication to be made or given hereunder shall be in writing and may be made or given by personal delivery or by transmittal by telecopy or other electronic means of communication addressed to the respective parties as follows:

To the Parent Borrower:

Energera Inc.
11551 Bevington Road
Acheson, Alberta
T7X 6C1

Attention: Legal Department
Email: legal@fracshack.com

If to any other Borrower:

Energera Inc.
11551 Bevington Road
Acheson, Alberta
T7X 6C1

Attention: Legal Department
Email: legal@fracshack.com

To the Agent:

Royal Bank of Canada, as Agent
16 York Street
Suite 500 Box 64
Toronto, Ontario M5J 0E6

Attention: Agency Services
Facsimile: (647) 788-2185

with a copy, in the case of each demand, notice or communication to the Agent other than Drawdown Notices, Conversion Notices, Rollover Notices and Repayment Notices, to:

Royal Bank of Canada
10250 – 101st Street N.W.
Edmonton, Alberta
T5J 3P4

Attention: Vice President
Facsimile: (780) 426-2660

If to the Operating Lender:

Royal Bank of Canada
407 – 8th Avenue SW
Calgary, Alberta T2P 1E5

Attention: Director
Facsimile: (403) 693-8561

To each Lender: As set forth in the most recent administrative questionnaire or other written notification provided to the Agent by such Lender (a copy of which shall be provided to a Borrower upon request to the Agent)

or to such other address or telecopy number as any party may from time to time notify the others in accordance with this Section. Any demand, notice or communication made or given by personal delivery or by telecopier or other electronic means of communication during normal business hours at the place of receipt on a Banking Day shall be conclusively deemed to have been made or given at the time of actual delivery or transmittal, as the case may be, on such Banking Day. Any demand, notice or communication made or given by personal delivery or by telecopier or other electronic means of communication after normal business hours at the place of receipt or otherwise than on a Banking Day shall be conclusively deemed to have been made or given at 9:00 a.m. (Calgary time) on the first Banking Day following actual delivery or transmittal, as the case may be.

15.4 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

15.5 Benefit of the Agreement

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

15.6 Assignment

Any Lender may, without consent of the Borrowers during the continuance of an Event of Default and at all other times with the prior written consent of the relevant Borrower or Borrowers and the Agent, which consents shall not be unreasonably withheld, sell, assign, transfer or grant an interest in its Commitments (in a minimum amount of U.S.$3,500,000), its Rateable Portion of the Loans and its rights under the Documents; provided that, without the consent of the relevant Borrower or Borrowers and the Agent, no Lender shall sell, assign, transfer or grant an interest in any Commitment, Loan or Document if the effect of the same would be to have a Lender with aggregate Commitments of less than U.S.$5,000,000 and further provided that, it shall be a precondition to any such sale, assignment, transfer or grant that the contemplated assignor Lender shall have paid to the Agent, for the Agent's own account, a transfer fee of U.S.$5,000. Upon any

such sale, assignment, transfer or grant, the granting Lender shall have no further obligation hereunder with respect to such interest. Upon any such sale, assignment, transfer or grant, the granting Lender, the new Lender, the Agent and the relevant Borrower or Borrowers shall execute and deliver an Assignment Agreement. The Borrowers shall not assign its rights or obligations hereunder without the prior written consent of all of the Lenders.

The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrowers, shall maintain at one of its offices a copy of each assignment and assumption entered into by a Lender and an eligible assignee (with the consent of any party whose consent is required by this Section 15.6) (each, an "**Assignment**") delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Agent and the Lenders shall treat each person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by any Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

15.7 Participations

Any Lender may, without the consent of any Borrower, grant one or more participations in its Commitments and its Rateable Portion of the Loans to other persons (such person, a "**Participant**"), provided that the granting of such a participation: (a) shall be at the Lender's own cost, (b) shall not affect the obligations of such Lender hereunder nor shall it increase the costs to any Borrower hereunder or under any of the other Documents, and (c) shall not provide the participant with any right to approve the provision by the Lender of any consent, waiver or approval hereunder or require any Borrower to deal directly with such participant.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that affects such Participant. The Borrowers agrees that each Participant shall be entitled to the benefits of Sections 7.5 and 12.3 (subject to the requirements and limitations therein) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 15.6; provided that such Participant shall not be entitled to receive any greater payment under Sections 7.5 and 12.3, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a change in law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Documents (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Document) to any person except to the extent that such disclosure is

necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

15.8 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

15.9 Whole Agreement

This Agreement and the other Documents constitute the whole and entire agreement between the parties hereto regarding the subject matter hereof and thereof and cancel and supersede any prior agreements (including any commitment letters), undertakings, declarations, commitments, representations, written or oral, in respect thereof.

15.10 Amendments and Waivers

Any provision of this Agreement may be amended only if the relevant Borrower or Borrowers and the Majority of the Lenders so agree in writing and, except as otherwise specifically provided herein, may be waived only if the Majority of the Lenders (excluding any Defaulting Lenders) so agree in writing, but:

(a) an amendment or waiver which changes or relates to (i) the amount of the Loans available hereunder (or decreases in the periods of notice for Drawdowns, Conversions, Rollovers or voluntary prepayment of Loans under the Syndicated Facility) or any Lender's Commitment, (ii) decreases in the rates of or deferral of the dates of payment of interest or Letter of Credit fees, or mandatory repayments of principal, (iii) decreases in the amount of or deferral of the dates of payment of fees hereunder (other than fees payable for the account of the Agent), (iv) the definition of "Majority of the Lenders", (v) any provision hereof contemplating or requiring consent, approval or agreement of "all Lenders", "the Lenders" or similar expressions or permitting waiver of conditions or covenants or agreements by "all Lenders", "the Lenders" or similar expressions, (vi) Section 2.20 or the definition of "Event of Default", (vii) the release or discharge of, or any material amendment or waiver of, any Security, except for the discharge of Security required in connection with any disposition permitted by this Agreement or permitted by the Lenders, (viii) the conditions precedent to Drawdowns, (ix) the BCAP Intercreditor Agreement or (x) this Section, shall require the agreement or waiver of all the Lenders (excluding any Defaulting Lenders) and also (in the case of an amendment) of the other parties hereto;

(b) an amendment or waiver which changes or relates to the rights and/or obligations of the Agent shall also require the agreement of the Agent thereto;

(c) an amendment to add a new Borrower under the Operating Facility shall not require the consent of any Lender other than the Operating Lender and, for certainty, the Agent; and

(d) an amendment or waiver which changes or relates to the rights or obligations of the Lenders under only one Credit Facility (but not the Lenders under the other Credit Facilities) shall only require the agreement of a Majority of the Lenders under such affected Credit Facility or all of the Lenders under such affected Credit Facility, as the case may be.

Any such waiver and any consent by the Agent, any Lender, the Majority of the Lenders or all of the Lenders under any provision of this Agreement must be in writing and may be given subject to any conditions thought fit by the person giving that waiver or consent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

The Agent and the Borrowers may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Documents or to enter into additional Documents as the Agent deems appropriate in order to implement any Benchmark Replacement or any Conforming Change or otherwise effectuate the terms of Section 12.1(1) in accordance with the terms thereof.

15.11 Further Assurances

The Borrowers, the Lenders and the Agent shall promptly cure any default by it in the execution and delivery of this Agreement, the other Documents or any of the agreements provided for hereunder to which it is a party. The Borrowers, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

15.12 Attornment

The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the Documents. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

15.13 Time of the Essence

Time shall be of the essence of this Agreement.

15.14 Amended and Restated Credit Agreement Governs

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the other Documents, the provisions of this Agreement, to the extent of the conflict or inconsistency, shall govern and prevail.

15.15 Anti-Money Laundering Laws

(1) Each Borrower acknowledges that, pursuant Anti-Money Laundering Laws, the Lenders and the Agent may be required to obtain, verify and record information regarding the Parent Borrower, the other Borrowers, the other Subsidiaries and their respective directors, authorized signing officers, direct or indirect shareholders or other persons in control of the Parent Borrower, the other Borrowers or any of the other Subsidiaries, and the transactions contemplated hereby. The Parent Borrower and the other Borrowers shall, with respect to direct or indirect shareholders or other persons in control of the Parent Borrower use commercially reasonably efforts to, promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or the Agent, or any prospective assignee or participant of a Lender or the Agent, in order to comply with any applicable Anti-Money Laundering Laws, whether now or hereafter in existence.

(2) If the Agent has ascertained the identity of the Parent Borrower, the other Borrowers or any of the other Subsidiaries or any authorized signatories such persons for the purposes of applicable Anti-Money Laundering Laws, then the Agent:

(a) shall be deemed to have done so as an agent for each Lender, and this Agreement shall constitute a "written agreement" in such regard between each Lender and the Agent within the meaning of applicable Anti-Money Laundering Laws; and

(b) shall provide to each Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

Notwithstanding the preceding sentence and except as may otherwise be agreed in writing, each of the Lenders agrees that the Agent has no obligation to ascertain the identity of the Parent Borrower, any of the other Borrowers or any of the other Subsidiaries or any authorized signatories of such persons on behalf of any Lender or to confirm the completeness or accuracy of any information it obtains from any such persons or any such authorized signatory in doing so.

15.16 Acknowledgement and Consent to Bail-In of Affected Financial Institutions

Notwithstanding anything to the contrary in any Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the

applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any applicable Resolution Authority.

15.17 Counterparts

This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by fax or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the *Uniform Electronic Commerce Act of the Uniform Law Conference of Canada*. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; *provided* that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

15.18 Marketing

The Parent Borrower hereby authorizes the Agent to prepare "tombstones" and undergo similar marketing arrangements and provide details of the Credit Facilities to Bloomberg

and other institutions in connection with league tables, all in consultation with the Parent Borrower.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

ENERGERA INC.

By: Todd Van Vliet (Jun 28, 2024 09:19 MDT)

Name: Todd Van Vliet
Title: Chief Executive Officer

By: Lance Holmstrom (Jun 27, 2024 10:09 MDT)

Name: Lance Holmstrom
Title: Chief Financial Officer

ENERGERA INTERNATIONAL INC.

By: Todd Van Vliet (Jun 28, 2024 09:19 MDT)

Name: Todd Van Vliet
Title: Chief Executive Officer

By: Lance Holmstrom (Jun 27, 2024 10:09 MDT)

Name: Lance Holmstrom
Title: Chief Financial Officer

ENERGERA AMERICA INC.

By: Todd Van Vliet (Jun 28, 2024 09:19 MDT)

Name: Todd Van Vliet
Title: Chief Executive Officer

By: Lance Holmstrom (Jun 27, 2024 10:09 MDT)

Name: Lance Holmstrom
Title: Chief Financial Officer

SAND SEPARATION TECHNOLOGIES INC.

By: Todd Van Vliet (Jun 28, 2024 09:19 MDT)

Name: Todd Van Vliet
Title: Chief Executive Officer

By: Lance Holmstrom (Jun 27, 2024 10:09 MDT)

Name: Lance Holmstrom
Title: Chief Financial Officer

AGENT:

ROYAL BANK OF CANADA, in its capacity as Agent

By:

Name: Susan Khokher
Title: Manager, Agency

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: e-Signed by Dennis DaSilva on 2024-06-24 14:45:03 GMT

Name: Dennis DaSilva
Title: Vice-President, Corporate Client Group-Alberta

By: e-Signed by Bruce Robinson on 2024-06-24 14:50:00 GMT

Name: Bruce Robinson
Title: Managing Director, Corporate Client Group-Alberta

CANADIAN WESTERN BANK

By: _____

Name: Craig Preiksaitis

Title: Director, Corporate Banking

By: _____

Name: Daniel Prupas

Title: Director, Corporate Banking

DocuSign Envelope ID: A4B0A5B8-B528-4CCB-95FA-BD2310DB301A

ATB FINANCIAL

DocuSigned by:

By: _____
A7FE08D15824424...

Name: Matthew Oliphant

Title: Director

DocuSigned by:

By: _____
482GBAE02F4F484...

Name: Shawn Mevel

Title: Managing Director

EXPORT DEVELOPMENT CANADA

By: _____

Name: Geraldine Waffo

Title: Financing Manager

By: _____

Name: Quynh Nguyen

Title: Regional Underwriting Manager

This is **Exhibit 8** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FIRST AMENDING AGREEMENT

THIS AGREEMENT made as of September 27, 2024.

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SAND SEPARATION TECHNOLOGIES INC.
as Borrowers

AND

ROYAL BANK OF CANADA,
and such other persons as are parties hereto as lenders
as Lenders

AND

ROYAL BANK OF CANADA
as Agent of the Lenders

WHEREAS the Borrowers, the Lenders and the Agent executed and delivered the third amended and restated credit agreement made as of June 28, 2024 (the "**Principal Credit Agreement**");

AND WHEREAS the Borrowers have requested, and the Lenders have agreed, to amend the Principal Credit Agreement on the terms and conditions provided in this first amending agreement (the "**First Amendment**");

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements contained herein, the parties covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Headings. The division of this agreement into Articles and Sections and the insertion of headings in this First Amendment are for convenience of reference only and shall not affect the construction or interpretation of this First Amendment.

1.2 Capitalized Terms. All capitalized terms which are used herein without being specifically defined herein shall have the meaning ascribed thereto in the Principal Credit Agreement as amended hereby (the Principal Credit Agreement, as so amended, the "**Credit Agreement**"). The following words and expressions, wherever used in this First Amendment shall have the following meanings:

(a) "**Credit Agreement**" has the meaning ascribed to it in Section 1.2;

(b) "**Effective Date**" has the meaning ascribed to it in Section 4.1;

(c) "**Principal Credit Agreement**" has the meaning ascribed to it in the second recital paragraph; and

(d) "**First Amendment**" has the meaning ascribed to it in the third recital paragraph and "**these presents**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and other similar expressions refer collectively to this First Amendment, its schedules as well as any deed or instrument which is supplementary or ancillary hereto or in implementation hereof.

ARTICLE 2
AMENDMENTS

2.1 Amendment of the Principal Credit Agreement. Effective as of the Effective Date, the Principal Credit Agreement is hereby amended by deleting the stricken text (indicated textually in the same manner as the following example: ~~**stricken text**~~) and adding the bold double underlined text (indicated textually in the same manner in the following example: **underlined text**) as set forth in the marked version of the amended Credit Agreement attached hereto as Schedule A.

2.2 Extent of Amendments. The amendments set forth herein are limited precisely as written and shall not be deemed to (i) be a consent to any amendment, waiver or modification of any of the other terms or conditions of the Principal Credit Agreement or the other Documents, (ii) prejudice any rights that the Agent, the Lenders, the Hedging Affiliates and the Bank Product Affiliates may now or in the future have under or in connection with the Credit Agreement (as same may be further amended, supplemented, restated or otherwise modified from time to time) or (iii) constitute novation or a termination of the obligations arising under the Principal Credit Agreement or the other Documents including the Obligations.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties. To induce, among others, the Lenders and the Agent to enter into this agreement, the Loan Parties hereby represent and warrant to the Lenders and the Agent that:

(a) the representations and warranties set forth in Section 8.1 of the Credit Agreement and Section 4.1(e)(iii) hereof are true and correct on the date hereof as if made on the date hereof; and

(b) no Default or Event of Default has occurred and is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this First Amendment or the Documents.

ARTICLE 4
CONDITIONS PRECEDENT

4.1 Conditions Precedent. The amendment of the Principal Credit Agreement contemplated hereby and this First Amendment shall come into force and effect on September 27, 2024 (the "**Effective Date**"). On the Effective Date, the following conditions precedent shall have been met:

(a) the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries, as applicable, shall have delivered to the Agent copies of the following:

(i) a fully executed copy of this First Amendment;

(ii) a fully executed copy of a fee agreement in respect of the transactions contemplated by this First Amendment, in form and substance satisfactory to the Agent;

(iii) a fully executed copy of an amending agreement to the Shareholder Loan Agreement, pursuant to which the Term (as defined therein) shall have been extended to no earlier than March 31, 2027;

(iv) a fully executed *pro forma* Compliance Certificate; and

(v) a fully executed Borrowing Base Certificate;

(b) the Borrowers shall pay to the Agent all fees and expenses agreed to in writing between the Agent and the Borrowers;

(c) any other new Documents (and, if applicable, confirmations in respect of any other Documents) shall have been fully executed and delivered, each in form and substance satisfactory to the Agent (acting reasonably), and all registrations, filings and recordings necessary or desirable (as determined by the Lenders'

Counsel, acting reasonably) in connection with the Security shall have been made and completed;

(d) the Parent Borrower shall have delivered to the Agent updated quarterly financial projections to the Maturity Date including assumptions, an income statement, balance sheet, cash flow statement and financial covenant calculations with actual results to June 30, 2024, all in form and substance satisfactory to the Lenders, acting reasonably;

(e) (i) no Default or Event of Default shall have occurred and be continuing nor will this First Amendment or any other new Documents result in the occurrence of a Default or Event of Default, (ii) each of the representations and warranties of each Borrower set forth in Section 8.1 of the Credit Agreement is true and accurate in all material respects as of the date hereof except those made as of a specified date (except to the extent that any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects), and (iii) other than as previously disclosed to the Agent prior to the date here, no Material Adverse Change shall have occurred since September 30, 2023; and

(f) the Agent and the Lenders shall have received all such other documentation and information reasonably requested from the Parent Borrower, the other Borrowers and the other Subsidiaries including all documentation and other information reasonably requested by any Lender or the Agent, in order to comply with any Anti-Money Laundering Laws.

Without limiting the generality of the provisions of Section 16.10 of the Credit Agreement, for purposes of determining compliance with the conditions specified in this Section 4.1, each Lender that has signed this First Amendment shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required under this Section 4.1 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Agent shall have received notice from such Lender prior to the date hereof specifying its objection thereto.

The conditions set forth in this Section 4.1 are inserted for the sole benefit of the applicable Lenders and the Agent and may be waived by the applicable Lenders, in whole or in part (with or without terms or conditions) without prejudicing the right of the applicable Lenders or Agent at any time to assert such waived conditions.

ARTICLE 5
CONDITIONS SUBSEQUENT

This Agreement is subject to the condition subsequent that, within 90 calendar days of the date hereof, the Parent Borrower shall have delivered to the Agent a deposit account control agreement with (a) HSBC Bank USA in respect of Energera America Inc. Account No. 827021054, Energera Inc. Account No. 827021062, Sand Separation Technologies Inc. Account No. 847000923, and Sandtinel LLC Account No. 847023052 (collectively, the "**Subject Accounts**") or (b) any other deposit holding institution acceptable to the Agent in respect of those accounts to which all deposits from the Subject Accounts have been transferred, each in form and substance satisfactory to the Agent. If such condition subsequent is not satisfied on or prior to such date, an immediate Event of Default shall be deemed to exist under the Credit Agreement.

ARTICLE 6
CONFIRMATION OF DOCUMENTS

Each of the Borrowers confirms and agrees that the Principal Credit Agreement and the other Documents to which the Borrowers are a party and all covenants, terms and provisions thereof, except as expressly amended and supplemented by this First Amendment, shall be and continue to be in full force and effect and shall continue to exist and apply to all of the Obligations, including the Obligations of the Borrowers under, pursuant or related to the Principal Credit Agreement, as amended and restated by this First Amendment, and the Principal Credit Agreement and each of the other Documents to which the Borrowers are a party are hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect as herein amended and supplemented, with such amendments and supplements being effective upon the Effective Date.

ARTICLE 7
MISCELLANEOUS

7.1 Future References to the Credit Agreement. On and after the Effective Date, each reference in the Credit Agreement to "this agreement", "hereunder", "hereof", or words of like import referring to the Credit Agreement, and each reference in any related document or in any notices, requests or other instruments to the "Credit Agreement", "thereunder", "thereof", or words of the like import relating to the Credit Agreement, shall mean and be a reference to the Principal Credit Agreement as amended by this First Amendment.

7.2 Governing Law. This First Amendment shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Any legal action or proceeding with respect to this First Amendment may be brought in the courts of the Province of Alberta and, by execution and delivery of this First Amendment, the parties hereby accept for themselves and in respect of their property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts. Each party irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by personal delivery or by transmittal by telecopy or other electronic means of communication in accordance with Section 15.3 of the Credit Agreement, such service to be conclusively deemed effective in accordance with the terms of Section 15.3 of the Credit Agreement. Nothing herein shall limit the right of any party to serve process in any manner permitted by law or to commence legal proceedings or otherwise proceed against any other party in any other jurisdiction.

7.3 Enurement. This First Amendment shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

7.4 Counterparts. This First Amendment and all documents contemplated hereby or delivered hereunder or in connection herewith may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by fax or other electronic transmission of an executed counterpart of a signature page to this First Amendment shall be effective as delivery of an original executed counterpart of this First Amendment. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this First Amendment shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the *Uniform Electronic Commerce Act of the Uniform Law Conference of Canada.* The Administrative Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; *provided* that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

7.5 Severability. Any provision of this First Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

ENERGERA INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

ENERGERA INTERNATIONAL INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

ENERGERA AMERICA INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

SAND SEPARATION TECHNOLOGIES INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstorm
Title: Chief Financial Officer

AGENT:

ROYAL BANK OF CANADA, in its capacity as Agent

By: Casey Clark
Name: Casey Clark
Title: Associate Director

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By:

Name: Jennifer Guo
Title: Director, Corporate Client Group, Finance

By: _____

Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name: Craig Preiksaitis
Title: Director, Corporate Banking

By: _____
Name: Daniel Prupas
Title: Director, Corporate Banking

ATB FINANCIAL

By: _____

Name: MATTHEW OCIPHANT

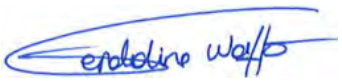
Title: DIRECTOR

By: _____

Name: SHAWN MCVEL

Title: Managing Director.

EXPORT DEVELOPMENT CANADA

By: 

Name: Geraldine Waffo
Title: Financing Manager

By:

Name: Quynh Nguyen
Title: Regional Underwriting Manager

This is **Exhibit 9** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FRAC SHACK INC.

GUARANTEE

MADE AS OF JULY 8, 2019

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FRAC SHACK INC.

GUARANTEE

THIS GUARANTEE is made as of July 8, 2019

WHEREAS each Obligor is a Subsidiary of the Guarantor;

AND WHEREAS the Guarantor has agreed to provide a guarantee with respect to the Credit Facilities provided by the Lenders pursuant to the Credit Agreement and with respect to the Lender Financial Instrument Obligations and the Bank Product Obligations;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the sum of Cdn. $10.00 now paid by the Beneficiaries to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby conclusively acknowledged), the Guarantor hereby covenants and agrees with the Beneficiaries as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

(a) In this Guarantee and the recitals hereto, unless something in the subject matter or context is inconsistent therewith:

"**Beneficiaries**" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "**Beneficiary**" means any of the Lenders, the Bank Product Affiliates, the Hedging Affiliates or the Agent.

"**Beneficiaries' Counsel**" means Borden Ladner Gervais LLP or such other firm of lawyers as may be selected by the Beneficiaries from time to time.

"**Credit Agreement**" means the credit agreement made as of July 8, 2019 between the Guarantor, Frac Shack International Inc. and Frac Shack America Inc., as borrowers, HSBC Bank Canada and such other persons party thereto as lenders and HSBC Bank Canada as agent of such lenders, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Documents**" means, collectively, the Documents as defined in the Credit Agreement together with any and all Lender Financial Instruments and Bank Products.

"**Excluded Swap Obligations**" means, with respect to the Guarantor, any Swap Obligation if (and only if), and to the extent that, all or a portion of this Guarantee, or the grant by the Guarantor of a Security Interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the Guarantor's failure for any reason to constitute an "eligible contract

participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of the Guarantor or the grant of such Security Interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or Security Interest is or becomes illegal.

"**Guarantee**" means this guarantee, as amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Guarantor**" means Frac Shack Inc. and its successors.

"**Obligations**" means, collectively and at any time and from time to time, except for Excluded Swap Obligations, all of the obligations, liabilities and indebtedness (present or future, matured or otherwise) of the Obligors to any of the Beneficiaries or to all of them including, without limitation, (i) all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, matured or not) of the Obligors to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including all Outstanding Principal and all interest, commissions, legal and other costs, charges and expenses payable by the Obligors under the Credit Agreement and other Documents, (ii) all Bank Product Obligations of or owing by the Obligors to any and all Lenders and Bank Product Affiliates and (iii) except for Excluded Swap Obligations, all Lender Financial Instrument Obligations of or owing by the Obligors to any and all Lenders and Hedging Affiliates, whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again.

"**Obligors**" means, collectively, the Loan Parties other than the Guarantor.

(b) Capitalized words and phrases used in this Guarantee and the recitals hereto without express definition herein shall, unless something in the subject matter or context is inconsistent therewith, have the same defined meanings as are ascribed to such words and phrases in the Credit Agreement. For certainty, if the Credit Agreement ceases to be in force for any reason whatsoever, then for all purposes hereof the aforementioned capitalized words and phrases shall continue to have the same defined meanings set forth in the Credit Agreement as if such agreement remained in force in the form immediately prior to its ceasing to be in force.

1.2 Headings

The division of this Guarantee into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee. The terms "this Guarantee", "hereof", "hereunder" and similar expressions refer to this Guarantee and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Guarantee.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and vice versa and words importing persons shall include individuals, limited and unlimited liability companies, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 *Interest Act* (Canada)

Whenever a rate of interest hereunder is calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

1.5 Nominal Rates

The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Guarantee; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after demand, default and judgment. The rates of interest specified in this Guarantee are intended to be nominal rates and not effective rates and any interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

ARTICLE 2
GUARANTEE

2.1 Guarantee of Obligations

The Guarantor hereby unconditionally and irrevocably guarantees to the Beneficiaries the payment and performance of all of the Obligations, together with interest thereon as provided in Section 5.4.

2.2 Indemnity

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Beneficiaries from and against all losses resulting from the failure of the Obligors to pay and perform such Obligations.

2.3 Guarantor as Principal Obligor

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 or the Beneficiaries are not indemnified under Section 2.2, in each case, for any reason whatsoever, such Obligations shall, as a separate and distinct

obligation, be recoverable by the Beneficiaries from the Guarantor as the primary obligor and principal debtor in respect thereof and shall be paid to the Beneficiaries forthwith after demand therefore as provided herein.

2.4 Guarantee Absolute and Unconditional

The liability and obligations of the Guarantor hereunder shall be continuing, unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, limited or otherwise affected by, and the Guarantor hereby irrevocably waives any defences it may now or hereafter have in any way relating to, any or all of the following:

(a) any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release in respect of any Obligation, security, person or otherwise, including any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release of any of the Obligations, covenants or undertakings of the Obligors under the Documents;

(b) any modification or amendment of or supplement to the Obligations;

(c) any loss of or in respect of any security held by the Beneficiaries, whether occasioned by the fault of the Beneficiaries or otherwise, including any release, non-perfection or invalidity of any such security;

(d) any change in the existence, structure, constitution, name, control or ownership of any Obligor or any other person, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligor or any other person or their respective assets;

(e) the existence of any set-off, counterclaim, claim or other right which the Guarantor or the Obligors may have at any time against the Beneficiaries or any other person, whether in connection with the Credit Agreement, this Guarantee or any unrelated transaction;

(f) any provision of Applicable Law purporting to prohibit or limit the payment by the Obligors of any Obligation, and the foregoing is hereby waived by the Guarantor to the extent permitted under Applicable Law;

(g) any limitation, postponement, prohibition, subordination or other restriction on the right of a Beneficiary to payment of the Obligations;

(h) any release, substitution or addition of any other guarantor of the Obligations;

(i) any defence arising by reason of any failure of any Beneficiary to make any presentment, or protest or to give any other notice, including notice of all of the following: acceptance of this Guarantee, partial payment or non-payment of all or any part of the Obligations and the existence, creation, or incurring of new or additional Obligations;

(j) any defence arising by reason of any failure of a Beneficiary to proceed against the Obligors or any other person, or to apply or exhaust any security held from the Obligors or any other person for the Obligations, to proceed against, apply or exhaust any security held from the Guarantor or any other person, or to pursue any other remedy available to the Beneficiaries;

(k) any defence arising by reason of the invalidity, illegality or lack of enforceability of the Obligations or any part thereof or of any security or guarantee in support thereof, or by reason of any incapacity, lack of authority, or other defence of the Obligors or any other person, or by reason of any limitation, postponement or prohibition on a Beneficiary's rights to payment, or the cessation from any cause whatsoever of the liability of the Obligors or any other person with respect to all or any part of the Obligations (other than irrevocable payment to the Beneficiaries in full, in cash, of the Obligations), or by reason of any act or omission of the Beneficiaries or others which directly or indirectly results in the discharge or release of the Obligors or any other person or of all or any part of the Obligations or any security or guarantee therefor, whether by contract, operation of law or otherwise;

(l) any defence based upon or arising out of an impossibility, impracticality, frustration of purpose, illegality, *force majeure* or act of government;

(m) any defence arising by reason of the failure by a Beneficiary to obtain, register, perfect or maintain a Security Interest in or upon any property of the Obligors or any other person, or by reason of any interest of the Beneficiaries in any property, whether as owner thereof or as holder of a Security Interest therein or thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment of any right or recourse to collateral;

(n) any defence arising by reason of the failure of the Beneficiaries to marshal assets;

(o) to the extent permitted under Applicable Law, any defence based upon any failure of the Beneficiaries to give to the Obligors or the Guarantor notice of any sale or other disposition of any property securing any or all of the Obligations or any other guarantee thereof, or any notice that may be given in connection with any sale or other disposition of any such property;

(p) any defence based upon or arising out of any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against the Obligors or any other person, including any discharge or bar against collection of any of the Obligations; or

(q) any other law, event or circumstance or any other act or failure to act or delay of any kind by the Obligors, the Beneficiaries or any other person, which might, but for the provisions of this Section, constitute a legal or equitable defence to or discharge, limitation or reduction of the Guarantor's obligations hereunder, other than as a result of the payment or extinguishment in full of the Obligations.

The foregoing provisions apply and the foregoing waivers, to the extent permitted under Applicable Law, shall be effective even if the effect of any action or failure to take action by the Beneficiaries is to destroy or diminish the Guarantor's subrogation rights, the Guarantor's right to proceed against the Obligors for reimbursement, the Guarantor's right to recover contribution from any other guarantor or any other right or remedy of the Guarantor.

ARTICLE 3
DEALINGS WITH THE OBLIGORS AND OTHERS

3.1 No Release

The Beneficiaries, without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability and obligations hereunder, may:

(a) grant time, renewals, extensions, indulgences, releases and discharges to any Obligor or any other guarantor or endorser;

(b) take or abstain from taking security or collateral from any Obligor or any other guarantor or endorser or from perfecting security or collateral of the Obligors or any other guarantor or endorser;

(c) accept compromises from any Obligor or any other guarantor or endorser;

(d) subject to the Documents, apply all money at any time received from any Obligor or from security upon such part of the Obligations as the Beneficiaries may see fit or change any such application in whole or in part from time to time as the Beneficiaries may see fit; or

(e) otherwise deal with any Obligor and all other persons and security as the Beneficiaries may see fit.

3.2 No Exhaustion of Remedies

The Beneficiaries shall not be bound or obligated to exhaust their recourse against any of the Obligors or other persons or any securities or collateral it may hold or take any other action (other than to make demand pursuant to Article 5) before the Beneficiaries shall be entitled to demand, enforce and collect payment from the Guarantor hereunder.

3.3 Evidence of Obligations

Any account settled or stated in writing by or between a Beneficiary or the Beneficiaries, as the case may be, and any Obligor shall be *prima facie* evidence that the balance or amount thereof appearing due to the same is so due.

3.4 No Set-off

In any claim by the Beneficiaries against the Guarantor hereunder, the Guarantor shall not claim or assert any set-off, counterclaim, claim or other right that any Obligor or the Guarantor may have against one or more of the Beneficiaries.

ARTICLE 4
CONTINUING GUARANTEE

4.1 Continuing Guarantee

This Guarantee shall be a continuing guarantee and shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by any Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), all as though such payment had not been made. The Guarantor expressly waives any rights the Guarantor might otherwise have to renounce any continuing guarantee.

4.2 Revival of Indebtedness; Reinstatement

If at any time, all or any part of any payment previously received by a Beneficiary and applied to any Obligation must be rescinded or returned by the Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), such Obligation shall, for the purpose of this Guarantee, to the extent that such payment must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Beneficiary, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligation as though such application by the Beneficiary had not been made.

ARTICLE 5
DEMAND FOR PAYMENT, EXPENSES AND INTEREST

5.1 Demand for Payment

The Beneficiaries shall be entitled to make demand upon the Guarantor at any time during the continuance of an Event of Default and upon any such demand the Beneficiaries may treat all Obligations as due and payable and may forthwith collect from the Guarantor all Obligations. The Guarantor shall make payment to or performance in favour of the Beneficiaries of all Obligations forthwith after demand therefor is made upon the Guarantor by the Beneficiaries as aforesaid.

5.2 Stay of Acceleration

If acceleration of the time for payment of any amount payable by any Obligor in respect of the Obligations is stayed upon the insolvency, bankruptcy, arrangement or reorganization of any Obligor or any moratorium affecting the payment of the Obligations, all such amounts that would otherwise be subject to acceleration shall nonetheless be payable by the Guarantor hereunder forthwith on demand by the Beneficiaries.

5.3 Expenses

The Guarantors shall pay to the Beneficiaries all reasonable out of pocket costs and expenses, including all reasonable legal fees (on a solicitor and his own client basis) and other expenses incurred by the Beneficiaries from time to time in the enforcement, realization and collection of or in respect of this Guarantee. All such amounts shall be payable by the Guarantors on demand by the Beneficiaries.

5.4 Interest

Any payment obligation comprised in the Obligations guaranteed hereunder which is not paid when due hereunder shall bear interest, to the extent not already included in the Obligations at the rate set forth in and in accordance with Section 5.8 of the Credit Agreement. All such interest shall accrue daily and shall be payable by the Guarantor on demand by the Beneficiaries.

ARTICLE 6
SUBROGATION

6.1 Subrogation

(a) Until all the Obligations have been irrevocably satisfied or paid in full, the Guarantor shall have no right of subrogation to, and waives to the fullest extent permitted by Applicable Law, any right to enforce any remedy which the Beneficiaries now have or may hereafter have against the Obligors in respect of the Obligations, and until such time the Guarantor waives any benefit of, and any right to participate in, any security, now or hereafter held by the Beneficiaries for the Obligations.

(b) If (i) the Guarantor performs, satisfies or makes payment to the Beneficiaries of all amounts owing by the Guarantor under this Guarantee, and (ii) the Obligations are performed and irrevocably paid in full then the Beneficiaries will, at the Guarantor's request, promptly execute and deliver to the Guarantor appropriate documents, without recourse and without representation and warranty, necessary to evidence the transfer by subrogation to the Guarantor of the Beneficiaries' interest in the Obligations and any security held therefor resulting from such performance or payment by the Guarantor.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES; COVENANTS

7.1 Representations and Warranties

The Guarantor represents and warrants as follows to each of the Beneficiaries and acknowledges and confirms that each of the Beneficiaries is relying upon such representations and warranties:

(a) Status and Authority

It is a corporation existing under the laws of Alberta, is registered to carry on business in all jurisdictions in which the failure to be so registered would reasonably be expected to have a Material Adverse Effect and has all corporate authority, capacity and powers and all material Governmental Authorizations required to carry on its business as now conducted.

(b) Valid Authorization

The execution, delivery and performance by the Guarantor of this Guarantee and each of the other Documents to which it is a party (i) is within the Guarantor's corporate authority, capacity and power, (ii) has been duly authorized by all necessary corporate and other action, (iii) requires no Governmental Authorization or action by or in respect of, or filing with, any Governmental Authority (except such as has already been obtained and are in full force and effect), and (iv) does not contravene or constitute a default under (A) its constating documents or (B) any agreement or any judgment, injunction, order, decree or other instrument binding upon the Guarantor or any of its assets or properties, the contravention or default of which would reasonably be expected to have a Material Adverse Effect.

(c) Compliance with Applicable Law

The execution, delivery and performance by the Guarantor of this Guarantee is in compliance with all Applicable Laws (including, without limitation, all applicable Environmental Laws), except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect.

(d) Enforceability of Documents

This Guarantee and each of the other Documents to which the Guarantor is a party constitute valid and legally binding obligations of the Guarantor, enforceable against the Guarantor in accordance with their respective terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Eligible Contract Participant

It is an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder.

7.2 Effective Time of Repetition

All representations and warranties, when repeated or deemed to be repeated hereunder are true and correct in all material respects (except to the extent that any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects), shall be construed with reference to the facts and circumstances existing at the time of repetition, unless they are stated herein to be made as at the date hereof.

7.3 Nature of Representations and Warranties

The representations and warranties set out in this Guarantee or deemed to be made pursuant hereto shall survive the execution and delivery of this Guarantee notwithstanding any investigations or examinations which may be made by the Beneficiaries or Beneficiaries' Counsel. Such representations and warranties shall survive until this Guarantee has been terminated.

7.4 Keepwell

To the extent the Guarantor is a Qualified ECP Guarantor, it hereby absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each Obligor (that provides a guarantee to the Beneficiaries) to honour all of its obligations under its Guarantee in respect of Swap Obligations (provided, however, that the Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under this Guarantee, voidable under Applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of the Guarantor under this Section shall remain in full force and effect until discharged in accordance with the provisions of this Guarantee. The Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each Obligor (that provides a guarantee to the Beneficiaries) for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

ARTICLE 8
POSTPONEMENT

8.1 Postponement

Upon the occurrence and during the continuance of a Default or Event of Default, all debts, liabilities and obligations, present and future of the Obligors to or in favour of the Guarantor shall be and are hereby postponed and subordinated to the prior payment and performance in full of the Obligations. All money received by the Guarantor in respect of such debts, liabilities and obligations during the continuance of a Default or Event of Default shall be received and held in trust for the benefit of the Beneficiaries and upon demand hereunder shall be forthwith paid over to the Beneficiaries, the whole without in any way lessening or limiting the liability and obligations of the Guarantor hereunder and this postponement is independent of the Guarantee and shall remain in full force and effect until payment and performance in full of the Obligations and all obligations of the Guarantor under this Guarantee.

ARTICLE 9
GENERAL

9.1 Waiver of Notices

The Guarantor hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to this Guarantee and the obligations guaranteed hereunder, except for the demand pursuant to Section 5.1.

9.2 Benefit of the Guarantee

This Guarantee shall enure to the benefit of the respective successors and permitted assigns of the Beneficiaries and be binding upon the successors of the Guarantor.

9.3 Foreign Currency Obligations

The Guarantor shall make payment relative to each Obligation in the currency (the "**original currency**") in which the relevant Obligor is required to pay such Obligation. If the Guarantor makes payment relative to any Obligation to the Beneficiaries in a currency (the "**other currency**") other than the original currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor hereunder in respect of such Obligation only to the extent of the amount of the original currency which the Beneficiaries are able to purchase with the amount of other currency they receive on the date of receipt in accordance with normal practice. If the amount of the original currency which the Beneficiaries are able to purchase is less than the amount of such currency originally due in respect of the relevant Obligation, the Guarantor shall indemnify and save the Beneficiaries harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Guarantee, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Beneficiaries and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order. A certificate of a Beneficiary as to any such loss or damage shall constitute *prima facie* evidence thereof, in the absence of manifest error.

9.4 Taxes and Set-off by Guarantor

All payments by the Guarantor under this Guarantee, whether in respect of principal, interest, interest on overdue and unpaid interest, fees or any other Obligations, shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, Taxes, charges or otherwise whatsoever) unless the Guarantor is prohibited by Applicable Laws from doing so, in which event the Guarantor shall:

(a) ensure that the deduction or withholding does not exceed the minimum amount legally required;

(b) forthwith pay to the Beneficiaries such additional amount so that the net amount received by the Beneficiaries will equal the full amount which would have been received by it had no such deduction or withholding been made;

(c) pay to the relevant taxation or other authorities, within the period for payment required by Applicable Laws, the full amount of the deduction or withholding (including the full amount of any deduction or withholding from any additional amount paid pursuant to this Section); and

(d) furnish to the Beneficiaries promptly, as soon as available, an official receipt of the relevant taxation or other authorities involved for all amounts deducted or withheld as aforesaid.

9.5 No Waiver; Remedies

No failure on the part of the Beneficiaries to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

9.6 Severability

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

9.7 Amendments and Waivers

Any provision of this Guarantee may be amended, waived or a consent given in respect thereof with the concurrence of the Guarantor and the Agent on behalf of the Beneficiaries. Any waiver and any consent by the Agent on behalf of the Beneficiaries under any provision of this Guarantee must be in writing signed by the Agent and may be given subject to any conditions thought fit by the Agent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

9.8 Additional Security

This Guarantee is in addition and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Beneficiaries and any other rights or remedies they might have.

9.9 Notices

Any demand, notice or other communication (hereinafter in this Section referred to as a "**Communication**") to be given in connection with this Guarantee shall be given in writing

and may be given by personal delivery, facsimile, electronic mail or by registered mail addressed to the recipient as follows:

To the Agent, on behalf of the Beneficiaries:

HSBC Bank Canada, as Agent
6th Floor, 70 York Street
Toronto, Ontario M5J 1S9

Facsimile No.: (647) 788-2185
Attention: Agency Services

with a copy to:

HSBC Bank Canada
10250 – 101st Street N.W.
Edmonton, Alberta T5J 3P4

Facsimile No.: (780) 426-2660
Attention: Vice President

To the Guarantor:

Frac Shack Inc.
136, 25901 - 11th Avenue
Acheson, Alberta T7X 6E2

Email: lholmstrom@fracshack.com
Attention: Chief Financial Officer

or such other address, electronic communication or facsimile number as may be designated by notice by any party to the other. Any Communication given by personal delivery, electronic mail or facsimile transmission shall be conclusively deemed to have been given on the day of actual delivery or transmittal thereof (except, that, if not given during normal business hours, shall be deemed to have been given at the opening of business on the next Banking Day) and, if given by registered mail, on the third day following the deposit thereof in the mail. If the party giving any Communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal delivery or facsimile transmission.

9.10 Assignment

The rights of the Beneficiaries under this Guarantee may be assigned by the Beneficiaries in accordance with the provisions of the Credit Agreement and without the consent of the Guarantor during the continuance of an Event of Default and, at all other times, with the prior written consent of the Guarantor (such consent not to be unreasonably withheld). The Guarantor may not assign its obligations under this Guarantee.

9.11 Time of Essence

Time is of the essence with respect to this Guarantee and the time for performance of the obligations of the Guarantor under this Guarantee may be strictly enforced by the Beneficiaries.

9.12 Financial Condition of the Obligors

The Guarantor is fully aware of the financial condition of each of the Obligors and acknowledges that it shall receive a benefit from each of the Obligors entering into the Documents to which such Obligors are a party. The Guarantor assumes all responsibility for being and keeping itself informed of the Obligors' financial condition and assets, and of all other circumstances bearing upon the risk of non-payment or non-performance of the Obligations and the nature, scope and extent of the risks which Guarantor assumes and incurs hereunder, and agrees that the Beneficiaries shall not have a duty to advise Guarantor of information known to any of them regarding such circumstances or risks.

9.13 Acknowledgement of Documentation

The Guarantor hereby acknowledges receipt of a true and complete copy of the other Documents and all of the terms and conditions thereof.

9.14 Entire Agreement

This Guarantee and the other Documents constitute the entire agreement between the Beneficiaries and the Guarantor with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between such parties other than as expressly set forth herein or therein.

9.15 Governing Law

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

9.16 Attornment

The Guarantor and each of the Beneficiaries hereby attorn and submit to the jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to this Guarantee. For the purpose of all such legal proceedings, the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Guarantee.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the day and year first written above.

FRAC SHACK INC.

Per: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

This is **Exhibit 10** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FRAC SHACK INTERNATIONAL INC.

GUARANTEE

MADE AS OF JULY 8, 2019

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FRAC SHACK INTERNATIONAL INC.

GUARANTEE

THIS GUARANTEE is made as of July 8, 2019

WHEREAS the Guarantor is a Subsidiary of the Parent Borrower;

AND WHEREAS the Guarantor has agreed to provide a guarantee with respect to the Credit Facilities provided by the Lenders pursuant to the Credit Agreement and with respect to the Lender Financial Instrument Obligations and the Bank Product Obligations;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the sum of Cdn. $10.00 now paid by the Beneficiaries to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby conclusively acknowledged), the Guarantor hereby covenants and agrees with the Beneficiaries as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

(a) In this Guarantee and the recitals hereto, unless something in the subject matter or context is inconsistent therewith:

"**Beneficiaries**" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "**Beneficiary**" means any of the Lenders, the Bank Product Affiliates, the Hedging Affiliates or the Agent.

"**Beneficiaries' Counsel**" means Borden Ladner Gervais LLP or such other firm of lawyers as may be selected by the Beneficiaries from time to time.

"**Credit Agreement**" means the credit agreement made as of July 8, 2019 between the Parent Borrower, the Guarantor and Frac Shack America Inc., as borrowers, HSBC Bank Canada and such other persons party thereto as lenders and HSBC Bank Canada as agent of such lenders, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Documents**" means, collectively, the Documents as defined in the Credit Agreement together with any and all Lender Financial Instruments and Bank Products.

"**Excluded Swap Obligations**" means, with respect to the Guarantor, any Swap Obligation if (and only if), and to the extent that, all or a portion of this Guarantee, or the grant by the Guarantor of a Security Interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the Guarantor's failure for any reason to constitute an "eligible contract

participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of the Guarantor or the grant of such Security Interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or Security Interest is or becomes illegal.

"**Guarantee**" means this guarantee, as amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Guarantor**" means Frac Shack International Inc. and its successors.

"**Obligations**" means, collectively and at any time and from time to time, except for Excluded Swap Obligations, all of the obligations, liabilities and indebtedness (present or future, matured or otherwise) of the Obligors to any of the Beneficiaries or to all of them including, without limitation, (i) all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, matured or not) of the Obligors to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including all Outstanding Principal and all interest, commissions, legal and other costs, charges and expenses payable by the Obligors under the Credit Agreement and other Documents, (ii) all Bank Product Obligations of or owing by the Obligors to any and all Lenders and Bank Product Affiliates and (iii) except for Excluded Swap Obligations, all Lender Financial Instrument Obligations of or owing by the Obligors to any and all Lenders and Hedging Affiliates, whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again.

"**Obligors**" means, collectively, the Loan Parties other than the Guarantor.

(b) Capitalized words and phrases used in this Guarantee and the recitals hereto without express definition herein shall, unless something in the subject matter or context is inconsistent therewith, have the same defined meanings as are ascribed to such words and phrases in the Credit Agreement. For certainty, if the Credit Agreement ceases to be in force for any reason whatsoever, then for all purposes hereof the aforementioned capitalized words and phrases shall continue to have the same defined meanings set forth in the Credit Agreement as if such agreement remained in force in the form immediately prior to its ceasing to be in force.

1.2 Headings

The division of this Guarantee into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee. The terms "this Guarantee", "hereof", "hereunder" and similar expressions refer to this Guarantee and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Guarantee.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and vice versa and words importing persons shall include individuals, limited and unlimited liability companies, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 *Interest Act* (Canada)

Whenever a rate of interest hereunder is calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

1.5 Nominal Rates

The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Guarantee; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after demand, default and judgment. The rates of interest specified in this Guarantee are intended to be nominal rates and not effective rates and any interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

ARTICLE 2
GUARANTEE

2.1 Guarantee of Obligations

The Guarantor hereby unconditionally and irrevocably guarantees to the Beneficiaries the payment and performance of all of the Obligations, together with interest thereon as provided in Section 5.4.

2.2 Indemnity

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Beneficiaries from and against all losses resulting from the failure of the Obligors to pay and perform such Obligations.

2.3 Guarantor as Principal Obligor

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 or the Beneficiaries are not indemnified under Section 2.2, in each case, for any reason whatsoever, such Obligations shall, as a separate and distinct

obligation, be recoverable by the Beneficiaries from the Guarantor as the primary obligor and principal debtor in respect thereof and shall be paid to the Beneficiaries forthwith after demand therefore as provided herein.

2.4 Guarantee Absolute and Unconditional

The liability and obligations of the Guarantor hereunder shall be continuing, unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, limited or otherwise affected by, and the Guarantor hereby irrevocably waives any defences it may now or hereafter have in any way relating to, any or all of the following:

(a) any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release in respect of any Obligation, security, person or otherwise, including any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release of any of the Obligations, covenants or undertakings of the Obligors under the Documents;

(b) any modification or amendment of or supplement to the Obligations;

(c) any loss of or in respect of any security held by the Beneficiaries, whether occasioned by the fault of the Beneficiaries or otherwise, including any release, non-perfection or invalidity of any such security;

(d) any change in the existence, structure, constitution, name, control or ownership of any Obligor or any other person, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligor or any other person or their respective assets;

(e) the existence of any set-off, counterclaim, claim or other right which the Guarantor or the Obligors may have at any time against the Beneficiaries or any other person, whether in connection with the Credit Agreement, this Guarantee or any unrelated transaction;

(f) any provision of Applicable Law purporting to prohibit or limit the payment by the Obligors of any Obligation, and the foregoing is hereby waived by the Guarantor to the extent permitted under Applicable Law;

(g) any limitation, postponement, prohibition, subordination or other restriction on the right of a Beneficiary to payment of the Obligations;

(h) any release, substitution or addition of any other guarantor of the Obligations;

(i) any defence arising by reason of any failure of any Beneficiary to make any presentment, or protest or to give any other notice, including notice of all of the following: acceptance of this Guarantee, partial payment or non-payment of all or any part of the Obligations and the existence, creation, or incurring of new or additional Obligations;

(j) any defence arising by reason of any failure of a Beneficiary to proceed against the Obligors or any other person, or to apply or exhaust any security held from the Obligors or any other person for the Obligations, to proceed against, apply or exhaust any security held from the Guarantor or any other person, or to pursue any other remedy available to the Beneficiaries;

(k) any defence arising by reason of the invalidity, illegality or lack of enforceability of the Obligations or any part thereof or of any security or guarantee in support thereof, or by reason of any incapacity, lack of authority, or other defence of the Obligors or any other person, or by reason of any limitation, postponement or prohibition on a Beneficiary's rights to payment, or the cessation from any cause whatsoever of the liability of the Obligors or any other person with respect to all or any part of the Obligations (other than irrevocable payment to the Beneficiaries in full, in cash, of the Obligations), or by reason of any act or omission of the Beneficiaries or others which directly or indirectly results in the discharge or release of the Obligors or any other person or of all or any part of the Obligations or any security or guarantee therefor, whether by contract, operation of law or otherwise;

(l) any defence based upon or arising out of an impossibility, impracticality, frustration of purpose, illegality, *force majeure* or act of government;

(m) any defence arising by reason of the failure by a Beneficiary to obtain, register, perfect or maintain a Security Interest in or upon any property of the Obligors or any other person, or by reason of any interest of the Beneficiaries in any property, whether as owner thereof or as holder of a Security Interest therein or thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment of any right or recourse to collateral;

(n) any defence arising by reason of the failure of the Beneficiaries to marshal assets;

(o) to the extent permitted under Applicable Law, any defence based upon any failure of the Beneficiaries to give to the Obligors or the Guarantor notice of any sale or other disposition of any property securing any or all of the Obligations or any other guarantee thereof, or any notice that may be given in connection with any sale or other disposition of any such property;

(p) any defence based upon or arising out of any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against the Obligors or any other person, including any discharge or bar against collection of any of the Obligations; or

(q) any other law, event or circumstance or any other act or failure to act or delay of any kind by the Obligors, the Beneficiaries or any other person, which might, but for the provisions of this Section, constitute a legal or equitable defence to or discharge, limitation or reduction of the Guarantor's obligations hereunder, other than as a result of the payment or extinguishment in full of the Obligations.

The foregoing provisions apply and the foregoing waivers, to the extent permitted under Applicable Law, shall be effective even if the effect of any action or failure to take action by the Beneficiaries is to destroy or diminish the Guarantor's subrogation rights, the Guarantor's right to proceed against the Obligors for reimbursement, the Guarantor's right to recover contribution from any other guarantor or any other right or remedy of the Guarantor.

ARTICLE 3
DEALINGS WITH THE OBLIGORS AND OTHERS

3.1 No Release

The Beneficiaries, without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability and obligations hereunder, may:

(a) grant time, renewals, extensions, indulgences, releases and discharges to any Obligor or any other guarantor or endorser;

(b) take or abstain from taking security or collateral from any Obligor or any other guarantor or endorser or from perfecting security or collateral of the Obligors or any other guarantor or endorser;

(c) accept compromises from any Obligor or any other guarantor or endorser;

(d) subject to the Documents, apply all money at any time received from any Obligor or from security upon such part of the Obligations as the Beneficiaries may see fit or change any such application in whole or in part from time to time as the Beneficiaries may see fit; or

(e) otherwise deal with any Obligor and all other persons and security as the Beneficiaries may see fit.

3.2 No Exhaustion of Remedies

The Beneficiaries shall not be bound or obligated to exhaust their recourse against any of the Obligors or other persons or any securities or collateral it may hold or take any other action (other than to make demand pursuant to Article 5) before the Beneficiaries shall be entitled to demand, enforce and collect payment from the Guarantor hereunder.

3.3 Evidence of Obligations

Any account settled or stated in writing by or between a Beneficiary or the Beneficiaries, as the case may be, and any Obligor shall be *prima facie* evidence that the balance or amount thereof appearing due to the same is so due.

3.4 No Set-off

In any claim by the Beneficiaries against the Guarantor hereunder, the Guarantor shall not claim or assert any set-off, counterclaim, claim or other right that any Obligor or the Guarantor may have against one or more of the Beneficiaries.

ARTICLE 4
CONTINUING GUARANTEE

4.1 Continuing Guarantee

This Guarantee shall be a continuing guarantee and shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by any Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), all as though such payment had not been made. The Guarantor expressly waives any rights the Guarantor might otherwise have to renounce any continuing guarantee.

4.2 Revival of Indebtedness; Reinstatement

If at any time, all or any part of any payment previously received by a Beneficiary and applied to any Obligation must be rescinded or returned by the Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), such Obligation shall, for the purpose of this Guarantee, to the extent that such payment must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Beneficiary, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligation as though such application by the Beneficiary had not been made.

ARTICLE 5
DEMAND FOR PAYMENT, EXPENSES AND INTEREST

5.1 Demand for Payment

The Beneficiaries shall be entitled to make demand upon the Guarantor at any time during the continuance of an Event of Default and upon any such demand the Beneficiaries may treat all Obligations as due and payable and may forthwith collect from the Guarantor all Obligations. The Guarantor shall make payment to or performance in favour of the Beneficiaries of all Obligations forthwith after demand therefor is made upon the Guarantor by the Beneficiaries as aforesaid.

5.2 Stay of Acceleration

If acceleration of the time for payment of any amount payable by any Obligor in respect of the Obligations is stayed upon the insolvency, bankruptcy, arrangement or reorganization of any Obligor or any moratorium affecting the payment of the Obligations, all such amounts that would otherwise be subject to acceleration shall nonetheless be payable by the Guarantor hereunder forthwith on demand by the Beneficiaries.

5.3 Expenses

The Guarantors shall pay to the Beneficiaries all reasonable out of pocket costs and expenses, including all reasonable legal fees (on a solicitor and his own client basis) and other expenses incurred by the Beneficiaries from time to time in the enforcement, realization and collection of or in respect of this Guarantee. All such amounts shall be payable by the Guarantors on demand by the Beneficiaries.

5.4 Interest

Any payment obligation comprised in the Obligations guaranteed hereunder which is not paid when due hereunder shall bear interest, to the extent not already included in the Obligations at the rate set forth in and in accordance with Section 5.8 of the Credit Agreement. All such interest shall accrue daily and shall be payable by the Guarantor on demand by the Beneficiaries.

ARTICLE 6
SUBROGATION

6.1 Subrogation

(a) Until all the Obligations have been irrevocably satisfied or paid in full, the Guarantor shall have no right of subrogation to, and waives to the fullest extent permitted by Applicable Law, any right to enforce any remedy which the Beneficiaries now have or may hereafter have against the Obligors in respect of the Obligations, and until such time the Guarantor waives any benefit of, and any right to participate in, any security, now or hereafter held by the Beneficiaries for the Obligations.

(b) If (i) the Guarantor performs, satisfies or makes payment to the Beneficiaries of all amounts owing by the Guarantor under this Guarantee, and (ii) the Obligations are performed and irrevocably paid in full then the Beneficiaries will, at the Guarantor's request, promptly execute and deliver to the Guarantor appropriate documents, without recourse and without representation and warranty, necessary to evidence the transfer by subrogation to the Guarantor of the Beneficiaries' interest in the Obligations and any security held therefor resulting from such performance or payment by the Guarantor.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES; COVENANTS

7.1 Representations and Warranties

The Guarantor represents and warrants as follows to each of the Beneficiaries and acknowledges and confirms that each of the Beneficiaries is relying upon such representations and warranties:

(a) Status and Authority

It is a corporation existing under the federal laws of Canada, is registered to carry on business in all jurisdictions in which the failure to be so registered would reasonably be expected to have a Material Adverse Effect and has all corporate authority, capacity and powers and all material Governmental Authorizations required to carry on its business as now conducted.

(b) Valid Authorization

The execution, delivery and performance by the Guarantor of this Guarantee and each of the other Documents to which it is a party (i) is within the Guarantor's corporate authority, capacity and power, (ii) has been duly authorized by all necessary corporate and other action, (iii) requires no Governmental Authorization or action by or in respect of, or filing with, any Governmental Authority (except such as has already been obtained and are in full force and effect), and (iv) does not contravene or constitute a default under (A) its constating documents or (B) any agreement or any judgment, injunction, order, decree or other instrument binding upon the Guarantor or any of its assets or properties, the contravention or default of which would reasonably be expected to have a Material Adverse Effect.

(c) Compliance with Applicable Law

The execution, delivery and performance by the Guarantor of this Guarantee is in compliance with all Applicable Laws (including, without limitation, all applicable Environmental Laws), except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect.

(d) Enforceability of Documents

This Guarantee and each of the other Documents to which the Guarantor is a party constitute valid and legally binding obligations of the Guarantor, enforceable against the Guarantor in accordance with their respective terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Eligible Contract Participant

It is an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder.

7.2 Effective Time of Repetition

All representations and warranties, when repeated or deemed to be repeated hereunder are true and correct in all material respects (except to the extent that any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects), shall be construed with

reference to the facts and circumstances existing at the time of repetition, unless they are stated herein to be made as at the date hereof.

7.3 Nature of Representations and Warranties

The representations and warranties set out in this Guarantee or deemed to be made pursuant hereto shall survive the execution and delivery of this Guarantee notwithstanding any investigations or examinations which may be made by the Beneficiaries or Beneficiaries' Counsel. Such representations and warranties shall survive until this Guarantee has been terminated.

7.4 Covenants Contained in the Credit Agreement and Other Documents

The Guarantor hereby covenants and agrees with the Beneficiaries that the Guarantor shall observe, perform and comply with any and all of the covenants relating to the Guarantor contained in the Credit Agreement or other Documents that the Parent Borrower agrees that the Guarantor and the other Subsidiaries shall observe, perform and comply with or that the Parent Borrower shall cause the Guarantor and the other Subsidiaries to observe, perform and comply with.

7.5 Keepwell

To the extent the Guarantor is a Qualified ECP Guarantor, it hereby absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each Obligor (that provides a guarantee to the Beneficiaries) to honour all of its obligations under its Guarantee in respect of Swap Obligations (provided, however, that the Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under this Guarantee, voidable under Applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of the Guarantor under this Section shall remain in full force and effect until discharged in accordance with the provisions of this Guarantee. The Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each Obligor (that provides a guarantee to the Beneficiaries) for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

ARTICLE 8
POSTPONEMENT

8.1 Postponement

Upon the occurrence and during the continuance of a Default or Event of Default, all debts, liabilities and obligations, present and future of the Obligors to or in favour of the Guarantor shall be and are hereby postponed and subordinated to the prior payment and performance in full of the Obligations. All money received by the Guarantor in respect of such debts, liabilities and obligations during the continuance of a Default or Event of Default shall be received and held in trust for the benefit of the Beneficiaries and upon demand hereunder shall be forthwith paid over to the Beneficiaries, the whole without in any way lessening or

limiting the liability and obligations of the Guarantor hereunder and this postponement is independent of the Guarantee and shall remain in full force and effect until payment and performance in full of the Obligations and all obligations of the Guarantor under this Guarantee.

ARTICLE 9
GENERAL

9.1 Waiver of Notices

The Guarantor hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to this Guarantee and the obligations guaranteed hereunder, except for the demand pursuant to Section 5.1.

9.2 Benefit of the Guarantee

This Guarantee shall enure to the benefit of the respective successors and permitted assigns of the Beneficiaries and be binding upon the successors of the Guarantor.

9.3 Foreign Currency Obligations

The Guarantor shall make payment relative to each Obligation in the currency (the "**original currency**") in which the relevant Obligor is required to pay such Obligation. If the Guarantor makes payment relative to any Obligation to the Beneficiaries in a currency (the "**other currency**") other than the original currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor hereunder in respect of such Obligation only to the extent of the amount of the original currency which the Beneficiaries are able to purchase with the amount of other currency they receive on the date of receipt in accordance with normal practice. If the amount of the original currency which the Beneficiaries are able to purchase is less than the amount of such currency originally due in respect of the relevant Obligation, the Guarantor shall indemnify and save the Beneficiaries harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Guarantee, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Beneficiaries and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order. A certificate of a Beneficiary as to any such loss or damage shall constitute *prima facie* evidence thereof, in the absence of manifest error.

9.4 Taxes and Set-off by Guarantor

All payments by the Guarantor under this Guarantee, whether in respect of principal, interest, interest on overdue and unpaid interest, fees or any other Obligations, shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, Taxes, charges or otherwise whatsoever) unless the Guarantor is prohibited by Applicable Laws from doing so, in which event the Guarantor shall:

(a) ensure that the deduction or withholding does not exceed the minimum amount legally required;

(b) forthwith pay to the Beneficiaries such additional amount so that the net amount received by the Beneficiaries will equal the full amount which would have been received by it had no such deduction or withholding been made;

(c) pay to the relevant taxation or other authorities, within the period for payment required by Applicable Laws, the full amount of the deduction or withholding (including the full amount of any deduction or withholding from any additional amount paid pursuant to this Section); and

(d) furnish to the Beneficiaries promptly, as soon as available, an official receipt of the relevant taxation or other authorities involved for all amounts deducted or withheld as aforesaid.

9.5 No Waiver; Remedies

No failure on the part of the Beneficiaries to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

9.6 Severability

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

9.7 Amendments and Waivers

Any provision of this Guarantee may be amended, waived or a consent given in respect thereof with the concurrence of the Guarantor and the Agent on behalf of the Beneficiaries. Any waiver and any consent by the Agent on behalf of the Beneficiaries under any provision of this Guarantee must be in writing signed by the Agent and may be given subject to any conditions thought fit by the Agent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

9.8 Additional Security

This Guarantee is in addition and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Beneficiaries and any other rights or remedies they might have.

9.9 Notices

Any demand, notice or other communication (hereinafter in this Section referred to as a "**Communication**") to be given in connection with this Guarantee shall be given in writing and may be given by personal delivery, facsimile, electronic mail or by registered mail addressed to the recipient as follows:

To the Agent, on behalf of the Beneficiaries:

HSBC Bank Canada, as Agent
6th Floor, 70 York Street
Toronto, Ontario M5J 1S9

Facsimile No.: (647) 788-2185
Attention: Agency Services

with a copy to:

HSBC Bank Canada
10250 – 101st Street N.W.
Edmonton, Alberta T5J 3P4

Facsimile No.: (780) 426-2660
Attention: Vice President

To the Guarantor:

Frac Shack International Inc.
c/o Frac Shack Inc.
136, 25901 - 11th Avenue
Acheson, Alberta T7X 6E2

Email: lholmstrom@fracshack.com
Attention: Chief Financial Officer

or such other address, electronic communication or facsimile number as may be designated by notice by any party to the other. Any Communication given by personal delivery, electronic mail or facsimile transmission shall be conclusively deemed to have been given on the day of actual delivery or transmittal thereof (except, that, if not given during normal business hours, shall be deemed to have been given at the opening of business on the next Banking Day) and, if given by registered mail, on the third day following the deposit thereof in the mail. If the party giving any Communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal delivery or facsimile transmission.

9.10 Assignment

The rights of the Beneficiaries under this Guarantee may be assigned by the Beneficiaries in accordance with the provisions of the Credit Agreement and without the consent of the Guarantor during the continuance of an Event of Default and, at all other times, with the prior written consent of the Guarantor (such consent not to be unreasonably withheld). The Guarantor may not assign its obligations under this Guarantee.

9.11 Time of Essence

Time is of the essence with respect to this Guarantee and the time for performance of the obligations of the Guarantor under this Guarantee may be strictly enforced by the Beneficiaries.

9.12 Financial Condition of the Obligors

The Guarantor is fully aware of the financial condition of each of the Obligors and acknowledges that it shall receive a benefit from each of the Obligors entering into the Documents to which such Obligors are a party. The Guarantor assumes all responsibility for being and keeping itself informed of the Obligors' financial condition and assets, and of all other circumstances bearing upon the risk of non-payment or non-performance of the Obligations and the nature, scope and extent of the risks which Guarantor assumes and incurs hereunder, and agrees that the Beneficiaries shall not have a duty to advise Guarantor of information known to any of them regarding such circumstances or risks.

9.13 Acknowledgement of Documentation

The Guarantor hereby acknowledges receipt of a true and complete copy of the other Documents and all of the terms and conditions thereof.

9.14 Entire Agreement

This Guarantee and the other Documents constitute the entire agreement between the Beneficiaries and the Guarantor with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between such parties other than as expressly set forth herein or therein.

9.15 Governing Law

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

9.16 Attornment

The Guarantor and each of the Beneficiaries hereby attorn and submit to the jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to this Guarantee.

For the purpose of all such legal proceedings, the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Guarantee.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the day and year first written above.

FRAC SHACK INTERNATIONAL INC.

Per: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

This is **Exhibit 11** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FRAC SHACK AMERICA INC.

GUARANTEE

MADE AS OF JULY 8, 2019

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FRAC SHACK AMERICA INC.

GUARANTEE

THIS GUARANTEE is made as of July 8, 2019.

WHEREAS the Guarantor is a Subsidiary of the Parent Borrower;

AND WHEREAS the Guarantor has agreed to provide a guarantee with respect to the Credit Facilities provided by the Lenders pursuant to the Credit Agreement and with respect to the Lender Financial Instrument Obligations and the Bank Product Obligations;

AND WHEREAS the Guarantor and each of the Obligors will derive substantial direct and indirect benefits from the making of the extensions of credit to the other Borrowers under the Credit Agreement and the use of proceeds in accordance therewith, including from the use of proceeds of the Credit Facilities and such Credit Facilities are in furtherance of the corporate purposes of the Guarantor and necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Guarantor;

AND WHEREAS there is a strong identity of interest among the Obligors and the Guarantor;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the sum of Cdn. $10.00 now paid by the Beneficiaries to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby conclusively acknowledged), the Guarantor hereby covenants and agrees with the Beneficiaries as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

(a) In this Guarantee and the recitals hereto, unless something in the subject matter or context is inconsistent therewith:

"**Beneficiaries**" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "**Beneficiary**" means any of the Lenders, the Bank Product Affiliates, the Hedging Affiliates or the Agent.

"**Beneficiaries' Counsel**" means Borden Ladner Gervais LLP or such other firm of lawyers as may be selected by the Beneficiaries from time to time.

"**Credit Agreement**" means the credit agreement made as of July 8, 2019 between the Parent Borrower, Frac Shack International Inc. and the Guarantor, as borrowers, HSBC Bank Canada and such other persons party thereto as lenders and HSBC Bank Canada as agent of such lenders, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Documents**" means, collectively, the Documents as defined in the Credit Agreement together with any and all Lender Financial Instruments and Bank Products.

"**Excluded Swap Obligations**" means, with respect to the Guarantor, any Swap Obligation if (and only if), and to the extent that, all or a portion of this Guarantee, or the grant by the Guarantor of a Security Interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of the Guarantor or the grant of such Security Interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or Security Interest is or becomes illegal.

"**Guarantee**" means this guarantee, as amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Guarantor**" means Frac Shack America Inc. and its successors.

"**Obligations**" means, collectively and at any time and from time to time, except for Excluded Swap Obligations, all of the obligations, liabilities and indebtedness (present or future, matured or otherwise) of the Obligors to any of the Beneficiaries or to all of them including, without limitation, (i) all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, matured or not) of the Obligors to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including all Outstanding Principal and all interest, commissions, legal and other costs, charges and expenses payable by the Obligors under the Credit Agreement and other Documents, (ii) all Bank Product Obligations of or owing by the Obligors to any and all Lenders and Bank Product Affiliates and (iii) except for Excluded Swap Obligations, all Lender Financial Instrument Obligations of or owing by the Obligors to any and all Lenders and Hedging Affiliates, whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again.

"**Obligors**" means, collectively, the Loan Parties other than the Guarantor.

(b) Capitalized words and phrases used in this Guarantee and the recitals hereto without express definition herein shall, unless something in the subject matter or context is inconsistent therewith, have the same defined meanings as are ascribed to such words and phrases in the Credit Agreement. For certainty, if the Credit Agreement ceases to be in force for any reason whatsoever, then for all purposes hereof the aforementioned capitalized words and phrases shall continue to have the same defined meanings set forth in the Credit Agreement as if such agreement remained in force in the form immediately prior to its ceasing to be in force.

1.2 Headings

The division of this Guarantee into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee. The terms "this Guarantee", "hereof", "hereunder" and similar expressions refer to this Guarantee and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Guarantee.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and vice versa and words importing persons shall include individuals, limited and unlimited liability companies, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 *Interest Act* (Canada)

Whenever a rate of interest hereunder is calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

1.5 Nominal Rates

The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Guarantee; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after demand, default and judgment. The rates of interest specified in this Guarantee are intended to be nominal rates and not effective rates and any interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

ARTICLE 2
GUARANTEE

2.1 Guarantee of Obligations

The Guarantor hereby unconditionally and irrevocably guarantees to the Beneficiaries the payment and performance of all of the Obligations, together with interest thereon as provided in Section 5.4.

2.2 Indemnity

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Beneficiaries from and against all losses resulting from the failure of the Obligors to pay and perform such Obligations.

2.3 Guarantor as Principal Obligor

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 or the Beneficiaries are not indemnified under Section 2.2, in each case, for any reason whatsoever, such Obligations shall, as a separate and distinct obligation, be recoverable by the Beneficiaries from the Guarantor as the primary obligor and principal debtor in respect thereof and shall be paid to the Beneficiaries forthwith after demand therefore as provided herein.

2.4 Guarantee Absolute and Unconditional

The liability and obligations of the Guarantor hereunder shall be continuing, unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, limited or otherwise affected by, and the Guarantor hereby irrevocably waives any defences it may now or hereafter have in any way relating to, any or all of the following:

(a) any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release in respect of any Obligation, security, person or otherwise, including any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release of any of the Obligations, covenants or undertakings of the Obligors under the Documents;

(b) any modification or amendment of or supplement to the Obligations;

(c) any loss of or in respect of any security held by the Beneficiaries, whether occasioned by the fault of the Beneficiaries or otherwise, including any release, non-perfection or invalidity of any such security;

(d) any change in the existence, structure, constitution, name, control or ownership of any Obligor or any other person, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligor or any other person or their respective assets;

(e) the existence of any set-off, counterclaim, claim or other right which the Guarantor or the Obligors may have at any time against the Beneficiaries or any other person, whether in connection with the Credit Agreement, this Guarantee or any unrelated transaction;

(f) any provision of Applicable Law purporting to prohibit or limit the payment by the Obligors of any Obligation, and the foregoing is hereby waived by the Guarantor to the extent permitted under Applicable Law;

(g) any limitation, postponement, prohibition, subordination or other restriction on the right of a Beneficiary to payment of the Obligations;

(h) any release, substitution or addition of any other guarantor of the Obligations;

(i) any defence arising by reason of any failure of any Beneficiary to make any presentment, demand, or protest or to give any other notice, including notice of all of the following: acceptance of this Guarantee, partial payment or non-payment of all or any part of the Obligations and the existence, creation, or incurring of new or additional Obligations;

(j) any defence arising by reason of any failure of a Beneficiary to proceed against the Obligors or any other person, or to apply or exhaust any security held from the Obligors or any other person for the Obligations, to proceed against, apply or exhaust any security held from the Guarantor or any other person, or to pursue any other remedy available to the Beneficiaries;

(k) any defence arising by reason of the invalidity, illegality or lack of enforceability of the Obligations or any part thereof or of any security or guarantee in support thereof, or by reason of any incapacity, lack of authority, or other defence of the Obligors or any other person, or by reason of any limitation, postponement or prohibition on a Beneficiary's rights to payment, or the cessation from any cause whatsoever of the liability of the Obligors or any other person with respect to all or any part of the Obligations (other than irrevocable payment to the Beneficiaries in full, in cash, of the Obligations), or by reason of any act or omission of the Beneficiaries or others which directly or indirectly results in the discharge or release of the Obligors or any other person or of all or any part of the Obligations or any security or guarantee therefor, whether by contract, operation of law or otherwise;

(l) any defence based upon or arising out of an impossibility, impracticality, frustration of purpose, illegality, *force majeure* or act of government;

(m) any defence arising by reason of the failure by a Beneficiary to obtain, register, perfect or maintain a Security Interest in or upon any property of the Obligors or any other person, or by reason of any interest of the Beneficiaries in any property, whether as owner thereof or as holder of a Security Interest therein or thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment of any right or recourse to collateral;

(n) any defence arising by reason of the failure of the Beneficiaries to marshal assets;

(o) to the extent permitted under Applicable Law, any defence based upon any failure of the Beneficiaries to give to the Obligors or the Guarantor notice of any sale or other disposition of any property securing any or all of the Obligations or any other guarantee thereof, or any notice that may be given in connection with any sale or other disposition of any such property;

(p) any defence based upon or arising out of any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against the Obligors or any other person, including any discharge or bar against collection of any of the Obligations; or

(q) any other law, event or circumstance or any other act or failure to act or delay of any kind by the Obligors, the Beneficiaries or any other person, which might, but for the provisions of this Section, constitute a legal or equitable defence to or discharge, limitation or reduction of the Guarantor's obligations hereunder, other than as a result of the payment or extinguishment in full of the Obligations.

The foregoing provisions apply and the foregoing waivers, to the extent permitted under Applicable Law, shall be effective even if the effect of any action or failure to take action by the Beneficiaries is to destroy or diminish the Guarantor's subrogation rights, the Guarantor's right to proceed against the Obligors for reimbursement, the Guarantor's right to recover contribution from any other guarantor or any other right or remedy of the Guarantor.

2.5 Waivers

(a) General Waivers

In addition to the waivers contained in Section 2.4 hereof, the Guarantor waives, and agrees that it shall not at any time insist upon, plead or in any manner whatsoever claim or take the benefit or advantage of, any appraisal, valuation, stay, extension, marshalling of assets or redemption laws, or exemption, whether now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance by the Guarantor of its obligations under, or the enforcement by the Agent and the Beneficiaries of, this Guarantee. The Guarantor hereby waives diligence, presentment and demand (whether for non-payment or protest or of acceptance, maturity, extension of time, change in nature or form of the Obligations, acceptance of further security, release of further security, composition or agreement arrived at as to the amount of, or the terms of, the Obligations, notice of adverse change in any Obligor's financial condition or any other fact which might increase the risk to the Guarantor) with respect to any of the Obligations or all other demands whatsoever, except the demand contemplated in Section 5.1, and, to the extent permitted by Applicable Law, waives the benefit of all provisions of Applicable Law which are or might be in conflict with the terms of this Guarantee.

(b) Texas Waivers

Without limiting any other waiver or provision of this Guarantee, the Guarantor hereby expressly waives to the maximum extent permitted by Applicable Law, each and every right to which it may be entitled by virtue of the suretyship laws of the State of Texas or any other state in which it may be located, including any and all rights it may have pursuant to Rule 31 of the Texas Rules of Civil Procedure and Section 17.001, Section 43.002 and Section 43.003 of the Texas Civil Practice and Remedies Code.

2.6 Election of Remedies

If the Agent, on behalf of the Beneficiaries may, under Applicable Law, proceed to realize benefits under any of the Documents giving the Agent a Security Interest upon any assets or collateral owned by any Obligor or the Guarantor or any other guarantor of the Obligations, either by judicial foreclosure or by non-judicial sale or enforcement, the Agent may, at its sole option, determine which of such remedies or rights it may pursue without affecting any of such rights and remedies under this Guarantee. If, in the exercise of any of its rights and remedies, the Agent shall forfeit any of its or the other Beneficiaries' rights or remedies, including their right to enter a deficiency judgment against any Obligor or any other guarantor of the Obligations, whether because of Applicable Law pertaining to "election of remedies" or the like, the Guarantor hereby consents to such action by the Agent and waives any claim based upon such action, even if such action by the Agent shall result in a full or partial loss of any rights of subrogation which the Guarantor might otherwise have had but for such action by the Agent. Any election of remedies which results in the denial or impairment of the right of the Agent to seek a deficiency judgment against any Obligor or any other guarantor of the Obligations shall not impair the Guarantor's obligation to pay the full amount of the Obligations. In the event the Agent shall bid at any foreclosure or trustee's sale or at any private sale permitted by Applicable Law or the Documents, the Agent may bid all or less than the amount of the Obligations and the amount of such bid need not be paid by the Agent but shall be credited against the Obligations. The amount of the successful bid at any such sale shall be conclusively deemed to be the fair market value of the collateral and the difference between such bid amount and the remaining balance of the Obligations shall be conclusively deemed to be the amount of the Obligations guaranteed under this Guarantee.

2.7 Limitation of Guarantee Amount

(a) In order to provide for just and equitable contribution among all of the guarantors of the Obligations, the Guarantor agrees that in the event a payment shall be made on any date by any other guarantor of the Obligations (the "**Funding Guarantor**"), the Guarantor shall indemnify the Funding Guarantor in an amount equal to the amount of such payment, in each case multiplied by a fraction, the numerator of which shall be the net worth of the Guarantor as of such date and the denominator of which shall be the aggregate net worth of the Guarantor together with the net worth of the Funding Guarantor as of such date. If the Guarantor makes any payment to a Funding Guarantor pursuant to this Section 2.7(a), it shall be subrogated to the rights of such Funding Guarantor to the extent of such payment.

(b) Notwithstanding anything contained in this Guarantee to the contrary, the Obligations of the Guarantor under this Guarantee on any date shall be limited to a maximum aggregate amount equal to the largest amount that would not, on such date, render its Obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Chapter 11 of the United States Bankruptcy Code (11 U.S.C. §101 et seq.) or any applicable provisions of comparable laws relating to bankruptcy, insolvency or reorganization, or relief of debtors (collectively, the "**Fraudulent Transfer Laws**"), but only to the extent that any Fraudulent Transfer Law has been found in a final non-appealable judgment of a court of competent jurisdiction to be applicable to such Obligations as of such date, in each case:

(i) after giving effect to all liabilities of the Guarantor, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws, but specifically excluding:

(A) any liabilities of the Guarantor in respect of intercompany indebtedness to the Obligors or other affiliates of the Parent Borrower to the extent such indebtedness would be discharged in an amount equal to the amount paid by the Guarantor hereunder; and

(B) any liabilities of the Guarantor under this Guarantee; and

(C) any liabilities of the Guarantor under each of its other guarantees of and joint and several co-borrowings of debt, if any, which contain a limitation as to maximum amount substantially similar to that set forth in this Section 2.7(b) (each such other guarantee and joint and several co-borrowing entered into on the date this Guarantee becomes effective, a "**Competing Guarantee**") to the extent the Guarantor's liabilities under such Competing Guarantee exceed an amount equal to (A) the aggregate principal amount of the Guarantor's obligations under such Competing Guarantee (notwithstanding the operation of that limitation contained in such Competing Guarantee that is substantially similar to this Section 2.7(b)), multiplied by (B) a fraction (I) the numerator of which is the aggregate principal amount of the Guarantor's obligations under such Competing Guarantee (notwithstanding the operation of that limitation contained in such Competing Guarantee that is substantially similar to this Section 2.7(b)), and (II) the denominator of which is the sum of (x) the aggregate principal amount of the obligations of the Guarantor under all other Competing Guarantees (notwithstanding the operation of those limitations contained in such other Competing Guarantees that are substantially similar to this Section 2.7(b)), (y) the aggregate principal amount of the obligations of the Guarantor under this Guarantee (notwithstanding the operation of this Section 2.7(b)), and (z) the aggregate principal amount of the obligations of the Guarantor under such Competing Guarantee (notwithstanding the operation of that limitation contained in such Competing Guarantee that is substantially similar to this Section 2.7(b)); and

after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation, reimbursement, indemnification or contribution of the Guarantor pursuant to Applicable Law or pursuant to the terms of any agreement (including, without limitation, any such right of contribution under Section 2.7(a)).

ARTICLE 3
DEALINGS WITH THE OBLIGORS AND OTHERS

3.1 No Release

The Beneficiaries, without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability and obligations hereunder, may:

(a) grant time, renewals, extensions, indulgences, releases and discharges to any Obligor or any other guarantor or endorser;

(b) take or abstain from taking security or collateral from any Obligor or any other guarantor or endorser or from perfecting security or collateral of the Obligors or any other guarantor or endorser;

(c) accept compromises from any Obligor or any other guarantor or endorser;

(d) subject to the Documents, apply all money at any time received from any Obligor or from security upon such part of the Obligations as the Beneficiaries may see fit or change any such application in whole or in part from time to time as the Beneficiaries may see fit; or

(e) otherwise deal with any Obligor and all other persons and security as the Beneficiaries may see fit.

3.2 No Exhaustion of Remedies

The Beneficiaries shall not be bound or obligated to exhaust their recourse against any of the Obligors or other persons or any securities or collateral it may hold or take any other action (other than to make demand pursuant to Article 5) before the Beneficiaries shall be entitled to demand, enforce and collect payment from the Guarantor hereunder.

3.3 Evidence of Obligations

Any account settled or stated in writing by or between a Beneficiary or the Beneficiaries, as the case may be, and any Obligor shall be *prima facie* evidence that the balance or amount thereof appearing due to the same is so due.

3.4 No Set-off

In any claim by the Beneficiaries against the Guarantor hereunder, the Guarantor shall not claim or assert any set-off, counterclaim, claim or other right that any Obligor or the Guarantor may have against one or more of the Beneficiaries.

ARTICLE 4
CONTINUING GUARANTEE

4.1 Continuing Guarantee

This Guarantee shall be a continuing guarantee and shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by any Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), all as though such payment had not been made. The Guarantor expressly waives any rights the Guarantor might otherwise have to renounce any continuing guarantee.

4.2 Revival of Indebtedness; Reinstatement

If at any time, all or any part of any payment previously received by a Beneficiary and applied to any Obligation must be rescinded or returned by the Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), such Obligation shall, for the purpose of this Guarantee, to the extent that such payment must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Beneficiary, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligation as though such application by the Beneficiary had not been made. For certainty, this Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against any Obligor or the Guarantor for liquidation or reorganization, should any Obligor or the Guarantor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of any Obligor's or the Guarantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to Applicable Law, rescinded or reduced in amount, or must otherwise be restored or returned by the Agent or any other Beneficiary, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

ARTICLE 5
DEMAND FOR PAYMENT, EXPENSES AND INTEREST

5.1 Demand for Payment

The Beneficiaries shall be entitled to make demand upon the Guarantor at any time during the continuance of an Event of Default and upon any such demand the Beneficiaries may treat all Obligations as due and payable and may forthwith collect from the Guarantor all Obligations. The Guarantor shall make payment to or performance in favour of the Beneficiaries of all Obligations forthwith after demand therefor is made upon the Guarantor by the Beneficiaries as aforesaid.

5.2 Stay of Acceleration

If acceleration of the time for payment of any amount payable by any Obligor in respect of the Obligations is stayed upon the insolvency, bankruptcy, arrangement or reorganization of any Obligor or any moratorium affecting the payment of the Obligations, all such amounts that would otherwise be subject to acceleration shall nonetheless be payable by the Guarantor hereunder forthwith on demand by the Beneficiaries.

5.3 Expenses

The Guarantors shall pay to the Beneficiaries all reasonable out of pocket costs and expenses, including all reasonable legal fees (on a solicitor and his own client basis) and other expenses incurred by the Beneficiaries from time to time in the enforcement, realization and collection of or in respect of this Guarantee. All such amounts shall be payable by the Guarantors on demand by the Beneficiaries.

5.4 Interest

Any payment obligation comprised in the Obligations guaranteed hereunder which is not paid when due hereunder shall bear interest, to the extent not already included in the Obligations at the rate set forth in and in accordance with Section 5.8 of the Credit Agreement. All such interest shall accrue daily and shall be payable by the Guarantor on demand by the Beneficiaries.

ARTICLE 6
SUBROGATION

6.1 Subrogation

(a) Until all the Obligations have been irrevocably satisfied or paid in full, the Guarantor shall have no right of subrogation to, and waives to the fullest extent permitted by Applicable Law, any right to enforce any remedy which the Beneficiaries now have or may hereafter have against the Obligors in respect of the Obligations, and until such time the Guarantor waives any benefit of, and any right to participate in, any security, now or hereafter held by the Beneficiaries for the Obligations.

(b) If (i) the Guarantor performs, satisfies or makes payment to the Beneficiaries of all amounts owing by the Guarantor under this Guarantee, and (ii) the Obligations are performed and irrevocably paid in full then the Beneficiaries will, at the Guarantor's request, promptly execute and deliver to the Guarantor appropriate documents, without recourse and without representation and warranty, necessary to evidence the transfer by subrogation to the Guarantor of the Beneficiaries' interest in the Obligations and any security held therefor resulting from such performance or payment by the Guarantor.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES; COVENANTS

7.1 Representations and Warranties

The Guarantor represents and warrants as follows to each of the Beneficiaries and acknowledges and confirms that each of the Beneficiaries is relying upon such representations and warranties:

(a) Status and Authority

It is a corporation existing under the laws of Delaware, is registered to carry on business in all jurisdictions in which the failure to be so registered would reasonably be expected to have a Material Adverse Effect and has all corporate authority, capacity and powers and all material Governmental Authorizations required to carry on its business as now conducted.

(b) Valid Authorization

The execution, delivery and performance by the Guarantor of this Guarantee and each of the other Documents to which it is a party (i) is within the Guarantor's corporate authority, capacity and power, (ii) has been duly authorized by all necessary corporate and other action, (iii) requires no Governmental Authorization or action by or in respect of, or filing with, any Governmental Authority (except such as has already been obtained and are in full force and effect), and (iv) does not contravene or constitute a default under (A) its constating documents or (B) any agreement or any judgment, injunction, order, decree or other instrument binding upon the Guarantor or any of its assets or properties, the contravention or default of which would reasonably be expected to have a Material Adverse Effect.

(c) Compliance with Applicable Law

The execution, delivery and performance by the Guarantor of this Guarantee is in compliance with all Applicable Laws (including, without limitation, all applicable Environmental Laws), except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect.

(d) Enforceability of Documents

This Guarantee and each of the other Documents to which the Guarantor is a party constitute valid and legally binding obligations of the Guarantor, enforceable against the Guarantor in accordance with their respective terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Eligible Contract Participant

It is an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder.

7.2 Effective Time of Repetition

All representations and warranties, when repeated or deemed to be repeated hereunder are true and correct in all material respects (except to the extent that any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects), shall be construed with reference to the facts and circumstances existing at the time of repetition, unless they are stated herein to be made as at the date hereof.

7.3 Nature of Representations and Warranties

The representations and warranties set out in this Guarantee or deemed to be made pursuant hereto shall survive the execution and delivery of this Guarantee notwithstanding any investigations or examinations which may be made by the Beneficiaries or Beneficiaries' Counsel. Such representations and warranties shall survive until this Guarantee has been terminated.

7.4 Covenants Contained in the Credit Agreement and Other Documents

The Guarantor hereby covenants and agrees with the Beneficiaries that the Guarantor shall observe, perform and comply with any and all of the covenants relating to the Guarantor contained in the Credit Agreement or other Documents that the Parent Borrower agrees that the Guarantor and the other Subsidiaries shall observe, perform and comply with or that the Parent Borrower shall cause the Guarantor and the other Subsidiaries to observe, perform and comply with.

7.5 Keepwell

To the extent the Guarantor is a Qualified ECP Guarantor, it hereby absolutely, unconditionally and irrevocably undertakes to provide such funds or other credit support as may be needed from time to time by each Obligor (that provides a guarantee to the Beneficiaries) to honour all of its obligations under its Guarantee in respect of Swap Obligations (provided, however, that the Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under this Guarantee, voidable under Applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of the Guarantor under this Section shall remain in full force and effect until discharged in accordance with the provisions of this Guarantee. The Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each Obligor (that provides a guarantee to the Beneficiaries) for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

ARTICLE 8
POSTPONEMENT

8.1 Postponement

Upon the occurrence and during the continuance of a Default or Event of Default, without demand, all debts, liabilities and obligations, present and future of the Obligors to or in favour of the Guarantor shall be and are hereby postponed and subordinated to the prior payment and performance in full of the Obligations. All money received by the Guarantor in respect of such debts, liabilities and obligations during the continuance of a Default or Event of Default shall, without demand, be received and held in trust for the benefit of the Beneficiaries and upon demand hereunder shall be forthwith paid over to the Beneficiaries, the whole without in any way lessening or limiting the liability and obligations of the Guarantor hereunder and this postponement is independent of the Guarantee and shall remain in full force and effect until payment and performance in full of the Obligations and all obligations of the Guarantor under this Guarantee.

ARTICLE 9
GENERAL

9.1 Waiver of Notices

The Guarantor hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to this Guarantee and the obligations guaranteed hereunder, except for the demand pursuant to Section 5.1.

9.2 Benefit of the Guarantee

This Guarantee shall enure to the benefit of the respective successors and permitted assigns of the Beneficiaries and be binding upon the successors of the Guarantor.

9.3 Foreign Currency Obligations

The Guarantor shall make payment relative to each Obligation in the currency (the "**original currency**") in which the relevant Obligor is required to pay such Obligation. If the Guarantor makes payment relative to any Obligation to the Beneficiaries in a currency (the "**other currency**") other than the original currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor hereunder in respect of such Obligation only to the extent of the amount of the original currency which the Beneficiaries are able to purchase with the amount of other currency they receive on the date of receipt in accordance with normal practice. If the amount of the original currency which the Beneficiaries are able to purchase is less than the amount of such currency originally due in respect of the relevant Obligation, the Guarantor shall indemnify and save the Beneficiaries harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Guarantee, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Beneficiaries and shall continue in full force

and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order. A certificate of a Beneficiary as to any such loss or damage shall constitute *prima facie* evidence thereof, in the absence of manifest error.

9.4 Taxes and Set-off by Guarantor

All payments by the Guarantor under this Guarantee, whether in respect of principal, interest, interest on overdue and unpaid interest, fees or any other Obligations, shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, Taxes, charges or otherwise whatsoever) unless the Guarantor is prohibited by Applicable Laws from doing so, in which event the Guarantor shall:

(a) ensure that the deduction or withholding does not exceed the minimum amount legally required;

(b) forthwith pay to the Beneficiaries such additional amount so that the net amount received by the Beneficiaries will equal the full amount which would have been received by it had no such deduction or withholding been made;

(c) pay to the relevant taxation or other authorities, within the period for payment required by Applicable Laws, the full amount of the deduction or withholding (including the full amount of any deduction or withholding from any additional amount paid pursuant to this Section); and

(d) furnish to the Beneficiaries promptly, as soon as available, an official receipt of the relevant taxation or other authorities involved for all amounts deducted or withheld as aforesaid.

9.5 No Waiver; Remedies

No failure on the part of the Beneficiaries to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

9.6 Severability

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

9.7 Amendments and Waivers

Any provision of this Guarantee may be amended, waived or a consent given in respect thereof with the concurrence of the Guarantor and the Agent on behalf of the Beneficiaries. Any waiver and any consent by the Agent on behalf of the Beneficiaries under any provision

of this Guarantee must be in writing signed by the Agent and may be given subject to any conditions thought fit by the Agent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

9.8 Additional Security

This Guarantee is in addition and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Beneficiaries and any other rights or remedies they might have.

9.9 Notices

Any demand, notice or other communication (hereinafter in this Section referred to as a "**Communication**") to be given in connection with this Guarantee shall be given in writing and may be given by personal delivery, facsimile, electronic mail or by registered mail addressed to the recipient as follows:

To the Agent, on behalf of the Beneficiaries:

HSBC Bank Canada, as Agent
6th Floor, 70 York Street
Toronto, Ontario M5J 1S9

Facsimile No.: (647) 788-2185
Attention: Agency Services

with a copy to:

HSBC Bank Canada
10250 – 101st Street N.W.
Edmonton, Alberta T5J 3P4

Facsimile No.: (780) 426-2660
Attention: Vice President

To the Guarantor:

Frac Shack America Inc.
c/o Frac Shack Inc.
136, 25901 - 11th Avenue
Acheson, Alberta T7X 6E2

Email: lholmstrom@fracshack.com
Attention: Chief Financial Officer

or such other address, electronic communication or facsimile number as may be designated by notice by any party to the other. Any Communication given by personal delivery, electronic mail or facsimile transmission shall be conclusively deemed to have been given on

the day of actual delivery or transmittal thereof (except, that, if not given during normal business hours, shall be deemed to have been given at the opening of business on the next Banking Day) and, if given by registered mail, on the third day following the deposit thereof in the mail. If the party giving any Communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal delivery or facsimile transmission.

9.10 Assignment

The rights of the Beneficiaries under this Guarantee may be assigned by the Beneficiaries in accordance with the provisions of the Credit Agreement and without the consent of the Guarantor during the continuance of an Event of Default and, at all other times, with the prior written consent of the Guarantor (such consent not to be unreasonably withheld). The Guarantor may not assign its obligations under this Guarantee.

9.11 Time of Essence

Time is of the essence with respect to this Guarantee and the time for performance of the obligations of the Guarantor under this Guarantee may be strictly enforced by the Beneficiaries.

9.12 Financial Condition of the Obligors

The Guarantor is fully aware of the financial condition of each of the Obligors and acknowledges that it shall receive a benefit from each of the Obligors entering into the Documents to which such Obligors are a party. The Guarantor assumes all responsibility for being and keeping itself informed of the Obligors' financial condition and assets, and of all other circumstances bearing upon the risk of non-payment or non-performance of the Obligations and the nature, scope and extent of the risks which Guarantor assumes and incurs hereunder, and agrees that the Beneficiaries shall not have a duty to advise Guarantor of information known to any of them regarding such circumstances or risks.

9.13 Acknowledgement of Documentation

The Guarantor hereby acknowledges receipt of a true and complete copy of the other Documents and all of the terms and conditions thereof.

9.14 Entire Agreement

This Guarantee and the other Documents constitute the entire agreement between the Beneficiaries and the Guarantor with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between such parties other than as expressly set forth herein or therein.

9.15 Governing Law

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

9.16 Attornment; Submission to Jurisdiction; Waiver of Venue

THE GUARANTOR HEREBY ATTORNS AND SUBMITS TO THE JURISDICTION OF THE COURTS OF THE PROVINCE OF ALBERTA IN REGARD TO LEGAL PROCEEDINGS RELATING TO THIS GUARANTEE. FOR THE PURPOSE OF ALL SUCH LEGAL PROCEEDINGS, THE COURTS OF THE PROVINCE OF ALBERTA SHALL HAVE JURISDICTION TO ENTERTAIN ANY ACTION ARISING UNDER THIS GUARANTEE. THE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH ALBERTA COURT AND AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION SHALL BE CONSTRUED NOR OPERATE TO LIMIT THE RIGHT OF THE GUARANTOR, THE AGENT OR THE OTHER BENEFICIARIES TO COMMENCE ANY ACTION RELATING HERETO IN ANY OTHER JURISDICTION, NOR TO LIMIT THE RIGHT OF THE COURTS OF ANY OTHER JURISDICTION TO TAKE JURISDICTION OVER ANY ACTION OR MATTER RELATING HERETO.

THE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTEE IN ANY COURT REFERRED TO IN THIS SECTION 9.16. THE GUARANTOR HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

9.17 Waiver of Jury Trial

THE GUARANTOR HEREBY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY SUIT, ACTION, OR PROCEEDING WITH RESPECT TO, OR DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS GUARANTEE OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN OR RELATED HERETO OR THERETO (WHETHER FOUNDED IN CONTRACT, TORT, OR ANY OTHER LEGAL OR OTHER THEORY) OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE AGENT, ANY OTHER BENEFICIARY OR THE OBLIGORS IN

CONNECTION THEREWITH). THE GUARANTOR CERTIFIES THAT NO OTHER PARTY AND NO RELATED PARTY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER DOCUMENTS TO WHICH IT IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE AGENT AND THE OTHER BENEFICIARIES ENTERING INTO THE DOCUMENTS.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the day and year first written above.

FRAC SHACK AMERICA INC.

Per: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

This is **Exhibit 12** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

SANDTINEL LLC

GUARANTEE

MADE AS OF DECEMBER 4, 2020

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SANDTINEL LLC

GUARANTEE

THIS GUARANTEE is made as of December 4, 2020

WHEREAS the Guarantor is a Subsidiary of the Parent Borrower;

AND WHEREAS the Guarantor has agreed to provide a guarantee with respect to the Credit Facilities provided by the Lenders pursuant to the Credit Agreement and with respect to the Lender Financial Instrument Obligations and the Bank Product Obligations;

AND WHEREAS the Guarantor and each of the Obligors will derive substantial direct and indirect benefits from the making of the extensions of credit to the Borrowers under the Credit Agreement and the use of proceeds in accordance therewith, including from the use of proceeds of the Credit Facilities and such Credit Facilities are in furtherance of the limited liability company purposes of the Guarantor and necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Guarantor;

AND WHEREAS there is a strong identity of interest among the Obligors and the Guarantor;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the sum of Cdn. $10.00 now paid by the Beneficiaries to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby conclusively acknowledged), the Guarantor hereby covenants and agrees with the Beneficiaries as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

(a) In this Guarantee and the recitals hereto, unless something in the subject matter or context is inconsistent therewith:

"**Beneficiaries**" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "**Beneficiary**" means any of the Lenders, the Bank Product Affiliates, the Hedging Affiliates or the Agent.

"**Beneficiaries' Counsel**" means Borden Ladner Gervais LLP or such other firm of lawyers as may be selected by the Beneficiaries from time to time.

"**Credit Agreement**" means the credit agreement made as of July 8, 2019, as amended by a consent and first amending agreement made as of January 22, 2020 between the Parent Borrower, Frac Shack International Inc., Sand Separation Technologies Inc. and Frac Shack America Inc., as borrowers, HSBC Bank Canada and such other persons party thereto as lenders and HSBC Bank Canada as agent of such lenders, as the same may be further

amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Documents**" means, collectively, the Documents as defined in the Credit Agreement together with any and all Lender Financial Instruments and Bank Products.

"**Excluded Swap Obligations**" means, with respect to the Guarantor, any Swap Obligation if (and only if), and to the extent that, all or a portion of this Guarantee, or the grant by the Guarantor of a Security Interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of the Guarantor or the grant of such Security Interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or Security Interest is or becomes illegal.

"**Guarantee**" means this guarantee, as amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Guarantor**" means Sandtinel LLC and its successors.

"**Obligations**" means, collectively and at any time and from time to time, except for Excluded Swap Obligations, all of the obligations, liabilities and indebtedness (present or future, matured or otherwise) of the Obligors to any of the Beneficiaries or to all of them including, without limitation, (i) all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, matured or not) of the Obligors to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including all Outstanding Principal and all interest, commissions, legal and other costs, charges and expenses payable by the Obligors under the Credit Agreement and other Documents, (ii) all Bank Product Obligations of or owing by the Obligors to any and all Lenders and Bank Product Affiliates and (iii) except for Excluded Swap Obligations, all Lender Financial Instrument Obligations of or owing by the Obligors to any and all Lenders and Hedging Affiliates, whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again.

"**Obligors**" means, collectively, the Loan Parties other than the Guarantor.

(b) Capitalized words and phrases used in this Guarantee and the recitals hereto without express definition herein shall, unless something in the subject matter or context is inconsistent therewith, have the same defined meanings as are ascribed to such words and phrases in the Credit Agreement. For certainty, if the Credit Agreement ceases to be in force for any reason whatsoever, then for all purposes hereof the aforementioned capitalized words and phrases shall continue to have the same

defined meanings set forth in the Credit Agreement as if such agreement remained in force in the form immediately prior to its ceasing to be in force.

1.2 Headings

The division of this Guarantee into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee. The terms "this Guarantee", "hereof", "hereunder" and similar expressions refer to this Guarantee and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Guarantee.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and vice versa and words importing persons shall include individuals, limited and unlimited liability companies, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 *Interest Act* (Canada)

Whenever a rate of interest hereunder is calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

1.5 Nominal Rates

The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Guarantee; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after demand, default and judgment. The rates of interest specified in this Guarantee are intended to be nominal rates and not effective rates and any interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

ARTICLE 2
GUARANTEE

2.1 Guarantee of Obligations

The Guarantor hereby unconditionally and irrevocably guarantees to the Beneficiaries the payment and performance of all of the Obligations, together with interest thereon as provided in Section 5.4.

2.2 Indemnity

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Beneficiaries from and against all losses resulting from the failure of the Obligors to pay and perform such Obligations.

2.3 Guarantor as Principal Obligor

If any or all of the Obligations are not duly paid or performed by the Obligors and are not recoverable under Section 2.1 or the Beneficiaries are not indemnified under Section 2.2, in each case, for any reason whatsoever, such Obligations shall, as a separate and distinct obligation, be recoverable by the Beneficiaries from the Guarantor as the primary obligor and principal debtor in respect thereof and shall be paid to the Beneficiaries forthwith after demand therefore as provided herein.

2.4 Guarantee Absolute and Unconditional

The liability and obligations of the Guarantor hereunder shall be continuing, unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, limited or otherwise affected by, and the Guarantor hereby irrevocably waives any defences it may now or hereafter have in any way relating to, any or all of the following:

(a) any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release in respect of any Obligation, security, person or otherwise, including any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release of any of the Obligations, covenants or undertakings of the Obligors under the Documents;

(b) any modification or amendment of or supplement to the Obligations;

(c) any loss of or in respect of any security held by the Beneficiaries, whether occasioned by the fault of the Beneficiaries or otherwise, including any release, non-perfection or invalidity of any such security;

(d) any change in the existence, structure, constitution, name, control or ownership of any Obligor or any other person, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligor or any other person or their respective assets;

(e) the existence of any set-off, counterclaim, claim or other right which the Guarantor or the Obligors may have at any time against the Beneficiaries or any other person, whether in connection with the Credit Agreement, this Guarantee or any unrelated transaction;

(f) any provision of Applicable Law purporting to prohibit or limit the payment by the Obligors of any Obligation, and the foregoing is hereby waived by the Guarantor to the extent permitted under Applicable Law;

(g) any limitation, postponement, prohibition, subordination or other restriction on the right of a Beneficiary to payment of the Obligations;

(h) any release, substitution or addition of any other guarantor of the Obligations;

(i) any defence arising by reason of any failure of any Beneficiary to make any presentment, demand, or protest or to give any other notice, including notice of all of the following: acceptance of this Guarantee, partial payment or non-payment of all or any part of the Obligations and the existence, creation, or incurring of new or additional Obligations;

(j) any defence arising by reason of any failure of a Beneficiary to proceed against the Obligors or any other person, or to apply or exhaust any security held from the Obligors or any other person for the Obligations, to proceed against, apply or exhaust any security held from the Guarantor or any other person, or to pursue any other remedy available to the Beneficiaries;

(k) any defence arising by reason of the invalidity, illegality or lack of enforceability of the Obligations or any part thereof or of any security or guarantee in support thereof, or by reason of any incapacity, lack of authority, or other defence of the Obligors or any other person, or by reason of any limitation, postponement or prohibition on a Beneficiary's rights to payment, or the cessation from any cause whatsoever of the liability of the Obligors or any other person with respect to all or any part of the Obligations (other than irrevocable payment to the Beneficiaries in full, in cash, of the Obligations), or by reason of any act or omission of the Beneficiaries or others which directly or indirectly results in the discharge or release of the Obligors or any other person or of all or any part of the Obligations or any security or guarantee therefor, whether by contract, operation of law or otherwise;

(l) any defence based upon or arising out of an impossibility, impracticality, frustration of purpose, illegality, *force majeure* or act of government;

(m) any defence arising by reason of the failure by a Beneficiary to obtain, register, perfect or maintain a Security Interest in or upon any property of the Obligors or any other person, or by reason of any interest of the Beneficiaries in any property, whether as owner thereof or as holder of a Security Interest therein or thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment of any right or recourse to collateral;

(n) any defence arising by reason of the failure of the Beneficiaries to marshal assets;

(o) to the extent permitted under Applicable Law, any defence based upon any failure of the Beneficiaries to give to the Obligors or the Guarantor notice of any sale or other disposition of any property securing any or all of the Obligations or any other guarantee thereof, or any notice that may be given in connection with any sale or other disposition of any such property;

(p) any defence based upon or arising out of any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against the Obligors or any other person, including any discharge or bar against collection of any of the Obligations; or

(q) any other law, event or circumstance or any other act or failure to act or delay of any kind by the Obligors, the Beneficiaries or any other person, which might, but for the provisions of this Section, constitute a legal or equitable defence to or discharge, limitation or reduction of the Guarantor's obligations hereunder, other than as a result of the payment or extinguishment in full of the Obligations.

The foregoing provisions apply and the foregoing waivers, to the extent permitted under Applicable Law, shall be effective even if the effect of any action or failure to take action by the Beneficiaries is to destroy or diminish the Guarantor's subrogation rights, the Guarantor's right to proceed against the Obligors for reimbursement, the Guarantor's right to recover contribution from any other guarantor or any other right or remedy of the Guarantor.

2.5 Waivers

(a) General Waivers

In addition to the waivers contained in Section 2.4 hereof, the Guarantor waives, and agrees that it shall not at any time insist upon, plead or in any manner whatsoever claim or take the benefit or advantage of, any appraisal, valuation, stay, extension, marshalling of assets or redemption laws, or exemption, whether now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance by the Guarantor of its obligations under, or the enforcement by the Agent and the Beneficiaries of, this Guarantee. The Guarantor hereby waives diligence, presentment and demand (whether for non-payment or protest or of acceptance, maturity, extension of time, change in nature or form of the Obligations, acceptance of further security, release of further security, composition or agreement arrived at as to the amount of, or the terms of, the Obligations, notice of adverse change in any Obligor's financial condition or any other fact which might increase the risk to the Guarantor) with respect to any of the Obligations or all other demands whatsoever, except the demand contemplated in Section 5.1, and, to the extent permitted by Applicable Law, waives the benefit of all provisions of Applicable Law which are or might be in conflict with the terms of this Guarantee.

(b) Texas Waivers

Without limiting any other waiver or provision of this Guarantee, the Guarantor hereby expressly waives to the maximum extent permitted by Applicable Law, each and every right to which it may be entitled by virtue of the suretyship laws of the State of Texas or any other state in which it may be located, including any and all rights it may have pursuant to Rule 31 of the Texas Rules of Civil Procedure and Section 17.001, Section 43.002 and Section 43.003 of the Texas Civil Practice and Remedies Code.

2.6 Election of Remedies

If the Agent, on behalf of the Beneficiaries may, under Applicable Law, proceed to realize benefits under any of the Documents giving the Agent a Security Interest upon any assets or collateral owned by any Obligor or the Guarantor or any other guarantor of the Obligations, either by judicial foreclosure or by non-judicial sale or enforcement, the Agent may, at its sole option, determine which of such remedies or rights it may pursue without affecting any of such rights and remedies under this Guarantee. If, in the exercise of any of its rights and remedies, the Agent shall forfeit any of its or the other Beneficiaries' rights or remedies, including their right to enter a deficiency judgment against any Obligor or any other guarantor of the Obligations, whether because of Applicable Law pertaining to "election of remedies" or the like, the Guarantor hereby consents to such action by the Agent and waives any claim based upon such action, even if such action by the Agent shall result in a full or partial loss of any rights of subrogation which the Guarantor might otherwise have had but for such action by the Agent. Any election of remedies which results in the denial or impairment of the right of the Agent to seek a deficiency judgment against any Obligor or any other guarantor of the Obligations shall not impair the Guarantor's obligation to pay the full amount of the Obligations. In the event the Agent shall bid at any foreclosure or trustee's sale or at any private sale permitted by Applicable Law or the Documents, the Agent may bid all or less than the amount of the Obligations and the amount of such bid need not be paid by the Agent but shall be credited against the Obligations. The amount of the successful bid at any such sale shall be conclusively deemed to be the fair market value of the collateral and the difference between such bid amount and the remaining balance of the Obligations shall be conclusively deemed to be the amount of the Obligations guaranteed under this Guarantee.

2.7 Limitation of Guarantee Amount

(a) In order to provide for just and equitable contribution among all of the guarantors of the Obligations, the Guarantor agrees that in the event a payment shall be made on any date by any other guarantor of the Obligations (the "**Funding Guarantor**"), the Guarantor shall indemnify the Funding Guarantor in an amount equal to the amount of such payment, in each case multiplied by a fraction, the numerator of which shall be the net worth of the Guarantor as of such date and the denominator of which shall be the aggregate net worth of the Guarantor together with the net worth of the Funding Guarantor as of such date. If the Guarantor makes any payment to a Funding Guarantor pursuant to this Section 2.7(a), it shall be subrogated to the rights of such Funding Guarantor to the extent of such payment.

(b) Notwithstanding anything contained in this Guarantee to the contrary, the Obligations of the Guarantor under this Guarantee on any date shall be limited to a maximum aggregate amount equal to the largest amount that would not, on such date, render its Obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Chapter 11 of the United States Bankruptcy Code (11 U.S.C. §101 et seq.) or any applicable provisions of comparable laws relating to bankruptcy, insolvency or reorganization, or relief of debtors (collectively, the "**Fraudulent Transfer Laws**"), but only to the extent that any Fraudulent Transfer Law has been found in a final non-appealable judgment of a court of competent jurisdiction to be applicable to such Obligations as of such date, in each case:

(i) after giving effect to all liabilities of the Guarantor, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws, but specifically excluding:

(A) any liabilities of the Guarantor in respect of intercompany indebtedness to the Obligors or other affiliates of the Parent Borrower to the extent such indebtedness would be discharged in an amount equal to the amount paid by the Guarantor hereunder; and

(B) any liabilities of the Guarantor under this Guarantee; and

(C) any liabilities of the Guarantor under each of its other guarantees of and joint and several co-borrowings of debt, if any, which contain a limitation as to maximum amount substantially similar to that set forth in this Section 2.7(b) (each such other guarantee and joint and several co-borrowing entered into on the date this Guarantee becomes effective, a "**Competing Guarantee**") to the extent the Guarantor's liabilities under such Competing Guarantee exceed an amount equal to (A) the aggregate principal amount of the Guarantor's obligations under such Competing Guarantee (notwithstanding the operation of that limitation contained in such Competing Guarantee that is substantially similar to this Section 2.7(b)), multiplied by (B) a fraction (I) the numerator of which is the aggregate principal amount of the Guarantor's obligations under such Competing Guarantee (notwithstanding the operation of that limitation contained in such Competing Guarantee that is substantially similar to this Section 2.7(b)), and (II) the denominator of which is the sum of (x) the aggregate principal amount of the obligations of the Guarantor under all other Competing Guarantees (notwithstanding the operation of those limitations contained in such other Competing Guarantees that are substantially similar to this Section 2.7(b)), (y) the aggregate principal amount of the obligations of the Guarantor under this Guarantee (notwithstanding the operation of this Section 2.7(b)), and (z) the aggregate principal amount of the obligations of the Guarantor under such Competing Guarantee (notwithstanding the operation of that limitation contained in such Competing Guarantee that is substantially similar to this Section 2.7(b)); and

after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation, reimbursement, indemnification or contribution of the Guarantor pursuant to Applicable Law or pursuant to the terms of any agreement (including, without limitation, any such right of contribution under Section 2.7(a)).

ARTICLE 3
DEALINGS WITH THE OBLIGORS AND OTHERS

3.1 No Release

The Beneficiaries, without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability and obligations hereunder, may:

(a) grant time, renewals, extensions, indulgences, releases and discharges to any Obligor or any other guarantor or endorser;

(b) take or abstain from taking security or collateral from any Obligor or any other guarantor or endorser or from perfecting security or collateral of the Obligors or any other guarantor or endorser;

(c) accept compromises from any Obligor or any other guarantor or endorser;

(d) subject to the Documents, apply all money at any time received from any Obligor or from security upon such part of the Obligations as the Beneficiaries may see fit or change any such application in whole or in part from time to time as the Beneficiaries may see fit; or

(e) otherwise deal with any Obligor and all other persons and security as the Beneficiaries may see fit.

3.2 No Exhaustion of Remedies

The Beneficiaries shall not be bound or obligated to exhaust their recourse against any of the Obligors or other persons or any securities or collateral it may hold or take any other action (other than to make demand pursuant to Article 5) before the Beneficiaries shall be entitled to demand, enforce and collect payment from the Guarantor hereunder.

3.3 Evidence of Obligations

Any account settled or stated in writing by or between a Beneficiary or the Beneficiaries, as the case may be, and any Obligor shall be *prima facie* evidence that the balance or amount thereof appearing due to the same is so due.

3.4 No Set-off

In any claim by the Beneficiaries against the Guarantor hereunder, the Guarantor shall not claim or assert any set-off, counterclaim, claim or other right that any Obligor or the Guarantor may have against one or more of the Beneficiaries.

ARTICLE 4
CONTINUING GUARANTEE

4.1 Continuing Guarantee

This Guarantee shall be a continuing guarantee and shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by any Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), all as though such payment had not been made. The Guarantor expressly waives any rights the Guarantor might otherwise have to renounce any continuing guarantee.

4.2 Revival of Indebtedness; Reinstatement

If at any time, all or any part of any payment previously received by a Beneficiary and applied to any Obligation must be rescinded or returned by the Beneficiary for any reason whatsoever (including the insolvency, bankruptcy or reorganization of any Obligor), such Obligation shall, for the purpose of this Guarantee, to the extent that such payment must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Beneficiary, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligation as though such application by the Beneficiary had not been made. For certainty, this Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against any Obligor or the Guarantor for liquidation or reorganization, should any Obligor or the Guarantor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of any Obligor's or the Guarantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to Applicable Law, rescinded or reduced in amount, or must otherwise be restored or returned by the Agent or any other Beneficiary, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

ARTICLE 5
DEMAND FOR PAYMENT, EXPENSES AND INTEREST

5.1 Demand for Payment

The Beneficiaries shall be entitled to make demand upon the Guarantor at any time during the continuance of an Event of Default and upon any such demand the Beneficiaries may treat all Obligations as due and payable and may forthwith collect from the Guarantor all Obligations. The Guarantor shall make payment to or performance in favour of the Beneficiaries of all Obligations forthwith after demand therefor is made upon the Guarantor by the Beneficiaries as aforesaid.

5.2 Stay of Acceleration

If acceleration of the time for payment of any amount payable by any Obligor in respect of the Obligations is stayed upon the insolvency, bankruptcy, arrangement or reorganization of any Obligor or any moratorium affecting the payment of the Obligations, all such amounts that would otherwise be subject to acceleration shall nonetheless be payable by the Guarantor hereunder forthwith on demand by the Beneficiaries.

5.3 Expenses

The Guarantors shall pay to the Beneficiaries all reasonable out of pocket costs and expenses, including all reasonable legal fees (on a solicitor and his own client basis) and other expenses incurred by the Beneficiaries from time to time in the enforcement, realization and collection of or in respect of this Guarantee. All such amounts shall be payable by the Guarantors on demand by the Beneficiaries.

5.4 Interest

Any payment obligation comprised in the Obligations guaranteed hereunder which is not paid when due hereunder shall bear interest, to the extent not already included in the Obligations at the rate set forth in and in accordance with Section 5.8 of the Credit Agreement. All such interest shall accrue daily and shall be payable by the Guarantor on demand by the Beneficiaries.

ARTICLE 6
SUBROGATION

6.1 Subrogation

(a) Until all the Obligations have been irrevocably satisfied or paid in full, the Guarantor shall have no right of subrogation to, and waives to the fullest extent permitted by Applicable Law, any right to enforce any remedy which the Beneficiaries now have or may hereafter have against the Obligors in respect of the Obligations, and until such time the Guarantor waives any benefit of, and any right to participate in, any security, now or hereafter held by the Beneficiaries for the Obligations.

(b) If (i) the Guarantor performs, satisfies or makes payment to the Beneficiaries of all amounts owing by the Guarantor under this Guarantee, and (ii) the Obligations are performed and irrevocably paid in full then the Beneficiaries will, at the Guarantor's request, promptly execute and deliver to the Guarantor appropriate documents, without recourse and without representation and warranty, necessary to evidence the transfer by subrogation to the Guarantor of the Beneficiaries' interest in the Obligations and any security held therefor resulting from such performance or payment by the Guarantor.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES; COVENANTS

7.1 Representations and Warranties

The Guarantor represents and warrants as follows to each of the Beneficiaries and acknowledges and confirms that each of the Beneficiaries is relying upon such representations and warranties:

(a) Status and Authority

It is a limited liability company existing under the laws of the State of Delaware, is registered to carry on business in all jurisdictions in which the failure to be so registered would reasonably be expected to have a Material Adverse Effect and has all limited liability company authority, capacity and powers and all material Governmental Authorizations required to carry on its business as now conducted.

(b) Valid Authorization

The execution, delivery and performance by the Guarantor of this Guarantee and each of the other Documents to which it is a party (i) is within the Guarantor's limited liability company authority, capacity and power, (ii) has been duly authorized by all necessary limited liability company and other action, (iii) requires no Governmental Authorization or action by or in respect of, or filing with, any Governmental Authority (except such as has already been obtained and are in full force and effect), and (iv) does not contravene or constitute a default under (A) its constating documents or (B) any agreement or any judgment, injunction, order, decree or other instrument binding upon the Guarantor or any of its assets or properties, the contravention or default of which would reasonably be expected to have a Material Adverse Effect.

(c) Compliance with Applicable Law

The execution, delivery and performance by the Guarantor of this Guarantee is in compliance with all Applicable Laws (including, without limitation, all applicable Environmental Laws), except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect.

(d) Enforceability of Documents

This Guarantee and each of the other Documents to which the Guarantor is a party constitute valid and legally binding obligations of the Guarantor, enforceable against the Guarantor in accordance with their respective terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Eligible Contract Participant

It is an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder.

7.2 Effective Time of Repetition

All representations and warranties, when repeated or deemed to be repeated hereunder are true and correct in all material respects (except to the extent that any such representation and warranty is expressly qualified by materiality or by reference to Material Adverse Effect or Material Adverse Change, in which case such representation and warranty (to the extent so qualified) shall continue to be true and correct in all respects), shall be construed with reference to the facts and circumstances existing at the time of repetition, unless they are stated herein to be made as at the date hereof.

7.3 Nature of Representations and Warranties

The representations and warranties set out in this Guarantee or deemed to be made pursuant hereto shall survive the execution and delivery of this Guarantee notwithstanding any investigations or examinations which may be made by the Beneficiaries or Beneficiaries' Counsel. Such representations and warranties shall survive until this Guarantee has been terminated.

7.4 Covenants Contained in the Credit Agreement and Other Documents

The Guarantor hereby covenants and agrees with the Beneficiaries that the Guarantor shall observe, perform and comply with any and all of the covenants relating to the Guarantor contained in the Credit Agreement or other Documents that the Parent Borrower agrees that the Guarantor and the other Subsidiaries shall observe, perform and comply with or that the Parent Borrower shall cause the Guarantor and the other Subsidiaries to observe, perform and comply with.

7.5 Keepwell

To the extent the Guarantor is a Qualified ECP Guarantor, it hereby absolutely, unconditionally and irrevocably undertakes to provide such funds or other credit support as may be needed from time to time by each Obligor (that provides a guarantee to the Beneficiaries) to honour all of its obligations under its Guarantee in respect of Swap Obligations (provided, however, that the Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under this Guarantee, voidable under Applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of the Guarantor under this Section shall remain in full force and effect until discharged in accordance with the provisions of this Guarantee. The Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each Obligor (that provides a guarantee to the Beneficiaries) for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

ARTICLE 8
POSTPONEMENT

8.1 Postponement

Upon the occurrence and during the continuance of a Default or Event of Default, without demand, all debts, liabilities and obligations, present and future of the Obligors to or in favour of the Guarantor shall be and are hereby postponed and subordinated to the prior payment and performance in full of the Obligations. All money received by the Guarantor in respect of such debts, liabilities and obligations during the continuance of a Default or Event of Default shall, without demand, be received and held in trust for the benefit of the Beneficiaries and upon demand hereunder shall be forthwith paid over to the Beneficiaries, the whole without in any way lessening or limiting the liability and obligations of the Guarantor hereunder and this postponement is independent of the Guarantee and shall remain in full force and effect until payment and performance in full of the Obligations and all obligations of the Guarantor under this Guarantee.

ARTICLE 9
GENERAL

9.1 Waiver of Notices

The Guarantor hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to this Guarantee and the obligations guaranteed hereunder, except for the demand pursuant to Section 5.1.

9.2 Benefit of the Guarantee

This Guarantee shall enure to the benefit of the respective successors and permitted assigns of the Beneficiaries and be binding upon the successors of the Guarantor.

9.3 Foreign Currency Obligations

The Guarantor shall make payment relative to each Obligation in the currency (the "**original currency**") in which the relevant Obligor is required to pay such Obligation. If the Guarantor makes payment relative to any Obligation to the Beneficiaries in a currency (the "**other currency**") other than the original currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge of the liability of the Guarantor hereunder in respect of such Obligation only to the extent of the amount of the original currency which the Beneficiaries are able to purchase with the amount of other currency they receive on the date of receipt in accordance with normal practice. If the amount of the original currency which the Beneficiaries are able to purchase is less than the amount of such currency originally due in respect of the relevant Obligation, the Guarantor shall indemnify and save the Beneficiaries harmless from and against any loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this

Guarantee, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Beneficiaries and shall continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order. A certificate of a Beneficiary as to any such loss or damage shall constitute *prima facie* evidence thereof, in the absence of manifest error.

9.4 Taxes and Set-off by Guarantor

All payments by the Guarantor under this Guarantee, whether in respect of principal, interest, interest on overdue and unpaid interest, fees or any other Obligations, shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, Taxes, charges or otherwise whatsoever) unless the Guarantor is prohibited by Applicable Laws from doing so, in which event the Guarantor shall:

(a) ensure that the deduction or withholding does not exceed the minimum amount legally required;

(b) forthwith pay to the Beneficiaries such additional amount so that the net amount received by the Beneficiaries will equal the full amount which would have been received by it had no such deduction or withholding been made;

(c) pay to the relevant taxation or other authorities, within the period for payment required by Applicable Laws, the full amount of the deduction or withholding (including the full amount of any deduction or withholding from any additional amount paid pursuant to this Section); and

(d) furnish to the Beneficiaries promptly, as soon as available, an official receipt of the relevant taxation or other authorities involved for all amounts deducted or withheld as aforesaid.

9.5 No Waiver; Remedies

No failure on the part of the Beneficiaries to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

9.6 Severability

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

9.7 Amendments and Waivers

Any provision of this Guarantee may be amended, waived or a consent given in respect thereof with the concurrence of the Guarantor and the Agent on behalf of the Beneficiaries. Any waiver and any consent by the Agent on behalf of the Beneficiaries under any provision of this Guarantee must be in writing signed by the Agent and may be given subject to any conditions thought fit by the Agent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

9.8 Additional Security

This Guarantee is in addition and without prejudice to any security of any kind (including, without limitation, other guarantees) now or hereafter held by the Beneficiaries and any other rights or remedies they might have.

9.9 Notices

Any demand, notice or other communication (hereinafter in this Section referred to as a "**Communication**") to be given in connection with this Guarantee shall be given in writing and may be given by personal delivery, facsimile, electronic mail or by registered mail addressed to the recipient as follows:

To the Agent, on behalf of the Beneficiaries:

HSBC Bank Canada, as Agent
6th Floor, 70 York Street
Toronto, Ontario M5J 1S9

Facsimile No.: (647) 788-2185
Attention: Agency Services

with a copy to:

HSBC Bank Canada
10250 – 101st Street N.W.
Edmonton, Alberta T5J 3P4

Facsimile No.: (780) 426-2660
Attention: Vice President

To the Guarantor:

c/o Frac Shack Inc.
11551 Bevington Road
Acheson, Alberta T7X 6C1

Email: lholmstrom@fracshack.com
Attention: Chief Financial Officer

or such other address, electronic communication or facsimile number as may be designated by notice by any party to the other. Any Communication given by personal delivery, electronic mail or facsimile transmission shall be conclusively deemed to have been given on the day of actual delivery or transmittal thereof (except, that, if not given during normal business hours, shall be deemed to have been given at the opening of business on the next Banking Day) and, if given by registered mail, on the third day following the deposit thereof in the mail. If the party giving any Communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal delivery or facsimile transmission.

9.10 Assignment

The rights of the Beneficiaries under this Guarantee may be assigned by the Beneficiaries in accordance with the provisions of the Credit Agreement and without the consent of the Guarantor during the continuance of an Event of Default and, at all other times, with the prior written consent of the Guarantor (such consent not to be unreasonably withheld). The Guarantor may not assign its obligations under this Guarantee.

9.11 Time of Essence

Time is of the essence with respect to this Guarantee and the time for performance of the obligations of the Guarantor under this Guarantee may be strictly enforced by the Beneficiaries.

9.12 Financial Condition of the Obligors

The Guarantor is fully aware of the financial condition of each of the Obligors and acknowledges that it shall receive a benefit from each of the Obligors entering into the Documents to which such Obligors are a party. The Guarantor assumes all responsibility for being and keeping itself informed of the Obligors' financial condition and assets, and of all other circumstances bearing upon the risk of non-payment or non-performance of the Obligations and the nature, scope and extent of the risks which Guarantor assumes and incurs hereunder, and agrees that the Beneficiaries shall not have a duty to advise Guarantor of information known to any of them regarding such circumstances or risks.

9.13 Acknowledgement of Documentation

The Guarantor hereby acknowledges receipt of a true and complete copy of the other Documents and all of the terms and conditions thereof.

9.14 Entire Agreement

This Guarantee and the other Documents constitute the entire agreement between the Beneficiaries and the Guarantor with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or

collateral agreements, expressed, implied or statutory, between such parties other than as expressly set forth herein or therein.

9.15 Governing Law

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

9.16 Attornment; Submission to Jurisdiction; Waiver of Venue

THE GUARANTOR HEREBY ATTORNS AND SUBMITS TO THE JURISDICTION OF THE COURTS OF THE PROVINCE OF ALBERTA IN REGARD TO LEGAL PROCEEDINGS RELATING TO THIS GUARANTEE. FOR THE PURPOSE OF ALL SUCH LEGAL PROCEEDINGS, THE COURTS OF THE PROVINCE OF ALBERTA SHALL HAVE JURISDICTION TO ENTERTAIN ANY ACTION ARISING UNDER THIS GUARANTEE. THE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH ALBERTA COURT AND AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION SHALL BE CONSTRUED NOR OPERATE TO LIMIT THE RIGHT OF THE GUARANTOR, THE AGENT OR THE OTHER BENEFICIARIES TO COMMENCE ANY ACTION RELATING HERETO IN ANY OTHER JURISDICTION, NOR TO LIMIT THE RIGHT OF THE COURTS OF ANY OTHER JURISDICTION TO TAKE JURISDICTION OVER ANY ACTION OR MATTER RELATING HERETO.

THE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTEE IN ANY COURT REFERRED TO IN THIS SECTION 9.16. THE GUARANTOR HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

9.17 Waiver of Jury Trial

THE GUARANTOR HEREBY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY SUIT, ACTION, OR PROCEEDING WITH RESPECT TO, OR DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS GUARANTEE OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN OR RELATED HERETO OR THERETO (WHETHER FOUNDED IN CONTRACT, TORT, OR ANY OTHER

LEGAL OR OTHER THEORY) OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE AGENT, ANY OTHER BENEFICIARY OR THE OBLIGORS IN CONNECTION THEREWITH). THE GUARANTOR CERTIFIES THAT NO OTHER PARTY AND NO RELATED PARTY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER DOCUMENTS TO WHICH IT IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE AGENT AND THE OTHER BENEFICIARIES ENTERING INTO THE DOCUMENTS.

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IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the day and year first written above.

SANDTINEL LLC

Per: T. Van Vliet

Name: J. Todd Van Vliet
Title: Chief Executive Officer

Guarantee (Sandtinel) - HSBC_Frac Shack Credit Agreement TVV

Final Audit Report 2020-12-04

Created:	2020-12-04
By:	Helen Aikens (haikens@fracshack.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAdgND40T7vuitCay14_mofe9zVIgbgWHm

"Guarantee (Sandtinel) - HSBC_Frac Shack Credit Agreement TVV" History

Document created by Helen Aikens (haikens@fracshack.com)
2020-12-04 - 10:40:40 PM GMT- IP address: 23.17.237.219

Document emailed to Todd Van Vliet (tvanvliet@fracshack.com) for signature
2020-12-04 - 10:41:14 PM GMT

Email viewed by Todd Van Vliet (tvanvliet@fracshack.com)
2020-12-04 - 10:42:12 PM GMT- IP address: 75.155.9.136

Document e-signed by Todd Van Vliet (tvanvliet@fracshack.com)
Signature Date: 2020-12-04 - 10:42:26 PM GMT - Time Source: server- IP address: 75.155.9.136

Agreement completed.
2020-12-04 - 10:42:26 PM GMT

This is **Exhibit 13** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of July 8, 2019

BETWEEN:

FRAC SHACK INC., a corporation existing under the laws of Alberta (hereinafter referred to as the "**Debtor**")

- and -

HSBC BANK CANADA, a Canadian chartered bank, in its capacity as Agent (hereinafter referred to as the "**Secured Party**").

WHEREAS the Debtor has agreed to grant, as general and continuing security for the payment and performance of the Obligations (as hereinafter defined), the security interest and assignment, mortgage and charge granted herein;

AND WHEREAS the Lenders, the Bank Product Affiliates and the Hedging Affiliates have appointed and authorized the Secured Party to act as their agent and attorney for the purpose of holding security granted by the Debtor;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements herein contained the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals hereto, this Section and any schedules or attachments hereto, unless something in the subject matter or context is inconsistent therewith:

"**Agreement**" means this agreement, as amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Beneficiaries**" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "Beneficiary" means any one of them.

"**Borrowers**" means, collectively, the Debtor, Frac Shack International Inc. and Frac Shack America Inc.

"**Charge**" means the security interests, assignments, mortgages and charges created hereunder.

"**Collateral**" has the meaning set out in Section 2.1.

"**Credit Agreement**" means the credit agreement made as of July 8, 2019 between the Borrowers, as borrowers, the Secured Party, as agent, and the Lenders, as lenders, relating to the establishment of certain credit facilities in favour of the Borrowers, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Equity Interest**" means with respect to any person, any shares, interests, participation, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such person.

"**Excluded Equity Interests**" means (a) Excluded JV Equity Interests and (b) any Equity Interests in any non Wholly-Owned Subsidiary that is not a Material Subsidiary.

"**Excluded JV Equity Interests**" means the Equity Interests owned by the Debtor in a Joint Partnership to the extent (but only to the extent) (a) the organizational documents of such Joint Partnership prohibit the granting of a Charge on such Equity Interests or (b) such Equity Interests of such Joint Partnership are otherwise pledged as collateral to secure (i) obligations to the other holders of the Equity Interests in such Joint Partnership (other than a holder that is a Loan Party) or (ii) indebtedness of such Joint Partnership that is non-recourse to any of the Loan Parties or to any of the Loan Parties' properties; provided however, if any of the foregoing conditions cease to be in effect for any reason, then the Equity Interest in such Joint Partnership shall cease to be an "Excluded JV Equity Interest" and shall automatically be subject to the lien and security interest granted hereby and to the terms and provisions of this Agreement as "Collateral"; provided further, that any proceeds received by the Debtor from the sale, transfer or other disposition of Excluded JV Equity Interest shall constitute Collateral unless any property constituting such proceeds are themselves subject to the exclusions set forth above.

"**Guarantee**" means the guarantee of the Debtor made as of the date hereof, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Obligations**" means, collectively and at any time and from time to time, all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Beneficiaries including, without limitation, (a) all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including, without limitation, the principal of, and all interest, fees, reasonable legal and other costs, charges and expenses owing or payable on or in respect of, any and all Loans, (b) all Bank Product Obligations of or owing by the Debtor to any and all Lenders and Bank Product Affiliates, (c) all Lender Financial Instrument Obligations of or owing by the Debtor to any and all Lenders and Hedging Affiliates and (d) all obligations, liabilities and indebtedness of the Debtor under, pursuant or relating to the Guarantee

and other Documents, in each case whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again.

1.2 Definitions used in the Credit Agreement

Capitalized terms used herein without express definition shall, unless something in the subject matter or context is inconsistent therewith, have the same meanings as are ascribed to such terms in the Credit Agreement.

1.3 *Personal Property Security Act* (Alberta) Definitions

The terms "accessions", "accounts", "chattel paper", "documents of title", "goods", "instruments", "intangibles", "inventory", "investment property" "money" and "proceeds" whenever used herein shall have the meanings given to those terms in the *Personal Property Security Act* (Alberta), including the regulations thereunder (the "**PPSA**"), as now enacted or as the same may from time to time be amended, re-enacted or replaced.

1.4 Headings and References

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Agreement.

1.5 Included Words

In this Agreement words importing the singular number only shall include the plural and vice versa, words importing any gender shall include all genders, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.6 Calculation of Interest

Whenever a rate of interest hereunder is calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

ARTICLE 2
GRANT OF SECURITY

2.1 Security

As general and continuing security for the payment and performance of the Obligations, the Debtor hereby grants to the Secured Party a security interest in all present and after-acquired personal property and all other present and future undertaking, assets and property, both real and personal of the Debtor (collectively, the "**Collateral**"), and as further general and continuing security for the payment and performance of the Obligations, the Debtor hereby assigns the Collateral to the Secured Party and mortgages and charges the Collateral to the Secured Party (with respect to real property, as and by way of a floating charge). Without limiting the generality of the foregoing, the Collateral shall include all right, title and interest that the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter or may hereafter have in all property of the following kinds:

(a) Accounts Receivable: all debts, accounts, accounts receivables, claims and choses in action which are now or which may hereafter become due, owing or accruing due to the Debtor (collectively, the "**Receivables**");

(b) Inventory: all inventory of whatever kind and wherever situated including, without limiting the generality of the foregoing, all goods held for sale or lease, or furnished or to be furnished under contracts for service, or that are work in progress, or that are raw materials used or consumed in the business of the Debtor (collectively, the "**Inventory**");

(c) Equipment: all goods, machinery, equipment, fixtures, furniture, plant, vehicles and other tangible personal property which are not Inventory, including, without limiting the generality of the foregoing, the tangible personal property described in any schedule hereto executed by both the Debtor and the Secured Party;

(d) Chattel Paper: all chattel paper;

(e) Documents of Title: all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;

(f) Investment Property and Instruments: all Equity Interests, warrants, bonds, debentures, debenture stock and other investment property and all instruments (collectively, the "**Securities**");

(g) Intangibles: all intangibles not described in Section 2.1(a) including, without limiting the generality of the foregoing, all goodwill, patents, trademarks, copyrights and other intellectual property;

(h) Money: all coins or bills or other medium of exchange adopted for use as part of the currency of Canada or of any foreign government;

(i) Books, Records, Etc.: all books, papers, accounts, invoices, documents and other records in any form evidencing or relating to any of the property described in Sections 2.1(a) to (h) inclusive, and all contracts, securities, instruments and other rights and benefits in respect thereof;

(j) Substitutions, Etc.: all replacements of, substitutions for and increases, additions and accessions to any of the property described in Sections 2.1(a) to (i) inclusive; and

(k) Proceeds: all proceeds of the property described in Sections 2.1(a) to (j) inclusive including, without limiting the generality of the foregoing, all personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for the loss of or damage to such property;

provided that the Charge shall not: (i) extend, include or apply to the last day of the term of any lease now held or hereafter acquired by the Debtor, but should the Secured Party enforce the said Charge, the Debtor shall thereafter stand possessed of such last day and shall hold it in trust to assign the same to any person acquiring such term in the course of the enforcement of the said Charge, (ii) render the Secured Party liable to observe or perform any term, covenant or condition of any agreement, document or instrument to which the Debtor is a party or by which it is bound or (iii) extend to, and the Collateral shall not include (A) any agreement, right, franchise, licence or permit (the "**Contractual Rights**") to which the Debtor is a party or of which the Debtor has benefit, to the extent that the creation of the Charge herein would constitute a breach of the terms of, or permit any person to terminate, the Contractual Rights, but the Debtor shall hold its interest therein in trust for the Secured Party and shall assign such Contractual Rights to the Secured Party forthwith upon obtaining the consent of all other parties thereto or (B) any Excluded Equity Interests. The Debtor agrees that it shall, upon the request of the Secured Party, use all commercially reasonable efforts to obtain any consent required to permit any Contractual Rights to be subjected to the Charge herein.

2.2 Attachment of Security Interest

The Debtor acknowledges (i) that value has been given, (ii) that the security interest granted hereby shall attach when the Debtor signs this Agreement and the Debtor has any rights in the Collateral, (iii) it has not agreed to postpone the time of attachment of the security interest and (iv) it has received a copy of this Agreement.

ARTICLE 3
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE DEBTOR

3.1 Representations and Warranties

The Debtor hereby represents and warrants to the Secured Party and the Beneficiaries that (and acknowledges that the Secured Party and the Beneficiaries are relying on the same):

(a) the address of the Debtor's chief executive office (as such term is utilized in the PPSA) is 136, 25901 – 114th Avenue, Acheson, Alberta, T7X 6E2;

(b) the address of the office where the Debtor keeps its records respecting the Receivables is 136, 25901 – 114th Avenue, Acheson, Alberta, T7X 6E2;

(c) all of the tangible property and assets of the Debtor, real or personal, are located in Alberta and British Columbia; and

(d) it has not granted "control" (within the meaning of such term under Section 1(1.1) of the PPSA) over any investment property to any person other than the Secured Party

3.2 Survival of Representations and Warranties

The representations and warranties set out in this Agreement shall survive the execution and delivery of this Agreement notwithstanding any investigations or examinations which may be made by any of the Beneficiaries or their legal counsel. Such representations and warranties shall survive until this Agreement has been terminated and discharged in accordance with Section 6.8 hereof.

3.3 Covenants

The Debtor covenants with the Secured Party that the Debtor shall:

(a) not change its name or the jurisdiction of its chief executive office or the location of the office where it keeps its records respecting the Receivables without giving 15 days' prior written notice thereof to the Secured Party;

(b) from time to time forthwith at the request of the Secured Party execute and deliver all such financing statements, schedules, assignments and documents, and do all such further acts and things as may be reasonably required by the Secured Party to effectively carry out the full intent and meaning of this Agreement, including, without limitation, to enforce the Charge and remedies provided hereunder, or to better evidence and perfect the Charge, and, upon the occurrence and continuance of an Event of Default, the Debtor hereby irrevocably constitutes and appoints the Secured Party, or any receiver or receiver and manager appointed by the court or the Secured Party, the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever the Secured Party or any such Receiver may consider it to be necessary or expedient;

(c) pay to the Secured Party forthwith upon demand all reasonable costs and expenses (including, without limiting the generality of the foregoing, all reasonable legal, Receiver's and accounting fees and expenses) incurred by or on behalf of the Secured Party in connection with the preparation, execution and perfection of this Agreement and the carrying out of any of the provisions of this Agreement including, without limiting the generality of the foregoing, protecting and preserving the Charge and enforcing by legal process or otherwise the remedies provided herein; and all such costs and expenses shall be added to and form part of the Obligations secured hereunder; and

(d) not grant "control" (within the meaning of such term under Section 1(1.1) of the PPSA) over any investment property to any person other than the Secured Party.

ARTICLE 4
SECURITIES; ACCOUNT DEBTORS

4.1 Registration of Securities

The Secured Party may require that the Debtor have any Securities registered in the name of the Secured Party or in the name of its nominee and shall be entitled but not bound or required to exercise any of the rights that any holder of such Securities may at any time have, provided that, until an Event of Default has occurred and is continuing, the Debtor shall be entitled to exercise all voting power from time to time exercisable in respect of the Securities. The Beneficiaries shall not be responsible for any loss occasioned by the exercise of any of such rights or by failure to exercise the same within the time limit for the exercise thereof.

4.2 Control of Securities

At the request of the Secured Party, the Debtor shall take all steps in order to provide "control" (within the meaning of the PPSA) to the Secured Party of all Securities including, without limitation, delivering all stock certificates and corresponding stock powers of attorney relating to such Securities.

4.3 Notification of Account Debtors

If an Event of Default has occurred and is continuing, the Secured Party may give notice of this Agreement and the Charge granted hereby to any account debtors of the Debtor or to any other person liable to the Debtor and may give notice to any such account debtors or other person to make all further payments to the Secured Party, and, after the occurrence and during the continuance of an Event of Default, any payment or other proceeds of Collateral received by the Debtor from account debtors or from any other person liable to the Debtor whether before or after any notice is given by the Secured Party shall be held by the Debtor in trust for the Secured Party and forthwith paid over to the Secured Party on request.

ARTICLE 5
REMEDIES

5.1 Remedies

(a) Upon the occurrence and during the continuance of any Event of Default any or all security granted hereby shall, at the option of the Secured Party, become immediately enforceable and, in addition to any right or remedy provided by law, the Secured Party will have the rights and remedies set out below, all of which rights and remedies will be enforceable successively, concurrently, or both, and are in addition to and not in substitution for any other rights or remedies the Secured Party may have:

(i) the Secured Party may by appointment in writing appoint a receiver or receiver and manager (each herein referred to as the "Receiver") of the Collateral (which term when used in this Section 5.1 shall include the whole or any part of the Collateral) and may remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver of the Collateral; and the term "Secured Party" when used in this Section 5.1 shall include any Receiver so appointed and the agents, officers and employees of such Receiver; and the Secured Party shall not be in any way responsible for any misconduct or negligence of any such Receiver;

(ii) the Secured Party may take possession of the Collateral and require the Debtor to assemble the Collateral and deliver or make the Collateral available to the Secured Party at such place or places as may be specified by the Secured Party;

(iii) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral;

(iv) the Secured Party may carry on or concur in the carrying on of all or any part of the business of the Debtor;

(v) the Secured Party may enforce any rights of the Debtor in respect of the Collateral by any manner permitted by law;

(vi) the Secured Party may sell, lease or otherwise dispose of the Collateral at public auction, by private tender, by private sale or otherwise either for cash or upon credit upon such terms and conditions as the Secured Party may determine and without notice to the Debtor unless required by law and may execute and deliver to the purchaser or purchasers of the Collateral or any part thereof a good and sufficient deed or conveyance or deeds or conveyances for the same, any officer or duly authorized representative of the Secured Party being hereby constituted the irrevocable attorney of the Debtor for the purpose of making such sale and executing such deeds or conveyances, and any such sale made as aforesaid shall be a perpetual bar both in law and in equity against the Debtor and all other persons claiming all or any part of the Collateral by, from, through or under the Debtor;

(vii) the Secured Party may accept the Collateral in satisfaction or partial satisfaction of the Obligations upon notice to the Debtor of its intention to do so in the manner required by law;

(viii) the Secured Party may borrow money on the security of the Collateral for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Collateral in priority to the Charge;

(ix) the Secured Party may , subject to applicable law, enter upon, occupy and use all or any of the Collateral occupied by the Debtor and use all or any of the Collateral for such time as the Secured Party requires to facilitate the realization of the Collateral, free of charge, and the Secured Party and the Beneficiaries will not be liable to the Debtor for any neglect in so doing (other than gross negligence or wilful misconduct on the part thereof) or in respect of any rent, charges, depreciation or damages in connection with such actions;

(x) the Secured Party may charge on its own behalf and pay to others all amounts for expenses incurred and for services rendered in connection with the exercise of the rights and remedies of the Beneficiaries hereunder, including, without limiting the generality of the foregoing, reasonable legal, Receiver and accounting fees and expenses, and in every such case the amounts so paid together with all costs, charges and expenses incurred in connection therewith, including interest thereon at a rate per annum equal to the rate of interest per annum then payable on Canadian Prime Rate Loans plus 2.0% per annum, shall be added to and form part of the Obligations hereby secured; and

(xi) the Secured Party may discharge any claim, Security Interest, encumbrance or any rights of others that may exist or be threatened against the Collateral, and in every such case the amounts so paid together with all reasonable costs, charges and expenses incurred in connection therewith shall be added to the Obligations hereby secured.

(b) The Secured Party and the Beneficiaries may:

(i) grant extensions of time,

(ii) take and perfect or abstain from taking and perfecting security,

(iii) give up securities,

(iv) accept compositions or compromises,

(v) grant releases and discharges, and

(vi) release any part of the Collateral or otherwise deal with the Debtor, debtors and creditors of the Debtor, sureties and others and with the Collateral and other security as the Secured Party sees fit,

without prejudice to the liability of the Debtor to the Secured Party and the Beneficiaries or the Beneficiaries' rights hereunder.

(c) The Beneficiaries shall not be liable or responsible for any failure to seize, collect, realize, or obtain payment with respect to the Collateral and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting,

realizing or obtaining possession or payment with respect to the Collateral or for the purpose of preserving any rights of the Secured Party, the Debtor or any other person, in respect of the Collateral.

(d) The Secured Party shall apply any proceeds of realization of the Collateral to payment of reasonable expenses in connection with the preservation and realization of the Collateral as above described and the Secured Party shall apply any balance of such proceeds to payment of the Obligations in accordance with the Credit Agreement. If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the aforesaid expenses, the Debtor will be liable to pay any deficiency to the Secured Party and the Beneficiaries forthwith on demand. Subject to the requirements of applicable law, any surplus realized in excess of the Obligations shall be paid over to the Debtor.

(e) Any Receiver shall be entitled to exercise all rights and powers of the Secured Party hereunder. To the extent permitted by law, any Receiver shall for all purposes be deemed to be the agent of the Debtor and not of the Secured Party and the Debtor shall be solely responsible for the Receiver's acts or defaults and remuneration.

ARTICLE 6
GENERAL

6.1 Benefit of the Agreement

This Agreement shall be binding upon the successors and permitted assigns of the Debtor and shall benefit the successors and permitted assigns of the Secured Party and other Beneficiaries.

6.2 Conflict of Terms; Entire Agreement

This Agreement has been entered into as collateral security for the Obligations and is subject to all the terms and conditions of the Credit Agreement, Lender Financial Instruments and the Bank Products and, if there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Credit Agreement, the Lender Financial Instruments or the Bank Products, the rights and obligations of the Debtor, Secured Party and Beneficiaries shall be governed by the provisions of the Credit Agreement, the Lender Financial Instruments and the Bank Products. This Agreement together with the Credit Agreement, the Lender Financial Instruments, the Bank Products and all other Documents constitute the entire agreement between the Debtor and the Secured Party with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Beneficiaries and the Debtor except as expressly set forth therein and herein.

6.3 No Waiver

No delay or failure by the Beneficiaries in the exercise of any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

6.4 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. To the extent permitted by applicable law the parties hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

6.5 Notices

Any demand, notice or other communication to be given in connection with this Agreement shall be given in such manner as is set forth in the Guarantee.

6.6 Modification; Waivers; Assignment

This Agreement may not be amended or modified in any respect except by written instrument signed by the Debtor and the Secured Party. No waiver of any provision of this Agreement by the Secured Party shall be effective unless the same is in writing and signed by the Secured Party, and then such waiver shall be effective only in the specific instance and for the specific purpose for which it is given. The rights of the Secured Party (including those of any Beneficiary) under this Agreement may only be assigned in accordance with the requirements of the Credit Agreement or applicable Lender Financial Instrument or Bank Product (as the case may be). The Debtor may not assign its obligations under this Agreement. Any assignee of a Beneficiary shall be bound hereby, *mutatis mutandis*.

6.7 Additional Continuing Security

This Agreement and the Charge granted hereby are in addition to and not in substitution for any other security now or hereafter held by the Secured Party or the Beneficiaries and this Agreement is a continuing agreement and security that shall remain in full force and effect until discharged by the Secured Party.

6.8 Discharge

The Debtor and the Collateral shall not be discharged from the Charge or from this Agreement except in accordance with Section 11.7 of the Credit Agreement, including any automatic release of the Charge as provided therein.

6.9 No Release

The loss, injury or destruction of the Collateral shall not operate in any manner to release or discharge the Debtor from any of its liabilities to the Beneficiaries.

6.10 No Obligation to Act

Notwithstanding any provision of this Agreement or any other Document or the operation, application or effect hereof, the Secured Party, the other Beneficiaries or any Receiver, or any representative or agent acting for or on behalf of the foregoing, shall not have any obligation

whatsoever to exercise or refrain from exercising any right, power, privilege or interest hereunder or to receive or claim any benefit hereunder.

6.11 Admit to Benefit

Subject to Section 6.6, no person other than the Debtor and the Beneficiaries shall have any rights or benefits under this Agreement, nor is it intended that any such person gain any benefit or advantage as a result of this Agreement nor shall this Agreement constitute a subordination of any security in favour of such person.

6.12 Time of the Essence

Time shall be of the essence with regard to this Agreement.

6.13 Waiver of Financing Statement, etc.

The Debtor hereby waives the right to receive from the Secured Party or the other Beneficiaries a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Agreement or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Agreement.

6.14 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.

6.15 Attornment

The Debtor and each of the Beneficiaries each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta. For the purpose of all legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action or proceeding arising under this Agreement. Notwithstanding the foregoing, nothing herein shall be construed nor operate to limit the right of the Debtor or any Beneficiary to commence any action or proceeding relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action, proceeding or matter relating hereto.

6.16 Executed Copy

The Debtor hereby acknowledges receipt of a fully executed copy of this Agreement.

6.17 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 taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page

of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of manually executed counterpart of this Agreement.

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IN WITNESS WHEREOF the parties hereto have executed this Agreement.

FRAC SHACK INC.

Per: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

HSBC BANK CANADA,
as Agent and Secured Party

Per: _____

Name:
Title:

Per: _____

Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

FRAC SHACK INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

HSBC BANK CANADA,
as Agent and Secured Party

Per: _____
Name: CHRISTINE STOCKMAN
Title: AUTHORIZED SIGNATORY

Per: _____
Name: ALYSSA SERRACCHIONE
Title: AUTHORIZED SIGNATORY

This is **Exhibit 14** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of July 8, 2019

BETWEEN:

FRAC SHACK INTERNATIONAL INC., a corporation existing under the federal laws of Canada (hereinafter referred to as the "**Debtor**")

- and -

HSBC BANK CANADA, a Canadian chartered bank, in its capacity as Agent (hereinafter referred to as the "**Secured Party**").

WHEREAS the Debtor has agreed to grant, as general and continuing security for the payment and performance of the Obligations (as hereinafter defined), the security interest and assignment, mortgage and charge granted herein;

AND WHEREAS the Lenders, the Bank Product Affiliates and the Hedging Affiliates have appointed and authorized the Secured Party to act as their agent and attorney for the purpose of holding security granted by the Debtor;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements herein contained the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals hereto, this Section and any schedules or attachments hereto, unless something in the subject matter or context is inconsistent therewith:

"**Agreement**" means this agreement, as amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"**Beneficiaries**" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "Beneficiary" means any one of them.

"**Borrowers**" means, collectively, the Parent Borrower, the Debtor and Frac Shack America Inc.

"**Charge**" means the security interests, assignments, mortgages and charges created hereunder.

"**Collateral**" has the meaning set out in Section 2.1.

"**Credit Agreement**" means the credit agreement made as of July 8, 2019 between the Borrowers, as borrowers, the Secured Party, as agent, and the Lenders, as lenders, relating to the establishment of certain credit facilities in favour of the Borrowers, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Equity Interest**" means with respect to any person, any shares, interests, participation, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such person.

"**Excluded Equity Interests**" means (a) Excluded JV Equity Interests and (b) any Equity Interests in any non Wholly-Owned Subsidiary that is not a Material Subsidiary.

"**Excluded JV Equity Interests**" means the Equity Interests owned by the Debtor in a Joint Partnership to the extent (but only to the extent) (a) the organizational documents of such Joint Partnership prohibit the granting of a Charge on such Equity Interests or (b) such Equity Interests of such Joint Partnership are otherwise pledged as collateral to secure (i) obligations to the other holders of the Equity Interests in such Joint Partnership (other than a holder that is a Loan Party) or (ii) indebtedness of such Joint Partnership that is non-recourse to any of the Loan Parties or to any of the Loan Parties' properties; provided however, if any of the foregoing conditions cease to be in effect for any reason, then the Equity Interest in such Joint Partnership shall cease to be an "Excluded JV Equity Interest" and shall automatically be subject to the lien and security interest granted hereby and to the terms and provisions of this Agreement as "Collateral"; provided further, that any proceeds received by the Debtor from the sale, transfer or other disposition of Excluded JV Equity Interest shall constitute Collateral unless any property constituting such proceeds are themselves subject to the exclusions set forth above.

"**Guarantee**" means the guarantee of the Debtor made as of the date hereof, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"**Obligations**" means, collectively and at any time and from time to time, all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Beneficiaries including, without limitation, (a) all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including, without limitation, the principal of, and all interest, fees, reasonable legal and other costs, charges and expenses owing or payable on or in respect of, any and all Loans, (b) all Bank Product Obligations of or owing by the Debtor to any and all Lenders and Bank Product Affiliates, (c) all Lender Financial Instrument Obligations of or owing by the Debtor to any and all Lenders and Hedging Affiliates and (d) all obligations, liabilities and indebtedness of the Debtor under, pursuant or relating to the Guarantee

and other Documents, in each case whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again.

1.2 Definitions used in the Credit Agreement

Capitalized terms used herein without express definition shall, unless something in the subject matter or context is inconsistent therewith, have the same meanings as are ascribed to such terms in the Credit Agreement.

1.3 *Personal Property Security Act* (Alberta) Definitions

The terms "accessions", "accounts", "chattel paper", "documents of title", "goods", "instruments", "intangibles", "inventory", "investment property" "money" and "proceeds" whenever used herein shall have the meanings given to those terms in the *Personal Property Security Act* (Alberta), including the regulations thereunder (the "**PPSA**"), as now enacted or as the same may from time to time be amended, re-enacted or replaced.

1.4 Headings and References

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Agreement.

1.5 Included Words

In this Agreement words importing the singular number only shall include the plural and vice versa, words importing any gender shall include all genders, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.6 Calculation of Interest

Whenever a rate of interest hereunder is calculated on the basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

ARTICLE 2
GRANT OF SECURITY

2.1 Security

As general and continuing security for the payment and performance of the Obligations, the Debtor hereby grants to the Secured Party a security interest in all present and after-acquired personal property and all other present and future undertaking, assets and property, both real and personal of the Debtor (collectively, the "**Collateral**"), and as further general and continuing security for the payment and performance of the Obligations, the Debtor hereby assigns the Collateral to the Secured Party and mortgages and charges the Collateral to the Secured Party (with respect to real property, as and by way of a floating charge). Without limiting the generality of the foregoing, the Collateral shall include all right, title and interest that the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter or may hereafter have in all property of the following kinds:

(a) Accounts Receivable: all debts, accounts, accounts receivables, claims and choses in action which are now or which may hereafter become due, owing or accruing due to the Debtor (collectively, the "**Receivables**");

(b) Inventory: all inventory of whatever kind and wherever situated including, without limiting the generality of the foregoing, all goods held for sale or lease, or furnished or to be furnished under contracts for service, or that are work in progress, or that are raw materials used or consumed in the business of the Debtor (collectively, the "**Inventory**");

(c) Equipment: all goods, machinery, equipment, fixtures, furniture, plant, vehicles and other tangible personal property which are not Inventory, including, without limiting the generality of the foregoing, the tangible personal property described in any schedule hereto executed by both the Debtor and the Secured Party;

(d) Chattel Paper: all chattel paper;

(e) Documents of Title: all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;

(f) Investment Property and Instruments: all Equity Interests, warrants, bonds, debentures, debenture stock and other investment property and all instruments (collectively, the "**Securities**");

(g) Intangibles: all intangibles not described in Section 2.1(a) including, without limiting the generality of the foregoing, all goodwill, patents, trademarks, copyrights and other intellectual property;

(h) Money: all coins or bills or other medium of exchange adopted for use as part of the currency of Canada or of any foreign government;

(i) Books, Records, Etc.: all books, papers, accounts, invoices, documents and other records in any form evidencing or relating to any of the property described in Sections 2.1(a) to (h) inclusive, and all contracts, securities, instruments and other rights and benefits in respect thereof;

(j) Substitutions, Etc.: all replacements of, substitutions for and increases, additions and accessions to any of the property described in Sections 2.1(a) to (i) inclusive; and

(k) Proceeds: all proceeds of the property described in Sections 2.1(a) to (j) inclusive including, without limiting the generality of the foregoing, all personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for the loss of or damage to such property;

provided that the Charge shall not: (i) extend, include or apply to the last day of the term of any lease now held or hereafter acquired by the Debtor, but should the Secured Party enforce the said Charge, the Debtor shall thereafter stand possessed of such last day and shall hold it in trust to assign the same to any person acquiring such term in the course of the enforcement of the said Charge, (ii) render the Secured Party liable to observe or perform any term, covenant or condition of any agreement, document or instrument to which the Debtor is a party or by which it is bound or (iii) extend to, and the Collateral shall not include (A) any agreement, right, franchise, licence or permit (the "**Contractual Rights**") to which the Debtor is a party or of which the Debtor has benefit, to the extent that the creation of the Charge herein would constitute a breach of the terms of, or permit any person to terminate, the Contractual Rights, but the Debtor shall hold its interest therein in trust for the Secured Party and shall assign such Contractual Rights to the Secured Party forthwith upon obtaining the consent of all other parties thereto or (B) any Excluded Equity Interests. The Debtor agrees that it shall, upon the request of the Secured Party, use all commercially reasonable efforts to obtain any consent required to permit any Contractual Rights to be subjected to the Charge herein.

2.2 Attachment of Security Interest

The Debtor acknowledges (i) that value has been given, (ii) that the security interest granted hereby shall attach when the Debtor signs this Agreement and the Debtor has any rights in the Collateral, (iii) it has not agreed to postpone the time of attachment of the security interest and (iv) it has received a copy of this Agreement.

ARTICLE 3
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE DEBTOR

3.1 Representations and Warranties

The Debtor hereby represents and warrants to the Secured Party and the Beneficiaries that (and acknowledges that the Secured Party and the Beneficiaries are relying on the same):

(a) the address of the Debtor's chief executive office (as such term is utilized in the PPSA) is 136, 25901 – 114th Avenue, Acheson, Alberta, T7X 6E2;

(b) the address of the office where the Debtor keeps its records respecting the Receivables is 136, 25901 – 114th Avenue, Acheson, Alberta, T7X 6E2;

(c) all of the tangible property and assets of the Debtor, real or personal, are located in Alberta and British Columbia; and

(d) it has not granted "control" (within the meaning of such term under Section 1(1.1) of the PPSA) over any investment property to any person other than the Secured Party

3.2 Survival of Representations and Warranties

The representations and warranties set out in this Agreement shall survive the execution and delivery of this Agreement notwithstanding any investigations or examinations which may be made by any of the Beneficiaries or their legal counsel. Such representations and warranties shall survive until this Agreement has been terminated and discharged in accordance with Section 6.8 hereof.

3.3 Covenants

The Debtor covenants with the Secured Party that the Debtor shall:

(a) not change its name or the jurisdiction of its chief executive office or the location of the office where it keeps its records respecting the Receivables without giving 15 days' prior written notice thereof to the Secured Party;

(b) from time to time forthwith at the request of the Secured Party execute and deliver all such financing statements, schedules, assignments and documents, and do all such further acts and things as may be reasonably required by the Secured Party to effectively carry out the full intent and meaning of this Agreement, including, without limitation, to enforce the Charge and remedies provided hereunder, or to better evidence and perfect the Charge, and, upon the occurrence and continuance of an Event of Default, the Debtor hereby irrevocably constitutes and appoints the Secured Party, or any receiver or receiver and manager appointed by the court or the Secured Party, the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever the Secured Party or any such Receiver may consider it to be necessary or expedient;

(c) pay to the Secured Party forthwith upon demand all reasonable costs and expenses (including, without limiting the generality of the foregoing, all reasonable legal, Receiver's and accounting fees and expenses) incurred by or on behalf of the Secured Party in connection with the preparation, execution and perfection of this Agreement and the carrying out of any of the provisions of this Agreement including, without limiting the generality of the foregoing, protecting and preserving the Charge and enforcing by legal process or otherwise the remedies provided herein; and all such costs and expenses shall be added to and form part of the Obligations secured hereunder; and

(d) not grant "control" (within the meaning of such term under Section 1(1.1) of the PPSA) over any investment property to any person other than the Secured Party.

ARTICLE 4
SECURITIES; ACCOUNT DEBTORS

4.1 Registration of Securities

The Secured Party may require that the Debtor have any Securities registered in the name of the Secured Party or in the name of its nominee and shall be entitled but not bound or required to exercise any of the rights that any holder of such Securities may at any time have, provided that, until an Event of Default has occurred and is continuing, the Debtor shall be entitled to exercise all voting power from time to time exercisable in respect of the Securities. The Beneficiaries shall not be responsible for any loss occasioned by the exercise of any of such rights or by failure to exercise the same within the time limit for the exercise thereof.

4.2 Control of Securities

At the request of the Secured Party, the Debtor shall take all steps in order to provide "control" (within the meaning of the PPSA) to the Secured Party of all Securities including, without limitation, delivering all stock certificates and corresponding stock powers of attorney relating to such Securities.

4.3 Notification of Account Debtors

If an Event of Default has occurred and is continuing, the Secured Party may give notice of this Agreement and the Charge granted hereby to any account debtors of the Debtor or to any other person liable to the Debtor and may give notice to any such account debtors or other person to make all further payments to the Secured Party, and, after the occurrence and during the continuance of an Event of Default, any payment or other proceeds of Collateral received by the Debtor from account debtors or from any other person liable to the Debtor whether before or after any notice is given by the Secured Party shall be held by the Debtor in trust for the Secured Party and forthwith paid over to the Secured Party on request.

ARTICLE 5
REMEDIES

5.1 Remedies

(a) Upon the occurrence and during the continuance of any Event of Default any or all security granted hereby shall, at the option of the Secured Party, become immediately enforceable and, in addition to any right or remedy provided by law, the Secured Party will have the rights and remedies set out below, all of which rights and remedies will be enforceable successively, concurrently, or both, and are in addition to and not in substitution for any other rights or remedies the Secured Party may have:

(i) the Secured Party may by appointment in writing appoint a receiver or receiver and manager (each herein referred to as the "Receiver") of the Collateral (which term when used in this Section 5.1 shall include the whole or any part of the Collateral) and may remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver of the Collateral; and the term "Secured Party" when used in this Section 5.1 shall include any Receiver so appointed and the agents, officers and employees of such Receiver; and the Secured Party shall not be in any way responsible for any misconduct or negligence of any such Receiver;

(ii) the Secured Party may take possession of the Collateral and require the Debtor to assemble the Collateral and deliver or make the Collateral available to the Secured Party at such place or places as may be specified by the Secured Party;

(iii) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral;

(iv) the Secured Party may carry on or concur in the carrying on of all or any part of the business of the Debtor;

(v) the Secured Party may enforce any rights of the Debtor in respect of the Collateral by any manner permitted by law;

(vi) the Secured Party may sell, lease or otherwise dispose of the Collateral at public auction, by private tender, by private sale or otherwise either for cash or upon credit upon such terms and conditions as the Secured Party may determine and without notice to the Debtor unless required by law and may execute and deliver to the purchaser or purchasers of the Collateral or any part thereof a good and sufficient deed or conveyance or deeds or conveyances for the same, any officer or duly authorized representative of the Secured Party being hereby constituted the irrevocable attorney of the Debtor for the purpose of making such sale and executing such deeds or conveyances, and any such sale made as aforesaid shall be a perpetual bar both in law and in equity against the Debtor and all other persons claiming all or any part of the Collateral by, from, through or under the Debtor;

(vii) the Secured Party may accept the Collateral in satisfaction or partial satisfaction of the Obligations upon notice to the Debtor of its intention to do so in the manner required by law;

(viii) the Secured Party may borrow money on the security of the Collateral for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Collateral in priority to the Charge;

(ix) the Secured Party may , subject to applicable law, enter upon, occupy and use all or any of the Collateral occupied by the Debtor and use all or any of the Collateral for such time as the Secured Party requires to facilitate the realization of the Collateral, free of charge, and the Secured Party and the Beneficiaries will not be liable to the Debtor for any neglect in so doing (other than gross negligence or wilful misconduct on the part thereof) or in respect of any rent, charges, depreciation or damages in connection with such actions;

(x) the Secured Party may charge on its own behalf and pay to others all amounts for expenses incurred and for services rendered in connection with the exercise of the rights and remedies of the Beneficiaries hereunder, including, without limiting the generality of the foregoing, reasonable legal, Receiver and accounting fees and expenses, and in every such case the amounts so paid together with all costs, charges and expenses incurred in connection therewith, including interest thereon at a rate per annum equal to the rate of interest per annum then payable on Canadian Prime Rate Loans plus 2.0% per annum, shall be added to and form part of the Obligations hereby secured; and

(xi) the Secured Party may discharge any claim, Security Interest, encumbrance or any rights of others that may exist or be threatened against the Collateral, and in every such case the amounts so paid together with all reasonable costs, charges and expenses incurred in connection therewith shall be added to the Obligations hereby secured.

(b) The Secured Party and the Beneficiaries may:

(i) grant extensions of time,

(ii) take and perfect or abstain from taking and perfecting security,

(iii) give up securities,

(iv) accept compositions or compromises,

(v) grant releases and discharges, and

(vi) release any part of the Collateral or otherwise deal with the Debtor, debtors and creditors of the Debtor, sureties and others and with the Collateral and other security as the Secured Party sees fit,

without prejudice to the liability of the Debtor to the Secured Party and the Beneficiaries or the Beneficiaries' rights hereunder.

(c) The Beneficiaries shall not be liable or responsible for any failure to seize, collect, realize, or obtain payment with respect to the Collateral and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting,

realizing or obtaining possession or payment with respect to the Collateral or for the purpose of preserving any rights of the Secured Party, the Debtor or any other person, in respect of the Collateral.

(d) The Secured Party shall apply any proceeds of realization of the Collateral to payment of reasonable expenses in connection with the preservation and realization of the Collateral as above described and the Secured Party shall apply any balance of such proceeds to payment of the Obligations in accordance with the Credit Agreement. If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the aforesaid expenses, the Debtor will be liable to pay any deficiency to the Secured Party and the Beneficiaries forthwith on demand. Subject to the requirements of applicable law, any surplus realized in excess of the Obligations shall be paid over to the Debtor.

(e) Any Receiver shall be entitled to exercise all rights and powers of the Secured Party hereunder. To the extent permitted by law, any Receiver shall for all purposes be deemed to be the agent of the Debtor and not of the Secured Party and the Debtor shall be solely responsible for the Receiver's acts or defaults and remuneration.

ARTICLE 6
GENERAL

6.1 Benefit of the Agreement

This Agreement shall be binding upon the successors and permitted assigns of the Debtor and shall benefit the successors and permitted assigns of the Secured Party and other Beneficiaries.

6.2 Conflict of Terms; Entire Agreement

This Agreement has been entered into as collateral security for the Obligations and is subject to all the terms and conditions of the Credit Agreement, Lender Financial Instruments and the Bank Products and, if there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Credit Agreement, the Lender Financial Instruments or the Bank Products, the rights and obligations of the Debtor, Secured Party and Beneficiaries shall be governed by the provisions of the Credit Agreement, the Lender Financial Instruments and the Bank Products. This Agreement together with the Credit Agreement, the Lender Financial Instruments, the Bank Products and all other Documents constitute the entire agreement between the Debtor and the Secured Party with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Beneficiaries and the Debtor except as expressly set forth therein and herein.

6.3 No Waiver

No delay or failure by the Beneficiaries in the exercise of any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

6.4 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. To the extent permitted by applicable law the parties hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

6.5 Notices

Any demand, notice or other communication to be given in connection with this Agreement shall be given in such manner as is set forth in the Guarantee.

6.6 Modification; Waivers; Assignment

This Agreement may not be amended or modified in any respect except by written instrument signed by the Debtor and the Secured Party. No waiver of any provision of this Agreement by the Secured Party shall be effective unless the same is in writing and signed by the Secured Party, and then such waiver shall be effective only in the specific instance and for the specific purpose for which it is given. The rights of the Secured Party (including those of any Beneficiary) under this Agreement may only be assigned in accordance with the requirements of the Credit Agreement or applicable Lender Financial Instrument or Bank Product (as the case may be). The Debtor may not assign its obligations under this Agreement. Any assignee of a Beneficiary shall be bound hereby, *mutatis mutandis*.

6.7 Additional Continuing Security

This Agreement and the Charge granted hereby are in addition to and not in substitution for any other security now or hereafter held by the Secured Party or the Beneficiaries and this Agreement is a continuing agreement and security that shall remain in full force and effect until discharged by the Secured Party.

6.8 Discharge

The Debtor and the Collateral shall not be discharged from the Charge or from this Agreement except in accordance with Section 11.7 of the Credit Agreement, including any automatic release of the Charge as provided therein.

6.9 No Release

The loss, injury or destruction of the Collateral shall not operate in any manner to release or discharge the Debtor from any of its liabilities to the Beneficiaries.

6.10 No Obligation to Act

Notwithstanding any provision of this Agreement or any other Document or the operation, application or effect hereof, the Secured Party, the other Beneficiaries or any Receiver, or any representative or agent acting for or on behalf of the foregoing, shall not have any obligation

whatsoever to exercise or refrain from exercising any right, power, privilege or interest hereunder or to receive or claim any benefit hereunder.

6.11 Admit to Benefit

Subject to Section 6.6, no person other than the Debtor and the Beneficiaries shall have any rights or benefits under this Agreement, nor is it intended that any such person gain any benefit or advantage as a result of this Agreement nor shall this Agreement constitute a subordination of any security in favour of such person.

6.12 Time of the Essence

Time shall be of the essence with regard to this Agreement.

6.13 Waiver of Financing Statement, etc.

The Debtor hereby waives the right to receive from the Secured Party or the other Beneficiaries a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Agreement or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Agreement.

6.14 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.

6.15 Attornment

The Debtor and each of the Beneficiaries each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta. For the purpose of all legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action or proceeding arising under this Agreement. Notwithstanding the foregoing, nothing herein shall be construed nor operate to limit the right of the Debtor or any Beneficiary to commence any action or proceeding relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action, proceeding or matter relating hereto.

6.16 Executed Copy

The Debtor hereby acknowledges receipt of a fully executed copy of this Agreement.

6.17 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 taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page

of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of manually executed counterpart of this Agreement.

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IN WITNESS WHEREOF the parties hereto have executed this Agreement.

FRAC SHACK INTERNATIONAL INC.

Per: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

HSBC BANK CANADA,
as Agent and Secured Party

Per: _____
Name:
Title:

Per: _____
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

FRAC SHACK INTERNATIONAL INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

HSBC BANK CANADA,
as Agent and Secured Party

Per: _____
Name: CHRISTINE STEELMAN
Title: AUTHORIZED SIGNATORY

Per: _____
Name: ALYSIA SEALY-HUME
Title: AUTHORIZED SIGNATORY

This is **Exhibit 15** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

PLEDGE AND SECURITY AGREEMENT

This Pledge and Security Agreement (as amended, supplemented, amended and restated or otherwise modified from time to time, this "Security Agreement"), dated as of July 8, 2019 (the "Closing Date"), is by and among **FRAC SHACK AMERICA INC.**, a Delaware corporation ("Frac Shack America"), **FRAC SHACK INC.**, an Alberta corporation ("Frac Shack"), **FRAC SHACK INTERNATIONAL INC.**, a Canadian corporation ("Frac Shack International"), and each other Person signatory hereto (together with Frac Shack America, Frac Shack, and Frac Shack International, the "Grantors" and, individually, each a "Grantor") and Agent (as defined below).

W I T N E S S E T H:

WHEREAS, this Security Agreement is entered into in connection with that certain Credit Agreement, made as of July 8, 2019, between Frac Shack, Frac Shack International, and Frac Shack America, as borrowers (each, a "Borrower" and, collectively, the "Borrowers"), the parties thereto as lenders (each, a "Lender" and, collectively, the "Lenders"), and HSBC BANK CANADA, a Canadian chartered bank, as agent of the Lenders (the "Agent") (as amended, supplemented, amended and restated, or otherwise modified from time to time, the "Credit Agreement"); and

WHEREAS, pursuant to the terms of the Credit Agreement, and in consideration of the advances and other financial accommodations to be made by the Lenders to the Borrowers, each grantor has executed and delivered a certain Guarantee granted by such Grantor in favor of the Agent, for the benefit of the Beneficiaries (as defined below) (collectively, as amended, supplemented, amended and restated or otherwise modified from time to time, the "Guarantee"), guaranteeing the Secured Obligations (as defined below); and

WHEREAS, as a condition precedent to the initial extension of credit under the Credit Agreement, each Grantor is required to execute and deliver this Security Agreement; and

WHEREAS, it is in the best interests of each Grantor to execute this Security Agreement inasmuch as each Grantor will derive substantial direct and indirect benefits from the transactions contemplated by the Credit Agreement, the other Documents, the Bank Products and the Lender Financial Instruments and each Grantor is willing to execute, deliver and perform its obligations under this Security Agreement to secure the Secured Obligations; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor agrees, for the benefit of the Agent, as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1. Certain Terms. The following terms (whether or not underscored) when used in this Security Agreement, including its preamble and recitals, shall have the following meanings (such definitions to be equally applicable to the singular and plural forms thereof):

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person or any Subsidiary of such Person. The term "control" (including the terms "controlled by" or "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of a Control Percentage or otherwise.

"Agent" has the meaning set forth in the first recital.

"Bankruptcy Code" means United States Code, 11 U.S.C. §§101-1532.

"Beneficiary" means, collectively, the Lenders, the Bank Product Affiliates, the Hedging Affiliates and the Agent, and "Beneficiary" means any one of them.

"Borrower" or "Borrowers" has the meaning set forth in the first recital.

"Capital Lease" means any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under generally accepted accounting principles in accordance with, and subject to, Section 1.4 of the Credit Agreement.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any Capital Lease, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with generally accepted accounting principles in accordance with, and subject to, Section 1.4 of the Credit Agreement.

"Closing Date" has the meaning set forth in the introductory paragraph.

"Collateral" has the meaning set forth in Section 2.1(a).

"Collateral Account" has the meaning set forth in Section 4.3(b).

"Computer Hardware and Software Collateral" means (a) all computer and other electronic data processing hardware, integrated computer systems, central processing units, memory units, display terminals, printers, features, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories and all peripheral devices and other related computer hardware, including all operating system software, utilities and application programs in whatsoever form owned by a Grantor or leased or licensed to Grantor, (b) software programs (including both source code, object code and all related applications and data files), designed for use on the computers and electronic data processing hardware described in clause (a) above owned by a Grantor or leased or licensed to a Grantor, (c) all firmware associated therewith, (d) all documentation (including flow charts, logic diagrams, manuals, guides, specifications, training materials, charts and pseudo codes) with respect to such hardware, software and firmware described in the preceding clauses (a) through (c), and (e) all rights with respect to all of the foregoing, including copyrights (including renewal rights) and trade secret rights, contract rights of a Grantor with respect to all or any of the foregoing, licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications and any substitutions, replacements, improvements, error corrections, updates, additions or model conversions of any of the foregoing.

"Control Agreement" means, as to any deposit account or security account of any Grantor held with a bank or other financial institution, an agreement or agreements in form and substance reasonably acceptable to the Agent, among the Grantor owning such deposit account or security account, as applicable, the Agent, and such other Agent or financial institution governing such deposit account or security account, as applicable.

"Control Percentage" means, with respect to any Person, the percentage of the outstanding Voting Securities (including any options, warrants or similar rights to purchase such Voting Securities) of such Person having ordinary voting power which gives the direct or indirect holder of such Voting Securities

the power to elect a majority of the board of directors (or other applicable governing body) of such Person.

"Copyright Collateral" means all copyrights of any Grantor, registered or unregistered and whether published or unpublished, now or hereafter in force throughout the world including all of such Grantor's rights, titles and interests in and to all copyrights registered in the United States Copyright Office (the "U.S. Copyright Office") or anywhere else in the world, including without limitation those copyright registrations or applications referred to in Item C of Schedule III hereto, and registrations and recordings thereof and all applications for registration thereof, whether pending or in preparation, all copyright licenses, the right to sue for past, present and future infringements of any of the foregoing, all rights corresponding thereto, all extensions and renewals of any thereof and all Proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages and Proceeds of suit, which are owned or licensed by such Grantor.

"Credit Agreement" has the meaning set forth in the first recital.

"Debtor Relief Laws" means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdiction from time to time in effect.

"Distributions" means all cash, cash dividends, stock dividends, other distributions, liquidating dividends, shares of stock resulting from (or in connection with the exercise of) stock splits, reclassifications, warrants, options, non-cash dividends, and all other distributions or payments (whether similar or dissimilar to the foregoing) on or with respect to, or on account of, any Pledged Share or Pledged Interest or other rights or interests constituting Collateral.

"Domestic Subsidiary" means any Subsidiary of a Grantor that is incorporated or organized under the laws of the United States, any State thereof or the District of Columbia.

"Equity Interest" means with respect to any Person, any shares, interests, participation, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such Person.

"Equipment" has the meaning set forth in Section 2.1(a)(i).

"Excluded Accounts" means cash and cash equivalents held in any of the following accounts: (a) accounts designated solely for trust, payroll, payroll taxes or other employee wage and benefit payments to or for the benefit of any employees of any Grantor, (b) accounts holding, in the aggregate, daily maximum balance for all such deposit accounts on any day less than or equal to $1,000,000, and (c) any account that is a zero balance account or an account for which the balance of such account is transferred at the end of each date to a deposit account not qualifying under any clause of this definition.

"Excluded Collateral" has the meaning set forth in Section 2.1(b).

"Excluded Contract" means any contract (and any contract rights arising thereunder) to which any of the Grantors is a party on the date hereof or which is entered into by any Grantor after the date hereof which complies with the provisions of the Credit Agreement (and the provisions of which are not agreed to by a Grantor for the purposes of excluding such contract from the Lien granted hereunder), in any case to the extent (but only to the extent) that a Grantor is prohibited from granting a security interest in, pledge of, or charge, mortgage or other Lien upon any such Property by reason of (a) a negative pledge, anti-assignment provision or other contractual restriction in existence on the date hereof or, as to

contracts entered into after the date hereof, in existence in compliance with the Credit Agreement (and the provisions of which are not agreed to by a Grantor for the purposes of excluding such contract from the Lien granted hereunder), or (b) Applicable Law to which such Grantor or such Property is subject; provided, however, to the extent that (i) either of the prohibitions discussed in clause (a) or (b) above is ineffective or subsequently rendered ineffective under Sections 9.406, 9.407, 9.408 or 9.409 of the UCC or under any other Applicable Law or is otherwise no longer in effect or enforceable, or (ii) the applicable Grantor has obtained the consent of the other parties to such Excluded Contract to the creation of a Lien on and security interest in, such Excluded Contract, then such contract (and any contract rights arising thereunder) shall cease to be an "Excluded Contract" and shall automatically be subject to the Lien and security interests granted hereby and to the terms and provisions of this Security Agreement as "Collateral"; provided, further, that any Proceeds received by any Grantor from the sale, transfer or other disposition of Excluded Contracts shall constitute Collateral unless any Property constituting such Proceeds are themselves subject to the exclusions set forth above or otherwise constitute Excluded Collateral.

"Excluded Equity Interests" means (a) Excluded Foreign Stock, (b) Excluded JV Equity Interests and (c) any Equity Interests in any non Wholly-Owned Subsidiary that is not a Material Subsidiary.

"Excluded Foreign Stock" means the Equity Interests issued by Foreign Subsidiaries other than (a) 65% of the Voting Securities issued by a First Tier Foreign Subsidiary and (b) 100% of Equity Interests issued by a First Tier Foreign Subsidiary that are not Voting Securities.

"Excluded JV Equity Interests" means the Equity Interests owned by any Grantor in a Joint Partnership to the extent (but only to the extent) (a) the organizational documents of such Joint Partnership prohibit the granting of a Lien on such Equity Interests or (b) such Equity Interests of such Joint Partnership are otherwise pledged as collateral to secure (i) obligations to the other holders of the Equity Interests in such Joint Partnership (other than a holder that is a Loan Party) or (ii) indebtedness of such Joint Partnership that is non-recourse to any of the Loan Parties or to any of the Loan Parties' Properties; provided however, if any of the foregoing conditions cease to be in effect for any reason, then the Equity Interest in such Joint Partnership shall cease to be an "Excluded JV Equity Interest" and shall automatically be subject to the lien and security interest granted hereby and to the terms and provisions of this Security Agreement as "Collateral"; provided further, that any proceeds received by any Grantor from the sale, transfer or other disposition of Excluded JV Equity Interest shall constitute Collateral unless any Property constituting such proceeds are themselves subject to the exclusions set forth above.

"Excluded Perfection Collateral" means, collectively, (a) Excluded Accounts, (b) Excluded Titled Assets, (c) commercial tort claims where the amount of damages expected to be claimed is less than $500,000 in the aggregate, (d) letter of credit rights to the extent a security interest therein cannot be perfected by the filing of a financing statement under the UCC and the amount thereof is less than $500,000 in the aggregate, and (e) any other Property with respect to which the Agent has determined, in its sole discretion, that the cost of perfecting a security interest in such Property outweighs the benefit of the Lien afforded thereby.

"Excluded PMSI Collateral" means any Property and Proceeds thereof (including insurance Proceeds) of a Grantor that is now or hereafter subject to a Lien securing purchase money debt or a Capital Lease Obligation to the extent (and only to the extent) that (a) the indebtedness associated with such Lien is permitted under the Credit Agreement, and (b) the documents evidencing such purchase money debt or Capital Lease Obligation prohibit or restrict the granting of a Lien in such Property; provided, however, to the extent that either of the prohibitions discussed in clause (a) or (b) above is ineffective or subsequently rendered ineffective under Sections 9-406, 9-407, 9-408 or 9-409 of the UCC or under any other Applicable Law or is otherwise no longer in effect, then such Property and Proceeds

thereof shall cease to be "Excluded PMSI Collateral" and shall automatically be subject to the Lien and security interests granted hereby and to the terms and provisions of this Security Agreement as "Collateral"; provided, further, that any Proceeds received by any Grantor from the sale, transfer or other disposition of Excluded PMSI Collateral shall constitute Collateral unless any Property constituting such Proceeds are themselves subject to the exclusions set forth above or otherwise constitute Excluded Collateral.

"Excluded Titled Assets" means (a) all Titled Assets owned by a Grantor (that is not subject to a Permitted Encumbrance securing Purchase Money Obligations or Capital Lease Obligations which are permitted under the Credit Agreement) with an individual net book value of less than $500,000 but only to the extent that the aggregate value of Titled Assets constituting Excluded Titled Assets under this clause (a) does not exceed $5,000,000 (it being understood that all such Titled Assets equal to or in excess of $5,000,000 shall not be Excluded Titled Assets regardless of its individual net book value) and (b) all Titled Assets to the extent such equipment is subject to a Permitted Encumbrance securing Purchase Money Obligations or Capital Lease Obligations which are permitted under the Credit Agreement; provided, that, for the avoidance of doubt, "Excluded Titled Assets" shall not include any Shacks (as defined in the Credit Agreement).

"Excluded Trademark Collateral" means all United States intent to use trademark applications with respect to which the grant of a security interest therein would impair the validity or enforceability of said intent to use trademark application under federal law; provided, however, to the extent that such Applicable Law is no longer in effect, then such trademark application shall cease to be an "Excluded Trademark Collateral" and shall automatically be subject to the Lien and security interests granted hereby and to the terms and provisions of this Security Agreement as "Collateral"; provided further, that any Proceeds received by any Grantor from the sale, transfer or other disposition of Excluded Trademark Collateral shall constitute Collateral unless any Property constituting such Proceeds are themselves subject to the exclusions set forth above or otherwise constitute Excluded Collateral.

"First Tier Foreign Subsidiary" means any Foreign Subsidiary the Equity Interests of which are held directly by a Grantor or a Domestic Subsidiary.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"General Intangibles" means all "general intangibles" and all "payment intangibles", each as defined in the UCC, and shall include all interest rate or currency protection or hedging arrangements, all Tax refunds, all licenses, permits, concessions and authorizations and all Intellectual Property Collateral (in each case, regardless of whether characterized as general intangibles under the UCC).

"Governmental Approval" has the meaning set forth in Section 2.1(a)(vi).

"Grantor" has the meaning set forth in the preamble.

"Guarantee" has the meaning set forth in the second recital.

"Indemnitee" has the meaning set forth in Section 6.3(a).

"Intellectual Property Collateral" means, collectively, the Computer Hardware and Software Collateral, the Copyright Collateral, the Patent Collateral, the Trademark Collateral and the Trade Secrets Collateral.

"Inventory" has the meaning set forth in Section 2.1(a)(ii).

"Lien" means any mortgage, lien, pledge, assignment, charge, deed of trust, security interest, hypothecation, preference, deposit arrangement or encumbrance (or other type of arrangement having the practical effect of the foregoing) to secure or provide for the payment of any obligation of any Person, whether arising by contract, operation of law, or otherwise (including, without limitation, the interest of a vendor or lessor under any conditional sale agreement, synthetic lease, capital lease, or other title retention agreement).

"Patent Collateral" means (a) all inventions and discoveries, whether patentable or not, all letters patent and applications for letters patent throughout the world including, without limitation, those patents and patent applications referred to in Item A of Schedule III hereto, (b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a), (c) all patent licenses, and other agreements providing any Grantor with the right to use any items of the type referred to in clauses (a) and (b) above, and (d) all Proceeds of, and rights associated with, the foregoing (including licenses, royalties income, payments, claims, damages and Proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, limited liability corporation or company, limited liability partnership, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof or any trustee, receiver, custodian or similar official.

"Pledged Interests" means all Equity Interests or other ownership interests of any Pledged Interests Issuer, including those described in Item A of Schedule I hereto; all registrations, certificates, articles, by-laws, regulations, limited liability company agreements or constitutive agreements governing or representing any such interests; all options and other rights, contractual or otherwise, at any time existing with respect to such interests, as such interests are amended, modified, or supplemented from time to time, and together with any interests in any Pledged Interests Issuer taken in extension or renewal thereof or substitution therefor.

"Pledged Interests Issuer" means each Person identified in Item A of Schedule I hereto as the issuer of the Pledged Shares or the Pledged Interests identified opposite the name of such Person, and any other Domestic Subsidiary who issues Equity Interests or other ownership interests to any Grantor.

"Pledged Note Issuer" means each Person identified in Item B of Schedule I hereto as the issuer of the Pledged Notes identified opposite the name of such Person.

"Pledged Notes" means all promissory notes of any Pledged Note Issuer evidencing indebtedness delivered by any Grantor to the Agent as Pledged Property hereunder, if any, as such promissory notes are amended, modified or supplemented from time to time and together with any promissory note of any Pledged Note Issuer taken in extension or renewal thereof or substitution therefor.

"Pledged Property" means all Pledged Notes, Pledged Interests, Pledged Shares, all assignments of any amounts due or to become due with respect to the Pledged Interests or the Pledged Shares, all other instruments which are now being delivered by any Grantor to the Agent or may from time to time hereafter be delivered by any Grantor to the Agent for the purpose of pledging under this Security Agreement or any other Document, and all Proceeds of any of the foregoing.

"Pledged Shares" means all Equity Interests of any Pledged Interests Issuer identified under Item A of Schedule I, which are evidenced by a certificate delivered by any Grantor to the Agent as Pledged Property hereunder.

"Property" of any Person means any property or assets (whether real, personal, or mixed, tangible or intangible) of such Person.

"Receivables" has the meaning set forth in Section 2.1(a)(iii).

"Related Contracts" has the meaning set forth in Section 2.1(a)(iii).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and such Person's Affiliates.

"Secured Obligations" means, collectively, at any time and from time to time, all of the obligations, liabilities and indebtedness (present or future, matured or otherwise) of the Borrowers and the other Loan Parties to the Beneficiaries including, without limitation, (i) all of the obligations, liabilities and indebtedness (present or future, absolute or contingent, matured or not) of the Borrowers and the other Loan Parties to the Agent and the Lenders under, pursuant to or relating to the Credit Agreement, the Guarantee and the other Documents and including all outstanding principal and all interest, commissions, legal and other costs, charges and expenses payable by the Borrowers and the other Loan Parties under the Credit Agreement and the other Documents, (ii) all Bank Product Obligations of or owing by the Borrowers and the other Loan Parties to any and all Lenders and Bank Product Affiliates and (iii) all Lender Financial Instrument Obligations of or owing by the Borrowers and the other Loan Parties to any and all Lenders and Hedging Affiliates, in each case, whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, in each case excluding any Excluded Swap Obligations (as defined in the Guarantee).

"Security Agreement" has the meaning set forth in the preamble.

"Subsidiary" means, with respect to any Person (the "parent"), at any date, any other Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with generally accepted accounting principles in accordance with, and subject to, Section 1.4 of the Credit Agreement as of such date, as well as any Person, a majority of whose outstanding Voting Securities (other than directors' qualifying shares) shall at any time be owned by such parent or one or more Subsidiaries of such parent.

"Termination Date" means, subject to Section 2.3, such time at which each of the following events shall have occurred: (a) the termination of the Credit Facilities, (b) the termination or expiration of all Bankers' Acceptances, BA Equivalent Advances and LCs, and (c) the irrevocable payment in full in cash of all Secured Obligations (other than (i) indemnity obligations that survive the termination of any Document for which no notice of a claim has been received by any Loan Party, (ii) any outstanding Bankers' Acceptances, BA Equivalent Advances, or LCs that have either (A) been cash collateralized in a manner reasonably satisfactory to the Agent or the Operating Lender, as applicable or (B) had other arrangements made with respect to them that are reasonably satisfactory to the Agent or the Operating Lender, as applicable, and (iii) Lender Financial Instrument Obligations that have adequately been provided for or otherwise novated as determined by the applicable Lender or Hedging Affiliate in its reasonable discretion).

"Trademark Collateral" means (a) (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired, including, without limitation, those trademarks referred to in Item B of Schedule III hereto, whether currently in use or not, all registrations

and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office ("USPTO") or in any office or agency of the United States of America, or any state thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (collectively referred to as the "Trademarks" and each, a "Trademark"), (b) all Trademark licenses for the grant by or to any Grantor of any right to use any Trademark, (c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a), and to the extent applicable clause (b), (d) the right to sue third parties for past, present and future infringements of any Trademark Collateral described in clause (a) and, to the extent applicable, clause (b), and (e) all Proceeds of, and rights associated with, the foregoing, including any claim by any Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto throughout the world.

"Trade Secrets Collateral" means all common law and statutory trade secrets and all other confidential, proprietary or useful information and all know-how obtained by or used in or contemplated at any time for use in the business of any Grantor, and any patent applications in preparation for filing (all of the foregoing being collectively called a "Trade Secret"), including all Documents (as defined in the UCC) and things embodying, incorporating or referring in any way to such Trade Secret, all Trade Secret licenses, and including the right to sue for and to enjoin and to collect damages for the actual or threatened misappropriation of any Trade Secret and for the breach or enforcement of any such Trade Secret license.

"UCC" means the Uniform Commercial Code, as in effect in the State of Texas, as the same may be amended from time to time; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Texas, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

"Voting Securities" means (a) with respect to any corporation (including any unlimited liability company), capital stock of such corporation having general voting power under ordinary circumstances to elect directors of such corporation (irrespective of whether at the time stock of any other class or classes shall have or might have special voting power or rights by reason of the happening of any contingency), (b) with respect to any partnership, any partnership interest or other ownership interest having general voting power to elect the general partner or other management of the partnership or other Person, and (c) with respect to any limited liability company, membership certificates or interests having general voting power under ordinary circumstances to elect managers (or the individuals performing similar functions) of such limited liability company.

SECTION 1.2. Credit Agreement Definitions. Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Security Agreement, including its preamble and recitals, have the meanings provided in the Credit Agreement.

SECTION 1.3. UCC Definitions. Unless otherwise defined herein or in the Credit Agreement or the context otherwise requires, terms for which meanings are provided in the UCC are used in this Security Agreement, including its preamble and recitals, with such meanings.

SECTION 1.4. Miscellaneous. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Security Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Security Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE II
SECURITY INTEREST

SECTION 2.1. Grant of Security Interest.

(a) Each Grantor hereby pledges, hypothecates, assigns, charges, mortgages, delivers, and transfers to the Agent, and hereby grants to the Agent, a continuing security interest in all of such Grantor's right, title and interest in, to and under, all of the following, whether now owned or hereafter acquired by such Grantor, and wherever located and whether now owned or hereafter existing or arising (collectively, the "Collateral"):

(i) all equipment in all of its forms (including, but not limited to, all drilling platforms and rigs and remotely operated vehicles, trenchers, and other equipment used by any Grantor, vehicles, motor vehicles, rolling stock, vessels, aircraft) of such Grantor, wherever located, and all surface or subsurface machinery, equipment, facilities, supplies, or other tangible personal property, including tubing, rods, pumps, pumping units and engines, pipe, pipelines, meters, apparatus, boilers, compressors, liquid extractors, connectors, valves, fittings, power plants, poles, lines, cables, wires, transformers, starters and controllers, machine shops, tools, machinery and parts, storage yards and equipment stored therein, buildings and camps, telegraph, telephone, and other communication systems, loading docks, loading racks, and shipping facilities, and any manuals, instructions, blueprints, computer software (including software that is imbedded in and part of the equipment), and similar items which relate to the above, any and all additions, substitutions and replacements of any of the foregoing, wherever located, together with all improvements thereon and all attachments, components, parts, equipment and accessories installed thereon or affixed thereto, and any other item constituting "equipment" under the UCC (any and all of the foregoing being the "Equipment");

(ii) all inventory in all of its forms of such Grantor, wherever located, including (A) all oil, gas, or other hydrocarbons and all products and substances derived therefrom, all raw materials and work in process therefore, finished goods thereof, and materials used or consumed in the manufacture or production thereof, (B) all documents of title covering any inventory, including, without limitation, work in process, materials used or consumed in any Grantor's business, now owned or hereafter acquired or manufactured by any Grantor and held for sale in

the ordinary course of its business, (C) all goods in which such Grantor has an interest in mass or a joint or other interest or right of any kind (including goods in which such Grantor has an interest or right as consignee), (D) all goods which are returned to or repossessed by such Grantor, and all accessions thereto, products thereof and documents therefore, and (E) any other item constituting "inventory" under the UCC (any and all of the foregoing being the "Inventory");

(iii) all accounts, money, payment intangibles, deposit accounts (including the Collateral Accounts and all amounts on deposit therein and all cash equivalent investments carried therein and all Proceeds thereof), contracts, contract rights, all rights constituting a right to the payment of money, Chattel Paper, documents, documents of title, instruments, letters of credit, letter of credit rights and General Intangibles of such Grantor, whether or not earned by performance or arising out of or in connection with the sale or lease of goods or the rendering of services, including all moneys due or to become due in repayment of any loans or advances, and all rights of such Grantor now or hereafter existing in and to all security agreements, guaranties, leases, agreements and other contracts securing or otherwise relating to any such accounts, money, payment intangibles, deposit accounts, contracts, contract rights, rights to the payment of money, Chattel Paper, documents, documents of title, instruments, letters of credit, letter of credit rights and General Intangibles (any and all such accounts, money, payment intangibles, deposit accounts, contracts, contract rights, rights to the payment of money, Chattel Paper, documents, documents of title, instruments, letters of credit, letter of credit rights and General Intangibles being the "Receivables", and any and all such security agreements, guaranties, leases, agreements and other contracts being the "Related Contracts");

(iv) all Intellectual Property Collateral of such Grantor;

(v) all books, correspondence, credit files, records, invoices, tapes, cards, computer runs, writings, data bases, information in all forms, paper and documents and other Property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to, any of the foregoing in this Section 2.1(a);

(vi) all governmental approvals, permits, licenses, authorizations, consents, rulings, tariffs, rates, certifications, waivers, exemptions, filings, claims, orders, judgments and decrees and other Applicable Law (each a "Governmental Approval");

(vii) all interest rate swap agreements, interest rate cap agreements and interest rate collar agreements, and all other agreements or arrangements designed to protect such Grantor against fluctuations in interest rates or currency exchange rates and all commodity hedge, commodity swap, exchange, forward, future, floor, collar or cap agreements, fixed price agreements and all other agreements or arrangements designed to protect such Grantor against fluctuations in commodity prices;

(viii) to the extent not included in the foregoing, all accounts, investment property, fixtures, supporting obligations and goods;

(ix) all Pledged Interests, Pledged Notes, Pledged Shares and any other Pledged Property whether now or hereafter delivered to the Agent in connection with this Security Agreement and all Distributions, interest, and other payments and rights with respect to such Pledged Property;

(x) (i) all policies of insurance now or hereafter held by or on behalf of such Grantor, including casualty, liability, key man life insurance, business interruption, foreign credit

insurance, and any title insurance, (ii) all Proceeds of insurance, and (iii) all rights, now or hereafter held by such Grantor to any warranties of any manufacturer or contractor of any other Person;

(xi) all accessions, substitutions, replacements, products, offspring, rents, issues, profits, returns, income and Proceeds of and from any and all of the foregoing Collateral (including Proceeds which constitute Property of the types described in clauses (i) through (x) of this Section 2.1(a) and Proceeds deposited from time to time in any lock boxes of such Grantor, and, to the extent not otherwise included, all payments and Proceeds under insurance (whether or not the Agent is the loss payee thereof), or any condemnation award, indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the Collateral);

(xii) any and all Liens and security interests (together with the documents evidencing such security interests) granted to such Grantor by an obligor to secure such obligor's obligations owing under any Instrument, Chattel Paper, or contract that is pledged hereunder or with respect to which a security interest in such Grantor's rights in such Instrument, Chattel Paper, or contract is granted hereunder;

(xiii) any and all guaranties given by any Person for the benefit of such Grantor which guarantees the obligations of an obligor under any Instrument, Chattel Paper, or contract, which are pledged hereunder; and

(xiv) all of such Grantor's other property and rights of every kind and description and interests therein, including without limitation, all other "Accounts", "Certificated Securities", "Chattel Paper", "Commercial Tort Claims", "Commodity Accounts", "Commodity Contracts", "Deposit Accounts", "Documents", "Equipment", "Fixtures", "General Intangibles", "Goods", "Instruments", "Inventory", "Investment Property", "Letter of Credit Rights", "Letters of Credit", "Money", "Payment Intangibles", "Proceeds", "Securities", "Securities Account", "Security Entitlements", "Supporting Obligations" and "Uncertificated Securities" as such terms are defined in the UCC.

(b) Notwithstanding anything to the contrary contained in this Security Agreement or any other Document, and other than to the extent set forth in this Section 2.1(b), the following Property shall be excluded from the Lien and security interest granted hereunder (and shall, as applicable, not be included as "Accounts", "Certificated Securities", "Chattel Paper", "Collateral", "Commodity Accounts", "Commodity Contracts", "Deposit Accounts", "Documents", "Equipment", "Fixtures", "General Intangibles", "Goods", "Instruments", "Inventory", "Investment Property", "Money", "Payment Intangibles", "Proceeds", "Securities", "Securities Accounts", "Security Entitlements", "Supporting Obligations" or "Uncertificated Securities" for purposes of this Security Agreement) (collectively, the "Excluded Collateral"):

(i) Excluded Contracts;

(ii) Excluded PMSI Collateral;

(iii) Excluded Equity Interests; and

(iv) Excluded Trademark Collateral;

provided, however, that (x) the exclusion from the Lien and security interest granted by any Grantor hereunder of any Excluded Collateral shall not limit, restrict or impair the grant by such Grantor of the

Lien and security interest in any accounts or receivables arising under any such Excluded Collateral or any payments due or to become due thereunder unless the conditions in effect which qualify such Property as Excluded Collateral applies with respect to such accounts and receivables and (y) any Proceeds received by any Grantor from the sale, transfer or other disposition of Excluded Collateral shall constitute Collateral unless the conditions in effect which qualify such Property as Excluded Collateral applies with respect to such Proceeds. Furthermore, notwithstanding anything to the contrary contained in this Security Agreement or in any other Document, unless and until an Event of Default has occurred and is continuing, under no circumstances shall any Grantor be required to take any perfection step with respect to Excluded Perfection Collateral.

SECTION 2.2. Security for Obligations.

(a) This Security Agreement, and the Collateral in which the Agent is granted a security interest hereunder by each Grantor, secures the prompt payment in full in cash and performance of all Secured Obligations of each Grantor now or hereafter existing.

(b) Notwithstanding anything contained herein to the contrary, it is the intention of each Grantor and the Agent that the amount of the Secured Obligations secured by each Grantor's interests in any of its Property shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to such Grantor. Accordingly, notwithstanding anything to the contrary contained in this Security Agreement or in any other agreement or instrument executed in connection with the payment of any of the Secured Obligations, the amount of the Secured Obligations secured by each Grantor's interests in any of its Property pursuant to this Security Agreement shall be limited to an aggregate amount equal to the largest amount that would not render such Grantor's obligations hereunder or the Liens and security interest granted to the Agent hereunder subject to avoidance under Section 548 of the Bankruptcy Code or any comparable provision of any other Applicable Law.

SECTION 2.3. Continuing Security Interest; Transfer of Advances; Reinstatement. This Security Agreement shall create continuing security interests in the Collateral and shall (a) except as otherwise provided in the Credit Agreement, remain in full force and effect until the Termination Date, (b) be binding upon each Grantor and its successors, transferees and assigns, and (c) inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent and its permitted successors, transferees and assigns, subject to the limitations as set forth in the Credit Agreement. Without limiting the generality of the foregoing clause (c), the Agent may assign or otherwise transfer (in whole or in part) any note, advance or commitment held by it, and any successor or assignee thereof shall thereupon become vested with all the rights and benefits in respect thereof granted to the Agent under any Document (including this Security Agreement), or otherwise. **If at any time all or any part of any payment theretofore applied by the Agent to any of the Secured Obligations is or must be rescinded or returned by the Agent for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, reorganization or other similar proceeding of any Grantor or any other Person), such Secured Obligations shall, for purposes of this Security Agreement, to the extent that such payment is or must be rescinded or returned, be deemed to have continued to be in existence, notwithstanding any application by the Agent or any termination agreement or release provided to any Grantor, and this Security Agreement shall continue to be effective or reinstated, as the case may be, as to such Secured Obligations, all as though such application by the Agent had not been made.**

SECTION 2.4. Grantors Remain Liable. Anything herein to the contrary notwithstanding, (a) each Grantor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein, and will perform all of its duties and obligations under such contracts and

agreements to the same extent as if this Security Agreement had not been executed, (b) the exercise by the Agent of any of its rights hereunder shall not release any Grantor from any of its duties or obligations under any such contracts or agreements included in the Collateral, and (c) neither the Agent nor any other Beneficiary shall have any obligation or liability under any contracts or agreements included in the Collateral by reason of this Security Agreement, nor shall the Agent nor any other Beneficiary be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 2.5. Delivery of Pledged Property.

(a) All certificates or instruments representing or evidencing (i) all Pledged Shares, Pledged Interests and Pledged Notes, (ii) other Collateral consisting of Instruments and Tangible Chattel Paper evidencing amounts payable in excess of $100,000 individually or $500,000 in the aggregate and (iii) any other Collateral which may be perfected by "possession" as such term is defined in the UCC with a value in excess of $100,000 individually or $500,000 in the aggregate, in each case, upon the request of the Agent and, if so requested, within ten (10) Banking Days after such Grantor obtains an interest in such Collateral (or such later date as the Agent may agree to in its sole discretion), as applicable, shall be delivered to and held by or on behalf of (or in the case of the Pledged Notes, endorsed to the order of) the Agent pursuant hereto, shall be in suitable form for transfer by delivery, and shall be accompanied by all necessary endorsements or instruments of transfer or assignment, duly executed in blank.

(b) To the extent any of the Collateral constitutes an "uncertificated security" (as defined in Section 8.102(a)(18) of the UCC) or a "security entitlement" (as defined in Section 8.102(a)(17) of the UCC), the applicable Grantor shall, upon request of the Agent, take and cause the appropriate Person (including any issuer, entitlement holder or securities intermediary thereof) to take all actions necessary to grant "control" (as defined in 8.106 of the UCC) to the Agent over such Collateral.

SECTION 2.6. Distributions on Pledged Shares. In the event that any Distribution with respect to any Pledged Shares or Pledged Interests pledged hereunder is permitted to be paid (in accordance with the Credit Agreement), such Distribution or payment may be paid directly to the applicable Grantor. If any Distribution is made in contravention of the Credit Agreement, the applicable Grantor shall hold the same segregated and in trust for the Agent until paid to the Agent in accordance with Section 4.1(e) upon a demand for payment being made by the Agent pursuant to the Credit Agreement.

SECTION 2.7. Security Interest Absolute, etc. This Security Agreement shall in all respects be a continuing, absolute, unconditional and irrevocable grant of security interest, and shall remain in full force and effect until the Termination Date. All rights of the Agent and the security interests granted to the Agent hereunder, and all obligations of each Grantor hereunder, shall, in each case, be absolute, unconditional and irrevocable irrespective of (a) any lack of validity, legality or enforceability of any Document, (b) the failure of the Agent or any other Beneficiary (i) to assert any claim or demand or to enforce any right or remedy against any Grantor or any other Person under the provisions of any Document or otherwise, or (ii) to exercise any right or remedy against any other Grantor of, or Collateral securing, any Secured Obligations, (c) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Secured Obligations, or any other extension, compromise or renewal of any Secured Obligations, (d) any reduction, limitation, impairment or termination of any Secured Obligations (except in the case of the occurrence of the Termination Date) for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and each Grantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligations or otherwise (other than defense of payment), (e) any amendment to, rescission, waiver, or other modification of, or

any consent to or departure from, any of the terms of any Document, (f) any addition, exchange or release of any Collateral of the Secured Obligations, or any surrender or non-perfection of any Collateral, or any amendment to or waiver or release or addition to, or consent to or departure from, any other guaranty held by the Agent guaranteeing any of the Secured Obligations, or (g) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, any Grantor, any surety or any guarantor (other than defense of payment).

SECTION 2.8. Waiver of Subrogation. Until ninety-one (91) days after the Termination Date, each Grantor hereby irrevocably waives to the extent not prohibited by Applicable Law any claim or other rights which it may now or hereafter acquire against any Loan Party that arise from the existence, payment, performance or enforcement of such Grantor's obligations under this Security Agreement or any other Document, including any right of subrogation, reimbursement, exoneration or indemnification, any right to participate in any claim or remedy of the Agent or any other Beneficiary against any Loan Party or any Collateral which the Agent or such other Beneficiary now has or hereafter acquires, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law, including the right to take or receive from any Loan Party, directly or indirectly, in cash or other Property or by set-off or in any manner, payment or security on account of such claim or other rights. If any amount shall be paid to any Grantor in violation of the preceding sentence and the Termination Date shall not have occurred, then such amount shall be deemed to have been paid to such Grantor for the benefit of, and held in trust for, the Agent, and shall forthwith be paid to the Agent to be credited and applied upon the Secured Obligations, whether matured or unmatured. Each Grantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by the Credit Agreement and that the waiver set forth in this Section 2.8 is knowingly made in contemplation of such benefits.

SECTION 2.9. Election of Remedies. Except as otherwise provided in the Credit Agreement, if the Agent may, under Applicable Law, proceed to realize its benefits under any of this Security Agreement or the other Documents giving the Agent a Lien upon any Collateral, either by judicial foreclosure or by non-judicial sale or enforcement, the Agent may, at its sole option, determine which of its remedies or rights it may pursue without affecting any of its rights and remedies under this Security Agreement. If, in the exercise of any of its rights and remedies, the Agent shall forfeit any of its rights or remedies, including its right to enter a deficiency judgment against any Loan Party or any other Person, whether because of any Applicable Law pertaining to "election of remedies" or the like, each Grantor hereby consents to such action, to the extent not prohibited by any Applicable Law, by the Agent and waives any claim based upon such action, even if such action by the Agent shall result in a full or partial loss of any rights of subrogation that such Grantor might otherwise have had but for such action by the Agent.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to enter into the Credit Agreement and make advances and other financial accommodations to the Borrowers thereunder, each Grantor represents and warrants unto the Agent, on behalf of the Beneficiaries, as set forth in this Article III.

SECTION 3.1. Validity, etc. This Security Agreement and the other Documents to which such Grantor is a party constitute the legal, valid and binding obligations of such Grantor, enforceable against such Grantor in accordance with their respective terms, (except, in any case, as such enforceability may be limited by applicable Debtor Relief Laws or similar laws at the time in effect affecting the rights of creditors generally and by general principles of equity) whether applied by a court of law or equity.

SECTION 3.2. Ownership, No Liens, etc. Such Grantor is the legal and beneficial owner of, and has good title to (and has full right and authority to pledge, grant and assign) the Collateral, free and clear of all Liens, except for any Permitted Encumbrances. No effective UCC financing statement or other filing similar in effect covering all or any part of the Collateral is on file in any recording office, except those filed in favor of the Agent relating to this Security Agreement, Permitted Encumbrances or as to which a duly authorized termination statement relating to such UCC financing statement or other instrument has been delivered to the Agent on the Closing Date. This Security Agreement creates a valid security interest in the Collateral, securing the payment of the Secured Obligations, and, except for (a) the proper filing of the applicable financing statements with the filing offices listed on Item A-1 of Schedule II attached hereto, (b) the recordation of security agreements with the USPTO and the U.S. Copyright Office, (c) taking possession of any Pledged Property with necessary endorsements, and (d) the notation of the Agent's security interest on the certificate of title for Titled Assets that do not constitute Excluded Perfection Collateral, all filings and other actions necessary to perfect and protect such security interest in the Collateral (other than, as to perfection, any Excluded Perfection Collateral) have been duly taken and, subject to Permitted Encumbrances, such security interest shall be a first priority security interest.

SECTION 3.3. As to Equity Interests of the Subsidiaries, Investment Property.

(a) With respect to the Pledged Shares, all such Pledged Shares are duly authorized and validly issued and are fully paid and non-assessable.

(b) With respect to the Pledged Interests, no such Pledged Interests (i) are dealt in or traded on securities exchanges or in securities markets, (ii) expressly provide that such Pledged Interests are securities governed by Article 8 of the UCC, or (iii) are held in a Securities Account, except, with respect to this clause (b), Pledged Interests (A) for which the Agent is the registered owner or (B) with respect to which the Pledged Interests Issuer has agreed in an authenticated record with such Grantor and the Agent to comply with any instructions of the Agent without the consent of such Grantor.

(c) The percentage of the issued and outstanding Pledged Shares and Pledged Interests of each Pledged Interests Issuer pledged by such Grantor hereunder is as set forth on Schedule I and the percentage of the total membership, partnership and/or other Equity Interests in the Pledged Interests Issuer is indicated on Schedule I. All of the Pledged Shares and Pledged Interests constitute one hundred percent (100%) of such Grantor's interest in the applicable Pledged Interests Issuer, except (i) in the case of outstanding Voting Securities that are issued by First Tier Foreign Subsidiaries with respect to which such Grantor has pledged one hundred percent (100%) of the non-voting Equity Interests issued by such First Tier Foreign Subsidiaries and sixty-five percent (65%) of the outstanding Voting Securities issued by such First Tier Foreign Subsidiaries, and (ii) as otherwise indicated on Schedule I.

(d) Such Grantor has no outstanding rights, rights to subscribe, options, warrants or convertible securities outstanding or any other rights outstanding whereby any Person would be entitled to acquire shares, member interests or units of any Pledged Interests Issuer.

SECTION 3.4. Grantor's Name, Location, etc.

(a) Other than as otherwise permitted pursuant to any Document, (i) the jurisdiction in which such Grantor is located for purposes of Sections 9.301 and 9.307 of the UCC is set forth in Item A-1 of Schedule II hereto (as such schedule may be amended or supplemented from time to time due to a change in circumstances after the date hereof), (ii) the place of business of such Grantor or, if such Grantor has more than one place of business, the chief executive office of such Grantor and the office where such Grantor keeps its records concerning the Receivables, and all originals of all Chattel Paper which evidence Receivables, is set forth in Item A-2 of Schedule II hereto (as such schedule may be amended or

supplemented from time to time due to a change in circumstances after the date hereof), and (iii) such Grantor's federal taxpayer identification number is set forth in Item A-3 of Schedule II hereto.

(b) Within the five years prior to the Closing Date, such Grantor has not been known by any legal name different from the one set forth on the signature page hereto, nor has such Grantor been the subject of any merger or other corporate reorganization, except as set forth in Item B of Schedule II hereto.

(c) As of the Closing Date, such Grantor is not a party to any federal, state or local government contract other than relating to royalties paid to governmental agencies, surety bonds and governmental permits.

(d) Such Grantor does not maintain any Deposit Accounts, Securities Accounts or Commodity Accounts with any Person, in each case, except as set forth on Item C of Schedule II.

(e) None of the Receivables is evidenced by a promissory note or other instrument other than such promissory notes or other Instruments listed on Item F of Schedule II.

(f) Such Grantor is not the beneficiary of any Letters of Credit, except as set forth on Item D of Schedule II hereto (as such schedule may be amended or supplemented from time to time). Such Grantor has obtained a legal, valid and enforceable consent of each issuer to the assignment to the Agent of the Proceeds of any Letters of Credit which have stated amounts in excess of $500,000 in the aggregate.

(g) Such Grantor does not have Commercial Tort Claims (i) in which a suit has been filed by such Grantor, and (ii) where the amount of damages reasonably expected to be claimed exceeds $500,000 in the aggregate, except as set forth on Item E of Schedule II.

(h) As of the Closing Date or such later date on which such Grantor joins this Security Agreement, the name set forth on the signature page attached hereto (or, if applicable, the signature page to the supplement document pursuant to which such Grantor joins this Security Agreement) is the true and correct legal name (as contemplated by the UCC) of such Grantor.

(i) Such Grantor has not consented to, and is otherwise unaware of, any Person (other than the Agent pursuant hereto or the applicable secured party in connection with a Permitted Encumbrance) having control (within the meaning of Section 9.104 or Section 8.106 of the UCC) over any Collateral, or any other interest in any of such Grantor's rights in respect thereof.

SECTION 3.5. Possession of Inventory, Control; etc. Such Grantor (a) has exclusive possession and control, subject to Permitted Encumbrances, of the Equipment and Inventory except as permitted under the Credit Agreement, and (b) is the sole entitlement holder of its Deposit Accounts, Commodity Accounts and Securities Accounts and no other Person (other than the Agent pursuant to (i) this Security Agreement with respect to any Deposit Accounts, Commodity Accounts and Securities Accounts maintained with the Agent or (ii) a Control Agreement with respect to any Deposit Accounts, Commodity Accounts or Securities Accounts (in each case, other than any Excluded Accounts) maintained with a bank other than the Agent) has "control" or "possession" of, or any other interest in, any of its Deposit Accounts, Commodity Accounts or Securities Accounts or any other securities or Property credited thereto except as permitted pursuant to this Security Agreement.

SECTION 3.6. Negotiable Documents, Instruments and Chattel Paper. In addition to the promissory notes and other instruments listed on Item F of Schedule II, all other Documents, Instruments, promissory notes, Pledged Notes and tangible Chattel Paper evidencing amounts payable in excess of

$100,000 individually or $500,000 in the aggregate owned or held by such Grantor are listed on Item G of Schedule II. Upon the request of the Agent, such Grantor shall promptly (and in any event within ten (10) Banking Days after receipt thereof (or such later date as determined by the Agent in its sole discretion)) endorse, assign and deliver the same to the Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Agent may from time to time specify.

SECTION 3.7. Intellectual Property Collateral.

(a) Such Grantor represents that except for any Patent Collateral, Trademark Collateral, and Copyright Collateral specified in Item A, Item B and Item C, respectively, of Schedule III hereto, and any and all Trade Secrets Collateral, such Grantor does not own and has no interests in any Intellectual Property Collateral material to the operations or business of such Grantor as of the date hereof.

(b) Such Grantor further represents and warrants that, with respect to all material Intellectual Property Collateral (i) such Intellectual Property Collateral is valid, subsisting, unexpired and enforceable and has not been abandoned or adjudged invalid or unenforceable, in whole or in part, except such Intellectual Property Collateral that is not material to the operations or business of such Grantor or to the extent permitted by the Credit Agreement, (ii) such Grantor has not made a previous assignment, sale, transfer or agreement constituting a present or future assignment, sale or transfer of such Intellectual Property Collateral for purposes of granting a security interest or as Collateral that has not been terminated or released, (iii) the consummation of the transactions contemplated by the Credit Agreement and this Security Agreement will not result in the termination or impairment of such Intellectual Property Collateral, and (iv) such Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to such Intellectual Property Collateral, subject to Permitted Encumbrances, and, to the knowledge of the Grantor, no claim has been made that the use of such Intellectual Property Collateral does or may, conflict with, infringe, misappropriate, dilute, misuse or otherwise violate any of the rights of any third party in any material respects.

(c) Such Grantor further represents and warrants, except as could not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Change, that (i) such Grantor has made all necessary filings and recordations to protect its interest in such Intellectual Property Collateral, including recordations of any of its interests in the Patent Collateral and Trademark Collateral in the USPTO and, if requested by the Agent, in corresponding offices throughout the world, and its claims to the Copyright Collateral in the U.S. Copyright Office, and, if requested by the Agent, in corresponding offices throughout the world and, to the extent necessary, has used and has directed all licensees to use proper statutory notice in connection with its use of any patent, Trademark and copyright in any of the Intellectual Property Collateral, (ii) such Grantor has taken all reasonable steps to safeguard its Trade Secrets and to its knowledge none of the Trade Secrets of such Grantor has been used, divulged, disclosed or appropriated for the benefit of any other Person other than such Grantor, (iii) to such Grantor's knowledge, no third party is infringing upon any Intellectual Property Collateral owned or used by such Grantor, or any of its respective licensees, (iv) no settlement or consents, covenants not to sue, nonassertion assurances, or releases have been entered into by such Grantor or to which such Grantor is bound that adversely affects its rights to own or use any Intellectual Property Collateral, (v) such Grantor uses adequate standards of quality in the manufacture, distribution, and sale of all products sold and in the provision of all services rendered under or in connection with any Trademarks and has taken all commercially reasonable action necessary to insure that any licensees of any Trademarks owned by such Grantor use such adequate standards of quality, and (vi) such Grantor owns directly or is entitled to use by license or otherwise, any patents, Trademarks, tradenames, Trade Secrets, copyrights, mask works, licenses, technology, know-how, processes and rights with respect to any of the foregoing used in, and necessary for the conduct of such Grantor's business.

SECTION 3.8. Titled Assets. As of the Closing Date, each Grantor hereby represents and warrants that it owns no Titled Assets that are not Excluded Titled Assets other than as listed on Item H of Schedule II. Upon the written request of the Agent, each Grantor shall deliver to the Agent, within thirty (30) days (or such longer period as may be agreed to by the Agent) with respect to any Titled Assets (other than Excluded Titled Assets), originals of the certificates of title or ownership for the Titled Assets (other than Excluded Titled Assets) owned by it, with the Agent listed as lienholder therein. At the request of the Agent, the Grantors shall engage a service company to list the Agent's lien on such Titled Assets.

SECTION 3.9. Authorization, Approval, etc. Except for the filing or recording of UCC financing statements and consents, authorizations, filings or other actions which have been obtained or made and are in full force and effect, no Governmental Approval, authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or any other third party is required either (a) for the grant by such Grantor of the security interest granted hereby or for the execution, delivery and performance of this Security Agreement by such Grantor, (b) except with respect to the notation of the Agent's security interest on the certificate of title for Titled Assets that do not constitute Excluded Titled Assets, for the perfection or maintenance of the security interests hereunder including the first-priority (subject to Permitted Encumbrances) nature of such security interest (except with respect to the financing statements or, with respect to Intellectual Property Collateral, the recordation of any agreements with the USPTO or the U.S. Copyright Office) or the exercise by the Agent of its rights and remedies hereunder, or (c) for the exercise by the Agent of the voting or other rights provided for in this Security Agreement, except (i) with respect to any Pledged Shares or Pledged Interests, as may be required in connection with a disposition of such Pledged Shares or Pledged Interests by Applicable Law affecting the offering and sale of securities generally, the remedies in respect of the Collateral pursuant to this Security Agreement and (ii) any "change of control" or similar filings required by state licensing agencies.

SECTION 3.10. Best Interests. It is in the best interests of each Grantor to execute this Security Agreement in as much as such Grantor will, as a result of being a Subsidiary or an Affiliate of any Borrower, derive substantial direct and indirect benefits from the advances and other extensions of credit made from time to time to the Borrowers and the other Loan Parties by the Beneficiaries pursuant to the Credit Agreement, the Bank Products and the Lender Financial Instruments and each Grantor agrees that the Agent and each other Beneficiary is relying on this representation in agreeing to make such advances and other extensions of credit to the Loan Parties pursuant to the Credit Agreement, the Bank Products and the Lender Financial Instruments. Furthermore, such extensions of credit are (i) in furtherance of each Grantor's corporate or limited liability purposes, and (ii) necessary or convenient to the conduct, promotion or attainment of each Grantor's business.

ARTICLE IV
COVENANTS

Each Grantor covenants and agrees that, until the Termination Date, it will perform, comply with and be bound by the obligations set forth below.

SECTION 4.1. As to Investment Property, etc.

(a) Equity Interests of Subsidiaries. No Grantor shall allow or permit any of its Domestic Subsidiaries (i) that is a corporation, business trust, joint stock company or similar Person, to issue Uncertificated Securities, unless such Person promptly takes the actions set forth in Section 4.1(b) with respect to any such Uncertificated Securities, (ii) that is a partnership or limited liability company, to (A) issue Equity Interests that are to be dealt in or traded on securities exchanges or in securities markets,

(B) expressly provide in its organizational documents that its Equity Interests are securities governed by Article 8 of the UCC, or (C) place such Subsidiary's Equity Interests in a Securities Account, unless such Person promptly takes the actions set forth in Section 4.1(b) with respect to any such Equity Interests, and (iii) to issue Equity Interests in addition to or in substitution for the Pledged Property or any other Equity Interests pledged hereunder, except for additional Equity Interests issued to such Grantor; provided that (A) upon the Agent's request, such Equity Interests are pledged and delivered to the Agent within ten (10) Banking Days (or such later date as determined by the Agent in its sole discretion), and (B) within such ten (10) Banking Day period (or such later date as determined by the Agent in its sole discretion), such Grantor delivers a supplement to Schedule I to the Agent identifying such new Equity Interests as Pledged Property, in each case, pursuant to the terms of this Security Agreement. No Grantor shall permit any of its Domestic Subsidiaries to issue any warrants, options, contracts or other commitments or other securities that are convertible to any of the foregoing or that entitle any Person to purchase any of the foregoing, and except for this Security Agreement or any other Document, shall not, and shall not permit any of its Domestic Subsidiaries to, enter into any agreement creating any restriction or condition upon the transfer, voting or control of any Pledged Property.

(b) Investment Property (other than Certificated Securities).

(i) With respect to any Deposit Accounts, Securities Accounts, Commodity Accounts, Commodity Contracts or Security Entitlements constituting Investment Property owned or held by any Grantor (other than constituting Excluded Collateral or Excluded Perfection Collateral), such Grantor will, unless otherwise permitted under the Credit Agreement, upon the Agent's request either (A) cause the intermediary maintaining such Investment Property to execute a Control Agreement relating to such Investment Property pursuant to which such intermediary agrees to comply with the Agent's instructions with respect to such Investment Property without further consent by such Grantor, or (B) transfer such Investment Property to intermediaries that have or will agree to execute such Control Agreements.

(ii) With respect to any Uncertificated Securities (other than Uncertificated Securities credited to a Securities Account) constituting Investment Property owned or held by any Grantor, such Grantor will upon the Agent's request (x) cause the Pledged Interests Issuer or other issuer of such securities to either (A) register the Agent as the registered owner thereof on the books and records of the issuer, or (B) execute a Control Agreement relating to such Investment Property pursuant to which the Pledged Interests Issuer or other issuer agrees to comply with the Agent's instructions with respect to such Uncertificated Securities without further consent by such Grantor and (y) take and cause the appropriate Person (including any issuer, entitlement holder or securities intermediary thereof) to take all other actions necessary to grant "control" (as defined in 8.106 of the UCC) to the Agent over such Collateral.

(c) Certificated Securities (Stock Powers). Each Grantor agrees that all Pledged Shares that are Certificated Securities (and all other certificated shares of Equity Interests constituting Collateral) delivered by such Grantor pursuant to this Security Agreement will be accompanied by undated stock powers duly executed in blank, or other equivalent instruments of transfer acceptable to the Agent. Each Grantor will, from time to time upon the request of the Agent, promptly upon request by the Agent (but in any event no later than ten (10) Banking Days (or such later date as determined by the Agent in its sole discretion)) deliver to the Agent such stock powers, instruments and similar documents, reasonably satisfactory in form and substance to the Agent, with respect to the Collateral as the Agent may request and will, upon demand for payment by the Agent pursuant to the Credit Agreement, promptly transfer any Pledged Shares, Pledged Interests or other shares of Equity Interests constituting Collateral into the name of any nominee designated by the Agent.

(d) Continuous Pledge. Each Grantor will (subject to the terms of the Credit Agreement and this Security Agreement) deliver to the Agent and at all times keep pledged to the Agent pursuant hereto, on a first-priority (subject to Permitted Encumbrances), perfected basis all Pledged Property, Investment Property, all Distributions with respect thereto, all Payment Intangibles to the extent they are evidenced by a Document, Instrument, promissory note or Chattel Paper evidencing amounts payable in excess of $100,000 individually or $500,000 in the aggregate, and all interest and principal with respect to such Payment Intangibles, and all Proceeds and rights from time to time received by or distributable to such Grantor in respect of any of the foregoing Collateral (other than, as to perfection, Excluded Perfection Collateral) within the time periods set forth herein. Each Grantor agrees that it will, promptly upon request by the Agent (but in any event no later than ten (10) Banking Days) following receipt thereof if such request has been made by the Agent, deliver to the Agent possession of all originals of Pledged Interests, Pledged Shares, Pledged Notes and any other Pledged Property, Payment Intangibles to the extent they are evidenced by negotiable Documents, Instruments, promissory notes and Chattel Paper evidencing amounts payable in excess of $100,000 individually or $500,000 in the aggregate that it acquires following the Closing Date and shall deliver to the Agent a supplement to Schedule I identifying any such new Pledged Interests, Pledged Shares, Pledged Notes or other Pledged Property.

(e) Voting Rights; Dividends, etc. Each Grantor agrees:

(i) that promptly upon a demand for payment by the Agent pursuant to the Credit Agreement, to deliver (properly endorsed where required hereby or requested by the Agent) to the Agent all Distributions with respect to Investment Property, all interest, principal and other cash payments on Payment Intangibles, the Pledged Property and all Proceeds of the Pledged Property or any other Collateral, in case thereafter received by such Grantor, in each case, to the extent such Distribution is not permitted under the Credit Agreement, all of which shall be held by the Agent as additional Collateral; and

(ii) if a demand for payment by the Agent has been made pursuant to the Credit Agreement and the Agent has notified such Grantor in writing of its intention to exercise its voting power under this Section 4.1(e)(ii),

(A) the Agent may exercise (to the exclusion of such Grantor) the voting power and all other incidental rights of ownership with respect to any Pledged Shares, Pledged Interests, Investment Property or other Equity Interests constituting Collateral. **EACH GRANTOR HEREBY GRANTS THE AGENT AN IRREVOCABLE PROXY EXERCISABLE UNDER SUCH CIRCUMSTANCES, TO VOTE THE PLEDGED SHARES, PLEDGED INTERESTS, INVESTMENT PROPERTY AND SUCH OTHER COLLATERAL**; and

(B) promptly deliver to the Agent such additional proxies and other documents as may be reasonably necessary to allow the Agent to exercise such voting power.

All Distributions, interest, principal, cash payments, Payment Intangibles and Proceeds that may at any time and from time to time be held by any Grantor but which such Grantor is then obligated to deliver to the Agent, shall, until delivery to the Agent, be held by such Grantor separate and apart from its other Property in trust for the benefit of the Agent. The Agent agrees that until a demand for payment has been made by the Agent pursuant to the Credit Agreement and the Agent shall have given the notice referred to in Section 4.1(e), each Grantor shall be entitled to receive and retain all Distributions permitted by the Credit Agreement and shall have the exclusive voting power, and is granted a proxy, with respect to any

Equity Interests (including any of the Pledged Shares and other Pledged Interests) constituting Collateral. The Agent shall, upon the written request of any Grantor, promptly deliver such proxies and other documents, if any, as shall be reasonably requested by such Grantor which are necessary to allow such Grantor to exercise that voting power with respect to any such Equity Interests (including any of the Pledged Shares and other Pledged Interests) constituting Collateral; provided, however, that no vote shall be cast, or consent, waiver, or ratification given, or action taken by such Grantor that would violate any provision of the Credit Agreement or any other Document (including this Security Agreement).

SECTION 4.2. Organizational Documents; Change of Name, etc. No Grantor will change its state of incorporation, formation or organization or its name, identity, organizational identification number or corporate structure except as permitted in the Credit Agreement.

SECTION 4.3. As to Accounts and Receivables.

(a) Each Grantor shall have the right to collect all Accounts until a demand for payment has been made by the Agent pursuant to the Credit Agreement.

(b) Upon (i) a demand for payment by the Agent pursuant to the Credit Agreement after the occurrence and during the continuation of an Event of Default and (ii) the delivery of notice by the Agent to each Grantor, all Proceeds of Collateral received by any Grantor shall be delivered in kind to the Agent for deposit in a Deposit Account of such Grantor (A) maintained with the Agent or (B) maintained at a depositary bank other than the Agent to which such Grantor, the Agent and the depositary bank have entered into a Control Agreement in form and substance reasonably acceptable to the Agent providing that the depositary bank will comply with the instructions originated by the Agent directing disposition of the funds in the account without further consent by such Grantor (any such Deposit Accounts, together with any other Accounts pursuant to which any portion of the Collateral is deposited with the Agent, a "Collateral Account," and collectively, the "Collateral Accounts"), and such Grantor shall not commingle any such Proceeds, and shall hold separate and apart from all other Property, all such Proceeds in express trust for the benefit of the Agent until delivery thereof is made to the Agent.

(c) Following the delivery of notice pursuant to clause (b)(ii) of this Section 4.3 upon a demand for payment by the Agent pursuant to the Credit Agreement after the occurrence and during the continuation of an Event of Default, the Agent shall have the right to apply any amount in the Collateral Accounts to the payment of any Secured Obligations that are due and payable or in accordance with Section 8.4 of the Credit Agreement.

(d) With respect to each of the Collateral Accounts, it is hereby confirmed and agreed that (i) deposits in such Collateral Accounts are subject to a security interest as contemplated hereby, (ii) such Collateral Accounts shall be under the control of the Agent, provided that, with respect to any Collateral Accounts that are maintained with a bank other than the Agent, each Grantor shall, upon request of the Agent and in accordance with the Credit Agreement, deliver to the Agent a Control Agreement duly executed and delivered by such other bank, and (iii) the Agent shall have the sole right of withdrawal over such Collateral Accounts; provided that withdrawals shall only be made upon a demand for payment being made by the Agent after the occurrence and during the continuation of an Event of Default pursuant to the Credit Agreement.

(e) No Grantor shall adjust, settle, or compromise the amount or payment of any Account, nor release wholly or partly any account debtor or obligor thereof, nor allow any credit or discount thereon; provided that, a Grantor may make such adjustments, settlements or compromises and release wholly or partly any account debtor or obligor thereof and allow any credit or discounts thereon so long

as (i) such action is taken in the ordinary course of business, and (ii) such action is, in such Grantor's good faith business judgment, advisable.

SECTION 4.4. As to Grantor's Use of Collateral.

(a) Subject to clause (b) of this Section 4.4, each Grantor (i) may in the ordinary course of its business, at its own expense, sell, lease or furnish under the contracts of service any of the Inventory normally held by such Grantor for such purpose, and use and consume, in the ordinary course of its business, any raw materials, work in process or materials normally held by such Grantor for such purpose, (ii) shall, at its own expense, endeavor to collect in a commercially reasonable manner, as and when due, all amounts due with respect to any of the Collateral, including the taking of such action with respect to such collection as the Agent may request following a demand for payment by the Agent following the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement or, in the absence of such request, as such Grantor may deem advisable, and (iii) may grant, in the ordinary course of business, to any party obligated on any of the Collateral, any rebate, refund or allowance to which such party may be lawfully entitled, and may accept, in connection therewith, the return of Goods, the sale or lease of which shall have given rise to such Collateral.

(b) At any time following a demand for payment by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, whether before or after the maturity of any of the Secured Obligations, the Agent may (i) revoke any or all of the rights of any Grantor set forth in clause (a) of this Section 4.4, (ii) notify any parties obligated on any of the Collateral to make payment to the Agent of any amounts due or to become due thereunder, and (iii) enforce collection of any of the Collateral by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby.

(c) Upon request of the Agent following a demand for payment by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, each Grantor will, at its own expense, notify any parties obligated on any of the Collateral to make payment to the Agent of any amounts due or to become due by such party to such Grantor thereunder.

(d) Upon a demand for payment by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, the Agent may endorse, in the name of the applicable Grantor, any item, howsoever received by the Agent, representing any payment on or other Proceeds of any of the Collateral.

SECTION 4.5. As to Equipment and Inventory and Goods. Each Grantor hereby agrees that it shall (a) keep all of the Equipment and Inventory (other than Inventory sold in the ordinary course of business) and Goods located in a jurisdiction within the United States of America (or Canada in the case of any Titled Assets) or its offshore waters where all representations and warranties set forth in Article III shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects), and all action required pursuant to the second sentence of Section 4.11 shall have been taken with respect to the Equipment, Inventory and Goods, and (b) pay promptly when due all material property taxes and other material taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Equipment, Inventory and Goods, except to the extent the validity thereof is being diligently contested in good faith by appropriate proceedings, and with respect to which adequate reserves in conformity with generally accepted accounting principles in accordance with, and subject to, Section 1.4 of the Credit Agreement have been provided.

SECTION 4.6. As to Intellectual Property Collateral. Each Grantor covenants and agrees to comply with the following provisions as such provisions relate to any Intellectual Property Collateral material to the operations or business of such Grantor:

(a) such Grantor will not do or fail to perform any act whereby any Patent Collateral may lapse or become abandoned or dedicated to the public or unenforceable except upon the expiration of the life of the applicable patent, unless such Grantor shall reasonably and in good faith determine that any of such Patent Collateral is not material to the business of such Grantor;

(b) such Grantor will not (i) permit any of its licensees to (A) fail to maintain all of the Trademark Collateral in full force free from any claim of abandonment for non-use, (B) fail to maintain as in the past the quality of products and services offered under all of the Trademark Collateral, (C) fail to employ all of the Trademark Collateral registered with any federal or state or foreign authority with an appropriate notice of such registration, (D) knowingly adopt or use any other Trademark which is confusingly similar or a colorable imitation of any of the Trademark Collateral, (E) use any of the Trademark Collateral registered with any federal, state or foreign authority except for the uses for which registration or application for registration of all of the Trademark Collateral has been made, or (F) do or permit any act or knowingly omit to do any act whereby any of the Trademark Collateral may lapse or become invalid or unenforceable, or (ii) do or permit any act or knowingly omit to do any act whereby any of the Copyright Collateral or any of the Trade Secrets Collateral may lapse or become invalid or unenforceable or placed in the public domain except upon expiration of the end of an unrenewable term of a registration thereof, unless, in the case of any of the foregoing requirements in clauses (b)(i) and (b)(ii) above, the failure to do so, could not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Change.

(c) except where it could not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Change, such Grantor shall promptly notify the Agent if it knows that any application or registration relating to any item of the Intellectual Property Collateral may become abandoned or dedicated to the public or placed in the public domain or invalid or unenforceable (other than upon the expiration of the life of the applicable patent), or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the USPTO, the U.S. Copyright Office or any foreign counterpart thereof or any court) regarding such Grantor's ownership of any of the Intellectual Property Collateral, its right to register the same or to keep and maintain and enforce the same;

(d) in no event will such Grantor or any of its agents, employees, designees or licensees file an application for the registration of any material Intellectual Property Collateral with the USPTO, the U.S. Copyright Office or any similar office or agency in any other country or any political subdivision thereof, unless such Grantor promptly informs the Agent, and upon request of the Agent (subject to the terms of the Credit Agreement), such Grantor shall execute and deliver all agreements, instruments and documents as the Agent may request to evidence the Agent's security interest in such Intellectual Property Collateral;

(e) such Grantor will take all reasonably necessary steps, including in any proceeding before the USPTO, the U.S. Copyright Office or (subject to the terms of the Credit Agreement) any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue any application (and to obtain the relevant registration) filed with respect to, and to maintain any registration of, each material Intellectual Property Collateral, including the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings and the payment of fees and taxes (except to the extent that dedication, abandonment or invalidation is

permitted under the foregoing clause (a), (b) or (c) or to the extent such Grantor shall reasonably and in good faith determine is of immaterial economic value to such Grantor);

(f) following the obtaining of an interest in any Intellectual Property Collateral by such Grantor in any fiscal quarter, such Grantor shall deliver notice of such Intellectual Property Collateral obtained during any fiscal quarter in the Compliance Certificate to be delivered by the Parent Borrower for such fiscal quarter pursuant to Section 10.1(e)(iv) of the Credit Agreement, which information shall be deemed to supplement Schedule III attached hereto; and

(g) following the obtaining of an interest in any Intellectual Property Collateral by such Grantor and notice thereof delivered pursuant to the foregoing clause (f) or, following a demand for payment by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, upon the request of the Agent, such Grantor shall deliver all agreements, instruments and documents the Agent may request to evidence the Agent's security interest in such Intellectual Property Collateral and as may otherwise be required to acknowledge or register or perfect the Agent's interest in any part of such item of Intellectual Property Collateral, including, but not limited to, an IP Security Agreement or a supplement thereto.

SECTION 4.7. As to Letter of Credit Rights.

(a) Each Grantor, by granting a security interest in its Letter of Credit Rights to the Agent, intends to (and hereby does) collaterally assign to the Agent its rights (including its contingent rights) to the Proceeds of all Letter of Credit Rights of which it is or hereafter becomes a beneficiary or assignee. Within ten (10) days (or such later date as determined by the Agent in its sole discretion) following the date on which any Grantor obtains any Letter of Credit Rights in excess of $500,000 in the aggregate after the date hereof, such Grantor shall (i) deliver a supplement to Schedule II identifying such new Letter of Credit Right and (ii) cause the issuer of each such Letter of Credit and each nominated person (if any) with respect thereto to consent to such assignment of the Proceeds thereof in a consent agreement in form and substance satisfactory to the Agent and deliver written evidence of such consent to the Agent.

(b) At any time following a demand for payment by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, each Grantor will, promptly upon request by the Agent, (i) notify (and each Grantor hereby authorizes the Agent to notify) the issuer and each nominated person with respect to each of the Letters of Credit that the Proceeds thereof have been assigned to the Agent hereunder and any payments due or to become due in respect thereof are to be made directly to the Agent and (ii) arrange for the Agent to become the transferee beneficiary of each Letter of Credit.

SECTION 4.8. As to Commercial Tort Claims. Each Grantor covenants and agrees that, until the Termination Date, with respect to any Commercial Tort Claims seeking damages in excess of $500,000 in the aggregate hereafter arising, it shall deliver to the Agent, within ten (10) days (or such later date as determined by the Agent in its sole discretion) after such Commercial Tort Claim arises, a supplement to Schedule II in form and substance reasonably satisfactory to the Agent, identifying such new Commercial Tort Claims.

SECTION 4.9. As to Electronic Chattel Paper and Transferable Records. If any Grantor at any time holds or acquires an interest in any electronic Chattel Paper or any "transferable record," as that term is defined in Section 201 of the U.S. Federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the U.S. Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, with a value in excess of $100,000 individually or $500,000 in the aggregate, such Grantor shall promptly notify the Agent thereof and, at the request of the Agent, shall take such action as the

Agent may request to vest in the Agent under Section 9-105 of the UCC of such electronic Chattel Paper or control under Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Agent agrees with each Grantor that the Agent will arrange, pursuant to procedures reasonably satisfactory to the Agent and so long as such procedures will not result in the Agent's loss of control, for such Grantor to make alterations to the electronic Chattel Paper or transferable record permitted under Section 9.105 of the UCC or, as the case may be, Section 201 of the U.S. Federal Electronic Signatures in Global and National Commerce Act or Section 16 of the U.S. Uniform Electronic Transactions Act for a party in control to allow without loss of control, unless a demand for payment has been made by the Agent pursuant to the Credit Agreement and is continuing or would occur after taking into account any action by such Grantor with respect to such electronic Chattel Paper or transferable record.

SECTION 4.10. Trade Secrets. With respect to any patent applications in preparation for filing that comprise Trade Secrets Collateral, Grantor shall have the right to assert its attorney-client privilege in such applications and not to disclose such applications unless and until a demand for payment by the Agent has been made after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement. If a demand for payment has been made by the Agent pursuant to the Credit Agreement, then at the request of the Agent, the Grantors shall deliver to the Agent any patent applications in preparation for filing and all documents and things embodying, incorporating or referring to inventions that in any way relate to such patent application.

SECTION 4.11. Further Assurances, etc. Each Grantor shall warrant and defend the right and title herein granted unto the Agent in and to the Collateral (and all right, title and interest represented by the Collateral) against the claims and demands of all Persons whomsoever, subject to Permitted Encumbrances. Each Grantor agrees that, from time to time at its own expense, it will promptly execute and deliver (or authorize the Agent to duly execute and deliver) all further instruments and documents, and take all further action, that may be reasonably necessary or that the Agent may reasonably request, in order to perfect, preserve and protect any security interest granted or purported to be granted hereby or to enable the Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral subject to the terms hereof. Each Grantor agrees that, upon the acquisition after the date hereof by such Grantor of any Collateral (other than Excluded Perfection Collateral), with respect to which the security interest granted hereunder is not perfected automatically upon such acquisition, to take such actions with respect to such Collateral or any part thereof as required by the Documents. Without limiting the generality of the foregoing, each Grantor will:

(a) from time to time upon the request of the Agent, promptly deliver to the Agent such stock powers, instruments and similar documents, reasonably satisfactory in form and substance to the Agent, with respect to such Collateral as the Agent may reasonably request and will, from time to time upon the request of the Agent, promptly transfer any securities constituting Collateral into the name of any nominee designated by the Agent, provided that prior to a demand for payment being made by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement such Grantor shall be entitled to exercise all voting power and all other incidental rights of ownership with respect to any such securities constituting Collateral; if any Collateral shall be evidenced by an Instrument, negotiable Document, promissory note or tangible Chattel Paper, upon request of the Agent, deliver and pledge to the Agent hereunder such Instrument, negotiable Document, promissory note, Pledged Note or tangible Chattel Paper duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to the Agent;

(b) file (and hereby authorize the Agent to file after delivery of a copy thereof to such Grantor) such filing statements or continuation statements, or amendments thereto, and such other

instruments or notices (including any assignment of claim form under or pursuant to the federal assignment of claims statute, 31 U.S.C. § 3726, any successor or amended version thereof or any regulation promulgated under or pursuant to any version thereof), as may be necessary or that the Agent may request in order to perfect and preserve the security interests and other rights granted or purported to be granted to the Agent hereby.

(c) not take or omit to take any action the taking or the omission of which would result in any impairment or alteration of any obligation of the maker of any Payment Intangible or other Instrument constituting Collateral, except as provided in Section 4.4;

(d) not create any tangible Chattel Paper in excess of $100,000 individually or $500,000 in the aggregate without placing a legend on such tangible Chattel Paper reasonably acceptable to the Agent indicating that the Agent has a security interest in such Chattel Paper;

(e) furnish to the Agent, from time to time at the Agent's request, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all in detail reasonably satisfactory to the Agent; and

(f) do all things reasonably requested by the Agent in accordance with this Security Agreement in order to enable the Agent to have and maintain control over the Collateral consisting of Investment Property, Deposit Accounts, Letter of Credit Rights and Electronic Chattel Paper.

The authorization contained in this Section 4.11 shall be irrevocable and continuing until the Termination Date. Each Grantor agrees that a carbon, photographic or other reproduction of this Security Agreement or any UCC financing statement covering the Collateral or any part thereof shall be sufficient as a UCC financing statement where permitted by Applicable Law. Each Grantor hereby authorizes the Agent to file financing statements describing as the Collateral covered thereby "all of the debtor's personal property or assets" or words to that effect, notwithstanding that such wording may be broader in scope than the Collateral described in this Security Agreement.

ARTICLE V
THE AGENT

SECTION 5.1. Agent Appointed Attorney-in-Fact. Each Grantor hereby irrevocably appoints the Agent its attorney-in-fact, with full authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, from time to time in the Agent's discretion, following a demand for payment by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Security Agreement, including (a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral, (b) to receive, endorse, and collect any drafts or other Instruments, Documents and Chattel Paper, in connection with clause (a) above, (c) to file any claims or take any action or institute any proceedings which the Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Agent with respect to any of the Collateral, and (d) to perform the affirmative obligations of such Grantor hereunder. **EACH GRANTOR HEREBY ACKNOWLEDGES, CONSENTS AND AGREES THAT THE POWER OF ATTORNEY GRANTED PURSUANT TO THIS SECTION 5.1 IS IRREVOCABLE AND COUPLED WITH AN INTEREST AND SHALL BE EFFECTIVE UNTIL THE TERMINATION DATE.**

SECTION 5.2. Agent May Perform. If any Grantor fails to perform any agreement contained herein, following the expiration of any applicable grace or cure period, the Agent may itself perform, or cause performance of, such agreement, and the expenses of the Agent incurred in connection therewith shall be payable by such Grantor pursuant to Section 6.3 hereof and Article XIV of the Credit Agreement and the Agent may from time to time take any other action which the Agent deems necessary for the maintenance, preservation or protection of any of the Collateral or of its security interest therein.

SECTION 5.3. Agent Has No Duty. The powers conferred on the Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Agent shall have no duty as to any Collateral or responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Investment Property and any other Pledged Property, whether or not the Agent has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

SECTION 5.4. Reasonable Care. The Agent is required to exercise reasonable care in the custody and preservation of any of the Collateral in its possession; provided, that the Agent shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral (a) if such Collateral is accorded treatment substantially equal to that which the Agent accords its own personal property, or (b) if the Agent takes such action for that purpose as any Grantor reasonably requests in writing at times other than upon a demand for payment being made by the Agent pursuant to the Credit Agreement; provided, further, that failure of the Agent to comply with any such request at any time shall not in itself be deemed a failure to exercise reasonable care.

ARTICLE VI
REMEDIES

SECTION 6.1. Certain Remedies. If a demand for payment has been made by the Agent after the occurrence and during the continuance of an Event of Default pursuant to the Credit Agreement, and subject to any notice requirements otherwise required herein or under any other Document:

(a) The Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Collateral) and also may (i) take possession of any Collateral not already in its possession without demand and without legal process, (ii) require any Grantor to, and each Grantor hereby agrees that it will, at its expense and upon request of the Agent forthwith, assemble all or part of the Collateral as directed by the Agent and make it available to the Agent at a place to be designated by the Agent that is reasonably convenient to both parties, (iii) subject to Applicable Law or agreements with landlords, bailees or warehousemen enter onto the Property where any Collateral is located and take possession thereof without demand and without legal process, and (iv) without notice except as specified below, lease, license, sell or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Agent may deem commercially reasonable. Each Grantor agrees that, to the extent notice of sale shall be required by Applicable Law, at least ten (10) days' prior notice to the applicable Grantor of the time and place of any public sale or the time of any private sale is to be made shall constitute reasonable notification; provided, however, that with respect to Collateral that is (x) perishable or threatens to decline speedily in value, or (y) is of a type customarily sold on a recognized market (including but not limited to, Investment Property), no notice of sale or disposition need be given. For purposes of this Article VI, notice of any

intended sale or disposition of any Collateral may be given by first-class mail, hand-delivery (through a delivery service or otherwise), facsimile or email, and shall be deemed to have been "sent" upon deposit in the U.S. Mails with adequate postage properly affixed, upon delivery to an express delivery service or upon electronic submission through telephonic or internet services, as applicable. The Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) Each Grantor that is or may become a fee estate owner of Property where any Collateral is located agrees and acknowledges that (i) Agent may remove the Collateral or any part thereof from such Property in accordance with statutory law appertaining thereto without objection, delay, hindrance or interference by such Grantor and in such case such Grantor will make no claim or demand whatsoever against the Collateral, (ii) it will (x) cooperate with Agent in its efforts to assemble and/or remove all of the Collateral located on the such property; (y) permit Agent and its agents to enter upon such Property and occupy the Property at any or all times to conduct an auction or sale, and/or to inspect, audit, examine, safeguard, assemble, appraise, display, remove, maintain, prepare for sale or lease, repair, lease, transfer, auction and/or sell the Collateral; and (z) not hinder Agent's actions in enforcing its security interest in the Collateral. Money damages may not be a sufficient remedy for a breach of this Section 6.1(b). In addition to all other remedies available hereunder, under any other Document, at law or in equity, the Agent shall be entitled to seek, at such Grantor's expense, equitable relief, including injunction and specific performance, without proof of actual damages.

(c) Each Grantor agrees and acknowledges that a commercially reasonable disposition of Inventory, Equipment, Goods, Computer Hardware and Software Collateral, or Intellectual Property Collateral may be by lease or license of, in addition to the sale of, such Collateral. Each Grantor further agrees and acknowledges that the following shall be deemed a reasonable commercial disposition: (i) a disposition made in the usual manner on any recognized market, (ii) a disposition at the price current in any recognized market at the time of disposition, and (iii) a disposition in conformity with reasonable commercial practices among dealers in the type of Property subject to the disposition.

(d) All cash proceeds received by the Agent in respect of any sale of, collection from, or other realization upon, all or any part of the Collateral shall be applied by the Agent against, all or any part of the Secured Obligations in accordance with Section 8.4 of the Credit Agreement. The Agent shall not be obligated to apply or pay over for application noncash proceeds of collection or enforcement unless (i) the failure to do so would be commercially unreasonable, and (ii) the affected party has provided the Agent with a written demand to apply or pay over such noncash proceeds on such basis.

(e) The Agent may do any or all of the following: (i) transfer all or any part of the Collateral into the name of the Agent or its nominee, with or without disclosing that such Collateral is subject to the Lien hereunder, (ii) notify the parties obligated on any of the Collateral to make payment to the Agent of any amount due or to become due thereunder, (iii) withdraw, or cause or direct the withdrawal, of all funds with respect to the Collateral Account, (iv) enforce collection of any of the Collateral by suit or otherwise, and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any obligations of any nature of any party with respect thereto, (v) endorse any checks, drafts, or other writings in the applicable Grantor's name to allow collection of the Collateral, (vi) take control of any Proceeds of the Collateral, or (vii) execute (in the name, place and stead of the applicable Grantor) endorsements, assignments, stock powers and other instruments of conveyance or transfer with respect to all or any of the Collateral.

(f) No such exercise of remedies by the Agent or cure by the Agent of any breach of a covenant of any Document on any Grantor's behalf shall operate as a waiver of the Agent's or any other Benificiary's rights with respect to such breach or any other breach.

SECTION 6.2. Compliance with Restrictions. Each Grantor agrees that in any sale of any of the Collateral whenever a demand for payment has been made by the Agent, the Agent is hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of Applicable Law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any Governmental Authority or official, and each Grantor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Agent or any other Beneficiary be liable nor accountable to such Grantor for any discount allowed by the reason of the fact that such Collateral is sold in compliance with any such limitation or restriction.

SECTION 6.3. Indemnity and Expenses. Sections 14.1 and 14.2 of the Credit Agreement is hereby incorporated by reference *mutatis mutandis*, as if stated verbatim herein as agreements and obligations of each Grantor.

SECTION 6.4. Warranties. The Agent may sell the Collateral without giving any warranties or representations as to the Collateral. The Agent may disclaim any warranties of title or the like. Each Grantor agrees that this procedure will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

SECTION 6.5. Exempt Sale. If, in the opinion of the Agent, there is any question that a public or semipublic sale or distribution of any Pledged Property will violate any state or federal securities law, the Agent in its reasonable discretion (a) may offer and sell securities privately to purchasers who will agree to take them for investment purposes and not with a view to distribution and who will agree to imposition of restrictive legends on the certificates representing the security, or (b) may sell such securities in an intrastate offering under Section 3(a)(11) of the Securities Act of 1933, as amended, and no sale so made in good faith by the Agent shall be deemed to be not "commercially reasonable" solely because so made. Each Grantor shall cooperate fully with the Agent in selling or realizing upon all or any part of the Pledged Property. In addition, each Grantor shall fully comply with the securities laws of the United States and take such actions as may be necessary to permit the Agent to sell or otherwise dispose of any securities representing the Pledged Property in compliance with such Applicable Law.

SECTION 6.6. Cumulative Remedies. Each right, power and remedy herein specifically granted to the Agent or otherwise available to it shall be cumulative, and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or otherwise, and each such right, power and remedy, whether specifically granted herein or otherwise existing, may be exercised at any time and from time-to-time as often and in such order as may be deemed expedient by the Agent in its sole discretion. No failure on the part of the Agent to exercise, and no delay in exercising, and no course of dealing with respect to, any such right, power or remedy, shall operate as a waiver thereof, nor shall any single or partial exercise of any such rights, power or remedy preclude any other or further exercise thereof or the exercise of any other right.

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.1. Document. This Security Agreement is a Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof.

SECTION 7.2. Binding on Successors, Transferees and Assigns; Assignment. This Security Agreement shall remain in full force and effect until the Termination Date has occurred, shall be binding upon each Grantor and its successors, transferees and permitted assigns and, subject to the limitations set forth in the Credit Agreement, shall inure to the benefit of and be enforceable by the Agent and its successors, transferees and permitted assigns; provided that, no Grantor shall assign any of its obligations hereunder (unless otherwise permitted under the terms of the Credit Agreement or this Security Agreement).

SECTION 7.3. Amendments, etc. No amendment to or waiver of any provision of this Security Agreement, nor consent to any departure by any Grantor from its obligations under this Security Agreement, shall in any event be effective unless the same shall be in writing and signed by the Agent and such Grantor and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.4. Notices. Except as otherwise provided in this Security Agreement, all notices and other communications provided for hereunder shall be sent in the manner and subject to the terms of Section 16.3 of the Credit Agreement at the address or facsimile number of such party specified in the Credit Agreement, on the signature pages of this Security Agreement or at such other address or facsimile number as may be designated by such party in a notice to the other party. Except as otherwise provided in this Security Agreement, all such notices and communications shall be effective when delivered.

SECTION 7.5. No Waiver. In addition to, and not in limitation of Section 2.7, no failure on the part of the Agent or any other Beneficiary to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

SECTION 7.6. Waivers by Grantors. To the extent permitted by Applicable Law, each Grantor hereby waives:

(a) promptness, diligence, notice of acceptance and any other notice with respect to any of the Secured Obligations and this Security Agreement;

(b) any requirement that the Agent and any other Beneficiary protect, secure, perfect or insure any Lien or any Property subject thereto or exhaust any right or take any action against any Grantor, any Guarantor or any other Person or any Collateral; and

(c) any duty on the part of the Agent and any other Beneficiary to disclose to any Grantor any matter, fact or thing relating to the business, operation or condition of any Grantor or any other Person and their respective assets now known or hereafter known by such Person.

SECTION 7.7. Headings. The various headings of this Security Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Security Agreement or any provisions thereof.

SECTION 7.8. Severability. In case one or more provisions of this Security Agreement shall be invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality, and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

SECTION 7.9. Counterparts. This Security Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Security Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Security Agreement.

SECTION 7.10. Consent as Holder of Equity and as Pledged Interests Issuer. Each Grantor hereby consents to (a) the execution by each other Grantor of this Security Agreement and grant by each other Grantor of a security interest, encumbrance, pledge and hypothecation in all Pledged Interests and other Collateral of such other Grantor to the Agent pursuant hereto, (b) without limiting the generality of the foregoing, each Grantor consents to the transfer of any Pledged Interest to the Agent or its nominee pursuant to the terms of this Security Agreement following the request of the Agent and to the substitution of the Agent or its nominee as a partner under the limited partnership agreement or as a member under the limited liability company agreement, in any case, as heretofore and hereafter amended, and (c) to the extent such Grantor is also a Pledged Interests Issuer, agrees to comply with instructions with respect to the applicable Pledged Interests originated by the Agent without further consent of any other Grantor upon a demand for payment being made by the Agent after the occurrence and during the continuation of an Event of Default pursuant to the Credit Agreement. Furthermore, each Grantor as the holder of any Equity Interests in a Pledged Interests Issuer, hereby (i) waives all rights of first refusal, rights to purchase, and rights to consent to transfer (to the Agent or to any purchaser resulting from the exercise of the Agent's remedy provided hereunder or under Applicable Law) and (ii) if required by the organizational documents of such Pledged Interests Issuer, agrees to cause such Pledged Interests Issuer to register the Lien granted hereunder and encumbering such Equity Interests in the registry books of such Pledged Interests Issuer.

SECTION 7.11. Additional Grantors. Additional Subsidiaries or Affiliates of the Borrowers may from time to time enter into this Security Agreement as a Grantor. Upon execution and delivery after the date hereof by the Agent and such Subsidiary or Affiliate of an instrument in the form of Annex 1, such Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of any instrument adding an additional Grantor as a party to this Security Agreement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Security Agreement.

SECTION 7.12. Acknowledgment of Pledged Interests Issuers. Each Pledged Interests Issuer that is party hereto agrees that it will comply with instructions of the Agent with respect to the applicable Uncertificated Securities without further consent by the applicable Grantor.

SECTION 7.13. Conflicts with Credit Agreement. To the fullest extent possible, the terms and provisions of the Credit Agreement shall be read together with the terms and provisions of this Security Agreement so that the terms and provisions of this Security Agreement do not conflict with the terms and provisions of the Credit Agreement; provided, however, notwithstanding the foregoing, in the event that any of the terms or provisions of this Security Agreement conflict with any terms or provisions of the Credit Agreement, the terms or provisions of the Credit Agreement shall govern and control for all purposes; provided that the inclusion in this Security Agreement of terms and provisions, supplemental rights or remedies in favor of the Agent not addressed in the Credit Agreement shall not be deemed to be

in conflict with the Credit Agreement and all such additional terms, provisions, supplemental rights or remedies contained herein shall be given full force and effect.

SECTION 7.14. Waiver of Jury Trial. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.**

SECTION 7.15. Governing Law; Service of Process This Security Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Security Agreement and the transactions contemplated hereby shall be governed by, and construed in accordance with, the law of the State of Texas, without reference to any other conflicts or choice of law principles thereof, except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Texas.

SECTION 7.16. Submission to Jurisdiction; Service of Process; Waiver of Venue.

(a) **EACH GRANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT, ANY OTHER BENEFICIARY OR ANY RELATED PARTY OF THE AGENT OR OTHER BENEFICIARY IN ANY WAY RELATING TO THIS SECURITY AGREEMENT OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF TEXAS OR THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. NOTHING IN THIS SECURITY AGREEMENT OR IN ANY OTHER DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT AND ANY OTHER BENEFICIARY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER DOCUMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 16.3 OF THE CREDIT AGREEMENT. NOTHING IN THIS SECURITY AGREEMENT WILL AFFECT THE**

RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(b) Each Grantor irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Security Agreement or any other Document in any court referred to in Section 7.16(a). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

SECTION 7.17. **THIS WRITTEN SECURITY AGREEMENT, THE OTHER DOCUMENTS, THE BANK PRODUCTS AND THE LENDER FINANCIAL INSTRUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.**

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[Remainder of this page intentionally left blank. Signature pages to follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be duly executed and delivered as of the date first above written.

GRANTORS:

FRAC SHACK AMERICA INC.

By: _____
Lance Holmstrom,
Chief Financial Officer

FRAC SHACK INC.

By: _____
Lance Holmstrom,
Chief Financial Officer

FRAC SHACK INTERNATIONAL INC.

By: _____
Lance Holmstrom,
Chief Financial Officer

AGENT:

HSBC BANK CANADA, as Agent

By: _____
Name: CHRISTINE STRACHAN
Title: AUTHORIZED SIGNATORY

By: _____
Name: ALYSSA SCHWARTZ
Title: AUTHORIZED SIGNATORY

SCHEDULE I
to Pledge and Security
Agreement

ITEM A – PLEDGED SHARES

Grantor	Issuer	Certificate Number(s)	Number of Shares	% of Outstanding Equity Interests Owned / Pledged by Grantor	Type of Equity Interests Pledged
Frac Shack Inc.	Frac Shack America Inc.	1	100	100% / 100%	Common Stock
Frac Shack Inc.	Frac Shack International Inc.	A-1	100	100% / 100%	Class A Common Stock

ITEM B – PLEDGED NOTES

None.

SCHEDULE II
to Pledge and Security
Agreement

Item A-1. Location of Grantor for purposes of UCC.

Frac Shack America Inc.: Delaware

Frac Shack Inc.: N/A

Frac Shack International Inc.: N/A

Item A-2. Grantor's place of business or principal office.

Frac Shack America Inc.: 999 18th Street, Suite 2025N, Denver, CO 80202

Frac Shack Inc.: 136, 25901 – 114 Avenue, Acheson, AB, T7X 6E2

Frac Shack International Inc.: 136, 25901 – 114 Avenue, Acheson, AB, T7X 6E2

Item A-3. Taxpayer ID number.

Frac Shack America Inc.: 45-4090026

Frac Shack Inc.: 2015801190

Frac Shack International Inc.: 2116112299

Item B. Merger or other corporate reorganization.

None.

Item C. **Deposit Accounts, Securities Accounts and Commodity Accounts.**

	Name of Grantor	Name of Institution	Account Number	Description of Account	Excluded Account as of the Closing Date (Yes/No)	Currency
1	Frac Shack SAS	HSBC Argentina	094-3310451	Checking account	Y	Ars
2	Frac Shack SAS	HSBC Argentina	094-8173006	Checking account	Y	US$
3	Frac Shack Inc.	HSBC - Canada	099-395967-001	Checking account	N	CAD
4	Frac Shack Inc.	HSBC - Canada	099-395967-002	Savings account	N	CAD
5	Frac Shack Inc.	HSBC - Canada	099-395967-607	Loan Account	N	CAD
6	Frac Shack Inc.	HSBC - Canada	099-395967-619	Loan Account	N	CAD
7	Frac Shack Inc.	HSBC - Canada	099-395967-633	Loan Account	N	CAD
8	Frac Shack International Inc.	HSBC - Canada	099-397560-001	Checking account	N	CAD
9	Frac Shack America Inc.	HSBC - Canada	099-397714-001	Checking account	Y	CAD
10	Frac Shack Inc.	HSBC - Canada	099-395967-070	Checking account	N	US$
11	Frac Shack International Inc.	HSBC - Canada	099-395560-070	Checking account	Y	US$
12	Frac Shack SAS	HSBC - Canada	099-419297-070	Checking account	Y	US$
13	Frac Shack America Inc.	HSBC - United States	827021054	Checking account	N	US$
14	Frac Shack Inc.	HSBC - United States	827021062	Checking account	Y	US$
15	Frac Shack America Inc.	HSBC - United States	959-049362-200	Mortgage Account	N	US$
16	Frac Shack America Inc.	HSBC - United States	959-049362-201	Mortgage Account	N	US$
17	Frac Shack America Inc.	Bank of America	138110407630	Checking account	Y	US$
18	Frac Shack Inc.	Bank of America	138110587644	Checking account	Y	US$
19	Frac Shack Inc.	Royal Bank of Canada	01599-1040138	Checking account	Y	CAD
20	Frac Shack International Inc.	Royal Bank of Canada	01599-1040146	Checking account	Y	CAD

Item D. **Letter of Credit Rights.**

None.

Item E. **Commercial Tort Claims.**

None.

Item F. **Promissory Notes/Other Instruments Evidencing Receivables.**

None.

Item G. Other Documents, Instruments, Promissory Notes, Pledged Notes and Tangible Chattel Paper

None.

Item H. Titled Assets

None.

SCHEDULE III – A
to Pledge and Security
Agreement

PATENTS

Name of Grantor	Patent Description	Patent Number	Issue Date
Frac Shack Inc.	Fuel Delivery System and Method	US 10,029,906	2018-07-24
Frac Shack Inc.	Fuel Delivery System and Method	US 9,346,662	2016-05-24
Frac Shack Inc.	Mobile Elevating Work Platform	US 8,584,802	2013-11-19
Frac Shack Inc.	Fuel Delivery System and Method	CA2693567	2014-09-23
Frac Shack Inc.	Mobile Elevating Work Platform	CA2699556	2012-03-13
Frac Shack Inc.	Fuel Delivery System and Method	AU2011217704	2011-02-16
Frac Shack Inc.	Fuel Delivery System and Method	AU2016210777	2011-02-16

PATENT APPLICATIONS

Name of Grantor	Patent Application	Application Filing Date	Application Serial Number
Frac Shack Inc.	USAN 15/997,340	2018-06-04	US2019/0106316
Frac Shack Inc.	CA2789386	2011-02-16	CA2789386
Frac Shack Inc	AU2017254826	2017-11-16	AU2017254826

SCHEDULE III – B
to Pledge and Security
Agreement

TRADEMARKS

CANADA

Name of Grantor	Trademark	Registration Date	Registration Number
Frac Shack Inc.	Fracfueller	2/18/2011	TMA791145
Frac Shack Inc.	Frac Safe	10/11/2012	TMA834134
Frac Shack Inc.	Frac Shack	10/03/2011	TMA808131
Frac Shack Inc.	Wellevator	05/31/2018	TMA997890

U.S.

Name of Grantor	Trademark	Registration Date	Registration Number
Frac Shack Inc.	Fracfueller	08/13/2013	4,382,394
Frac Shack Inc.	Frac Shack	08/13/2013	4,382,396
Frac Shack Inc.	Wellevator	04/17/2018	5,449,588

TRADEMARK APPLICATIONS

CANADA

Name of Grantor	Trademark Application	Application Filing Date	Application Serial Number
Frac Shack Inc.	NG Sidekick	01/22/2019	1941949
Frac Shack Inc.	Powerhouse	01/07/2019	1939276
Frac Shack Inc.	Changing the World of Energy	01/07/2019	1939277
Frac Shack Inc.	Welcome to World Class	04/30/2019	1960174

U.S.

Name of Grantor	Trademark Application	Application Filing Date	Application Serial Number
Frac Shack Inc.	NG Sidekick	01/25/2019	88270816
Frac Shack Inc.	Powerhouse	01/09/2019	88255185
Frac Shack Inc.	Frac Safe	09/27/2018	88128983
Frac Shack Inc.	Fracfueler	12/06/2018	88219186
Frac Shack Inc.	Changing the World of Energy	01/07/2019	88252350
Frac Shack Inc.	Welcome to World Class	05/02/2019	88412572

SCHEDULE III – C
to Pledge and Security
Agreement

COPYRIGHTS

None.

SUPPLEMENT NO. _____ dated as of _____, 20___ (the "Supplement"), to the Pledge and Security Agreement dated as of July 8, 2019 (as amended, supplemented, restated, or otherwise modified from time to time, the "Security Agreement"), among FRAC SHACK AMERICA INC. a Delaware corporation ("Frac Shack America") and FRAC SHACK INC., an Alberta corporation ("Frac Shack"), FRAC SHACK INTERNATIONAL INC., a Canadian corporation ("Frac Shack International"), each other Person signatory thereto (together with Frac Shack America, Frac Shack, and Frac Shack International, the "Grantors" and individually, a "Grantor") and HSBC BANK CANADA, as Agent (as defined below) under the Credit Agreement (as hereinafter defined).

A. Reference is made to that certain Credit Agreement, made as of July 8, 2019 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), between Frac Shack, Frac Shack International, and Frac Shack America, as borrowers (each, a "Borrower" and, collectively, the "Borrowers"), the lenders party thereto from time to time (the "Lenders"), and HSBC Bank Canada, as agent for the Lenders (the "Agent").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement or the Credit Agreement, as applicable.

C. Section 7.11 of the Security Agreement provides that additional Subsidiaries or Affiliates of the Borrowers may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary or Affiliate of the Borrowers (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement.

D. [The equity holder of each Subsidiary or Affiliate of the Borrowers that was not in existence on the date of the Credit Agreement is required to enter into the Security Agreement as a Grantor, or supplement its Collateral (as defined in the Security Agreement), to pledge the equity of such new Subsidiary or Affiliate. [Equity holder of new Subsidiary or Affiliate] (the "Existing Grantor"; and together with the New Grantor, each a "Specific Grantor" and, collectively, the "Specific Grantors"), is executing this Supplement in accordance with the requirements of the Credit Agreement to supplement its Collateral under the Security Agreement.]

Accordingly, the Agent and the [New Grantor][Specific Grantors] agree as follows:

SECTION 1. [The Existing Grantor by its signature below (i) hereby agrees that, except as supplemented and renewed hereby, all of the terms, obligations, rights and conditions of the Security Agreement have not been amended in any way and are and will remain binding upon, and enforceable against the Existing Grantor, (ii) reaffirms all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (iii) after giving effect to this Supplement, represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects) on and as of the date hereof.]

SECTION 2. [The Existing Grantor agrees that the terms "Pledged Property", "Pledged Interests", and "Pledged Shares" as used in the Security Agreement are hereby supplemented to include, and the Existing Grantor hereby pledges to the Agent, and grants to the Agent, a continuing security interest in and Lien on all of the Existing Grantor's right, title and interest in and to, all of its Equity

Interests (as defined in the Security Agreement) or any other ownership interest described in, and set forth on, Schedule I, attached hereto and incorporated herein.]

SECTION 3. In accordance with Section 7.11 of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby agrees (a) to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects) on and as of the date hereof. In furtherance of the foregoing, the New Grantor, as security for the payment and performance in full of the Secured Obligations (as defined in the Security Agreement), does hereby create and grant to the Agent, its successors and assigns, a continuing security interest in and Lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

SECTION 4. [The New Grantor][Each Specific Grantor] represents and warrants to the Agent that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 5. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the [New Grantor][Specific Grantors] and the Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 6. [The New Grantor][Each Specific Grantor] hereby agrees that the schedules attached to the Security Agreement are hereby supplemented by the corresponding schedules attached to this Supplement. [The New Grantor][Each Specific Grantor] hereby represents and warrants that the information provided in the schedules attached hereto are true and correct as of the date hereof.

SECTION 7. [The New Grantor][Each Specific Grantor] hereby expressly acknowledges and agrees to the terms of Section 6.3 (Indemnity and Expenses) of the Security Agreement and expressly acknowledges the irrevocable proxy provided in Section 4.1(e) of the Security Agreement. In furtherance thereof, **[NEW GRANTOR][EACH SPECIFIC GRANTOR] HEREBY GRANTS THE AGENT AN IRREVOCABLE PROXY (WHICH IRREVOCABLE PROXY SHALL CONTINUE IN EFFECT UNTIL THE TERMINATION DATE) EXERCISABLE UNDER THE CIRCUMSTANCES PROVIDED IN SECTION 4.1 OF THE SECURITY AGREEMENT, TO VOTE THE PLEDGED SHARES, PLEDGED INTERESTS, INVESTMENT PROPERTY AND SUCH OTHER COLLATERAL.**

SECTION 8. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

SECTION 9. This Supplement and the Security Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this

Supplement or the Security Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of Texas, without reference to any other conflicts or choice of law principles thereof, except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Texas.

SECTION 10. In case one or more provisions of this Supplement shall be invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality, and enforceability of the remaining provisions contained herein or in the Security Agreement shall not be affected or impaired thereby.

SECTION 11. All communications and notices hereunder shall be in writing and given as provided in the Security Agreement. All communications and notices hereunder to the [New Grantor][each Specific Grantor] shall be given to it at the address set forth under its signature hereto.

SECTION 12. [The New Grantor][Each Specific Grantor] agrees to reimburse the Agent and each other Beneficiary for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Agent and other Beneficiaries.

SECTION 13. **[THE NEW GRANTOR][EACH SPECIFIC GRANTOR] HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.**

SECTION 14. [Submission to Jurisdiction; Service of Process; Waiver of Venue.

(a) **[THE NEW GRANTOR][EACH SPECIFIC GRANTOR] IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT, ANY OTHER BENEFICIARY OR ANY RELATED PARTY OF THE AGENT OR OTHER BENEFICIARY IN ANY WAY RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF TEXAS OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE**

PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. NOTHING IN THIS SUPPLEMENT, THE SECURITY AGREEMENT OR IN ANY OTHER DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 16.3 OF THE CREDIT AGREEMENT. NOTHING IN THIS SUPPLEMENT OR THE SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(b) [THE NEW GRANTOR][EACH SPECIFIC GRANTOR] irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Supplement, the Security Agreement or any other Document in any court referred to in Section 14(a). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

THIS SUPPLEMENT, THE SECURITY AGREEMENT, THE OTHER DOCUMENTS, THE BANK PRODUCTS AND THE LENDER FINANCIAL INSTRUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Signature page follows.]

IN WITNESS WHEREOF, the [New Grantor][Specific Grantors] and the Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

[Name of New Grantor][Name of Specific Grantor]

By: _____
Name: _____
Title: _____

Address: _____
_____
_____

HSBC BANK CANADA, as Agent

By: _____
Name: _____
Title: _____

SCHEDULES TO SUPPLEMENT NO. 1

[AS APPROPRIATE]

This is **Exhibit 16** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

SUPPLEMENT NO. 1 dated as of January 22, 2020 (the "Supplement"), to the Pledge and Security Agreement dated as of July 8, 2019 (as amended, supplemented, restated, or otherwise modified from time to time, the "Security Agreement"), among FRAC SHACK AMERICA INC. a Delaware corporation ("Frac Shack America"), FRAC SHACK INC., an Alberta corporation ("Frac Shack") and FRAC SHACK INTERNATIONAL INC., a Canadian corporation ("Frac Shack International"), each other Person signatory thereto (together with Frac Shack America, Frac Shack, and Frac Shack International, the "Grantors" and individually, a "Grantor") and HSBC BANK CANADA, as Agent (as defined below) under the Credit Agreement (as hereinafter defined).

A. Reference is made to that certain Credit Agreement, made as of July 8, 2019, as amended by a Consent and First Amending Agreement made as of January 22, 2020 (as further amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), between Frac Shack, Frac Shack International, Frac Shack America and Sand Separation Technologies Inc., an Alberta Corporation ("New Grantor"), as borrowers (each, a "Borrower" and, collectively, the "Borrowers"), the lenders party thereto from time to time (the "Lenders"), and HSBC Bank Canada, as agent for the Lenders (the "Agent").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement or the Credit Agreement, as applicable.

C. Section 7.11 of the Security Agreement provides that additional Subsidiaries or Affiliates of the Borrowers may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The New Grantor is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement.

D. The equity holder of each Subsidiary or Affiliate of the Borrowers that was not in existence on the date of the Credit Agreement is required to enter into the Security Agreement as a Grantor, or supplement its Collateral (as defined in the Security Agreement), to pledge the equity of such new Subsidiary or Affiliate. Frac Shack (in such capacity, the "Existing Grantor"; and together with the New Grantor, each a "Specific Grantor" and, collectively, the "Specific Grantors"), is executing this Supplement in accordance with the requirements of the Credit Agreement to supplement its Collateral under the Security Agreement

Accordingly, the Agent and Specific Grantors agree as follows:

SECTION 1. The Existing Grantor by its signature below (a) hereby agrees that, except as supplemented and renewed hereby, all of the terms, obligations, rights and conditions of the Security Agreement have not been amended in any way and are and will remain binding upon, and enforceable against the Existing Grantor, (b) reaffirms all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (c) after giving effect to this Supplement, represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects) on and as of the date hereof.

SECTION 2. The Existing Grantor agrees that the terms "Pledged Property", "Pledged Interests", and "Pledged Shares" as used in the Security Agreement are hereby supplemented to include, and the Existing Grantor hereby pledges to the Agent, and grants to the Agent, a continuing security interest in and Lien on all of the Existing Grantor's right, title and interest in and to, all of its Equity Interests (as defined in the Security Agreement) or any other ownership interest of New Grantor described in, and set forth on, Schedule I, attached hereto and incorporated herein.

SECTION 3. In accordance with Section 7.11 of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby agrees (a) to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects) on and as of the date hereof. In furtherance of the foregoing, the New Grantor, as security for the payment and performance in full of the Secured Obligations (as defined in the Security Agreement), does hereby create and grant to the Agent, its successors and assigns, a continuing security interest in and Lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

SECTION 4. Each Specific Grantor represents and warrants to the Agent that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 5. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the Specific Grantors and the Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 6. Each Specific Grantor hereby agrees that the schedules attached to the Security Agreement are hereby supplemented by the corresponding schedules attached to this Supplement. Each Specific Grantor hereby represents and warrants that the information provided in the schedules attached hereto are true and correct as of the date hereof.

SECTION 7. Each Specific Grantor hereby expressly acknowledges and agrees to the terms of Section 6.3 (Indemnity and Expenses) of the Security Agreement and expressly acknowledges the irrevocable proxy provided in Section 4.1(e) of the Security Agreement. In furtherance thereof, **EACH SPECIFIC GRANTOR HEREBY GRANTS THE AGENT AN IRREVOCABLE PROXY (WHICH IRREVOCABLE PROXY SHALL CONTINUE IN EFFECT UNTIL THE TERMINATION DATE) EXERCISABLE UNDER THE CIRCUMSTANCES PROVIDED IN SECTION 4.1 OF THE SECURITY AGREEMENT, TO VOTE THE PLEDGED SHARES, PLEDGED INTERESTS, INVESTMENT PROPERTY AND SUCH OTHER COLLATERAL**.

SECTION 8. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

SECTION 9. This Supplement and the Security Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Supplement or the Security Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of Texas, without reference to any other conflicts or choice of law principles thereof, except to the extent that the validity or perfection of the

security interests hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Texas.

SECTION 10. In case one or more provisions of this Supplement shall be invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality, and enforceability of the remaining provisions contained herein or in the Security Agreement shall not be affected or impaired thereby.

SECTION 11. All communications and notices hereunder shall be in writing and given as provided in the Security Agreement. All communications and notices hereunder to each Specific Grantor shall be given to it at the address set forth under its signature hereto or specified in the Credit Agreement or at such other address as may be designated by such party in a notice to the Agent.

SECTION 12. Each Specific Grantor agrees to reimburse the Agent and each other Beneficiary for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Agent and other Beneficiaries.

SECTION 13. **EACH SPECIFIC GRANTOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.**

SECTION 14. Submission to Jurisdiction; Service of Process; Waiver of Venue.

(a) **EACH SPECIFIC GRANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT, ANY OTHER BENEFICIARY OR ANY RELATED PARTY OF THE AGENT OR OTHER BENEFICIARY IN ANY WAY RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF TEXAS OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. NOTHING IN THIS SUPPLEMENT, THE SECURITY AGREEMENT OR IN ANY OTHER DOCUMENT**

SHALL AFFECT ANY RIGHT THAT THE AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 16.3 OF THE CREDIT AGREEMENT. NOTHING IN THIS SUPPLEMENT OR THE SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(b) EACH SPECIFIC GRANTOR irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Supplement, the Security Agreement or any other Document in any court referred to in Section 14(a). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

THIS SUPPLEMENT, THE SECURITY AGREEMENT, THE OTHER DOCUMENTS, THE BANK PRODUCTS AND THE LENDER FINANCIAL INSTRUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Signature page follows.]

IN WITNESS WHEREOF, the Specific Grantors and the Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

FRAC SHACK INC., as a Specific Grantor

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

Address: 11551 Bevington Road
Acheson, Alberta, T7X 6C1

SAND SEPARATION TECHNOLOGIES INC., as a Specific Grantor and New Grantor

By: _____
Name: J. Todd Van Vliet
Title: President & Secretary

Address: 11551 Bevington Road
Acheson, Alberta, T7X 6C1

HSBC BANK CANADA, as Agent

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Specific Grantors and the Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

FRAC SHACK INC., as a Specific Grantor

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

Address: 11551 Bevington Road
Acheson, Alberta, T7X 6C1

SAND SEPARATION TECHNOLOGIES INC., as a Specific Grantor and New Grantor

By: _____
Name: J. Todd Van Vliet
Title: President & Secretary

Address: 11551 Bevington Road
Acheson, Alberta, T7X 6C1

HSBC BANK CANADA, as Agent

By: _____
Name: Christine Stockman
Title: Authorized Signatory

Alyssa Senwasane
Authorized Signatory

SCHEDULES TO SUPPLEMENT NO. 1

SCHEDULE I
to Supplement No. 1 to Pledge and Security Agreement

ITEM A – PLEDGED SHARES

Grantor	Issuer	Certificate Number(s)	Number of Shares	% of Outstanding Equity Interests Owned / Pledged by Grantor	Type of Equity Interests Pledged
Frac Shack Inc.	Sand Separation Technologies Inc.	A-1	100	100% / 100%	Class A Common Stock

ITEM B – PLEDGED NOTES

None.

SCHEDULE II
to Supplement No. 1 to Pledge and Security Agreement

Item A-1. Location of Grantor for purposes of UCC.

Sand Separation Technologies Inc.: N/A

Item A-2. Grantor's place of business or principal office.

Sand Separation Technologies Inc.: 11551 Bevington Road, Acheson, Alberta, T7X 6C1

Item A-3. Taxpayer ID number.

Sand Separation Technologies Inc.: 98-1525774

Item B. Merger or other corporate reorganization.

Sand Separation Technologies Inc.: changed its name from 2233423 Alberta Ltd. to Sand Separation Technologies Inc. on January 9, 2020.

Item C. **Deposit Accounts, Securities Accounts and Commodity Accounts.**

Sand Separation Technologies Inc.: N/A

Item D. **Letter of Credit Rights.**

None.

Item E. **Commercial Tort Claims.**

None.

Item F. **Promissory Notes/Other Instruments Evidencing Receivables**.

None.

Item G. **Other Documents, Instruments, Promissory Notes, Pledged Notes and Tangible Chattel Paper**

None.

Item H. **Titled Assets**

None.

SCHEDULE III – A
to Supplement No. 1 to Pledge and Security Agreement

PATENTS

Name of Grantor	Patent Description	Patent Number	Issue Date
Sandtinel Technology Inc.	Multi-Phase Flow Separation Apparatus and System	US8784670	2014-07-22
Sandtinel Technology Inc.	Multi-Phase Flow Separation Apparatus and System	US9089792	2015-07-28
Sandtinel Technology Inc.	Multi-Phase Flow Separation Apparatus and System	CA2788484	2018-03-06

PATENT APPLICATIONS

Name of Grantor	Patent Application	Application Filing Date	Application Serial Number
Sandtinel Technology Inc.	Gulf Co-Op Counsel 2018/36068	2018-09-27	Gulf Co-Op Counsel 2018/36068
Sandtinel Technology Inc.	Gulf Co-Op Counsel 2019/38244	2019-09-04	Gulf Co-Op Counsel 2019/38244
Sandtinel Technology Inc.	US62/562,767	2017-09-25	US62/562,767
Sandtinel Technology Inc.	PCT/CA2018/051180	2018-09-20	PCT/CA2018/051180
Sandtinel Technology Inc.	PCT/CA2019/051160	2019-08-23	PCT/CA2019/051160
Sandtinel Technology Inc.	P19010255 Argentina	2019-09-06	P19010255 Argentina

SCHEDULE III – B
to Supplement No. 1 to Pledge and Security Agreement

TRADEMARKS

CANADA

None.

U.S.

Name of Grantor	Trademark	Registration Date	Registration Number
Sandtinel Technology Inc.	Sandtinel	2012-07-16	4,333,986
Sandtinel Technology Inc.	Sandlock	2018-09-10	5,859,091

TRADEMARK APPLICATIONS

CANADA

None.

U.S.

Name of Grantor	Trademark Application	Application Filing Date	Application Serial Number
Sandtinel Technology Inc.	VL-TEK	2018-09-10	88111308

SCHEDULE III – C
to Supplement No. 1 to Pledge and Security Agreement

COPYRIGHTS

None.

This is **Exhibit 17** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

SUPPLEMENT NO. 2 dated as of December 4, 2020 (the "Supplement"), to the Pledge and Security Agreement dated as of July 8, 2019 (as amended, supplemented, restated, or otherwise modified from time to time, the "Security Agreement"), among FRAC SHACK AMERICA INC., a Delaware corporation ("Frac Shack America"), FRAC SHACK INC., an Alberta corporation ("Frac Shack") and FRAC SHACK INTERNATIONAL INC., a Canadian corporation ("Frac Shack International"), each other Person signatory thereto (together with Frac Shack America, Frac Shack, and Frac Shack International, the "Grantors" and individually, a "Grantor") and HSBC BANK CANADA, as Agent (as defined below) under the Credit Agreement (as hereinafter defined).

A. Reference is made to that certain Credit Agreement, made as of July 8, 2019, as amended by a Consent and First Amending Agreement made as of January 22, 2020 (as further amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), between Frac Shack, Frac Shack International, Frac Shack America and Sand Separation Technologies Inc., an Alberta Corporation, as borrowers (each, a "Borrower" and, collectively, the "Borrowers"), the lenders party thereto from time to time (the "Lenders"), and HSBC Bank Canada, as agent for the Lenders (the "Agent").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement or the Credit Agreement, as applicable.

C. Section 7.11 of the Security Agreement provides that additional Subsidiaries or Affiliates of the Borrowers may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary or Affiliate of the Borrowers (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement.

D. The equity holder of each Subsidiary or Affiliate of the Borrowers that was not in existence on the date of the Credit Agreement is required to enter into the Security Agreement as a Grantor, or supplement its Collateral (as defined in the Security Agreement), to pledge the equity of such new Subsidiary or Affiliate. Frac Shack America (in such capacity, the "Existing Grantor"; and together with the New Grantor, each a "Specific Grantor" and, collectively, the "Specific Grantors"), is executing this Supplement in accordance with the requirements of the Credit Agreement to supplement its Collateral under the Security Agreement

Accordingly, the Agent and Specific Grantors agree as follows:

SECTION 1. The Existing Grantor by its signature below (a) hereby agrees that, except as supplemented and renewed hereby, all of the terms, obligations, rights and conditions of the Security Agreement have not been amended in any way and are and will remain binding upon, and enforceable against the Existing Grantor, (b) reaffirms all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (c) after giving effect to this Supplement, represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects) on and as of the date hereof.

SECTION 2. The Existing Grantor agrees that the terms "Pledged Property", "Pledged Interests", and "Pledged Shares" as used in the Security Agreement are hereby supplemented to include, and the Existing Grantor hereby pledges to the Agent, and grants to the Agent, a continuing security interest in and Lien on all of the Existing Grantor's right, title and interest in and to, all of its Equity

Interests (as defined in the Security Agreement) or any other ownership interest of New Grantor described in, and set forth on, Schedule I, attached hereto and incorporated herein.

SECTION 3. In accordance with Section 7.11 of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby agrees (a) to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct in all material respects (unless already qualified by materiality or Material Adverse Change in the text thereof, in which case, such representations and warranties shall be true and correct in all respects) on and as of the date hereof. In furtherance of the foregoing, the New Grantor, as security for the payment and performance in full of the Secured Obligations (as defined in the Security Agreement), does hereby create and grant to the Agent, its successors and assigns, a continuing security interest in and Lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

SECTION 4. Each Specific Grantor represents and warrants to the Agent that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 5. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the Specific Grantors and the Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 6. Each Specific Grantor hereby agrees that the schedules attached to the Security Agreement are hereby supplemented by the corresponding schedules attached to this Supplement. Each Specific Grantor hereby represents and warrants that the information provided in the schedules attached hereto are true and correct as of the date hereof.

SECTION 7. Each Specific Grantor hereby expressly acknowledges and agrees to the terms of Section 6.3 (Indemnity and Expenses) of the Security Agreement and expressly acknowledges the irrevocable proxy provided in Section 4.1(e) of the Security Agreement. In furtherance thereof, **EACH SPECIFIC GRANTOR HEREBY GRANTS THE AGENT AN IRREVOCABLE PROXY (WHICH IRREVOCABLE PROXY SHALL CONTINUE IN EFFECT UNTIL THE TERMINATION DATE) EXERCISABLE UNDER THE CIRCUMSTANCES PROVIDED IN SECTION 4.1 OF THE SECURITY AGREEMENT, TO VOTE THE PLEDGED SHARES, PLEDGED INTERESTS, INVESTMENT PROPERTY AND SUCH OTHER COLLATERAL**.

SECTION 8. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

SECTION 9. This Supplement and the Security Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Supplement or the Security Agreement and the transactions contemplated hereby and thereby shall be

governed by, and construed in accordance with, the law of the State of Texas, without reference to any other conflicts or choice of law principles thereof, except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Texas.

SECTION 10. In case one or more provisions of this Supplement shall be invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality, and enforceability of the remaining provisions contained herein or in the Security Agreement shall not be affected or impaired thereby.

SECTION 11. All communications and notices hereunder shall be in writing and given as provided in the Security Agreement. All communications and notices hereunder to each Specific Grantor shall be given to it at the address set forth under its signature hereto or specified in the Credit Agreement or at such other address as may be designated by such party in a notice to the Agent.

SECTION 12. Each Specific Grantor agrees to reimburse the Agent and each other Beneficiary for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Agent and other Beneficiaries.

SECTION 13. **EACH SPECIFIC GRANTOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.**

SECTION 14. Submission to Jurisdiction; Service of Process; Waiver of Venue.

(a) **EACH SPECIFIC GRANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT, ANY OTHER BENEFICIARY OR ANY RELATED PARTY OF THE AGENT OR OTHER BENEFICIARY IN ANY WAY RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF TEXAS OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE**

JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. NOTHING IN THIS SUPPLEMENT, THE SECURITY AGREEMENT OR IN ANY OTHER DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SUPPLEMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 16.3 OF THE CREDIT AGREEMENT. NOTHING IN THIS SUPPLEMENT OR THE SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(b) EACH SPECIFIC GRANTOR irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Supplement, the Security Agreement or any other Document in any court referred to in Section 14(a). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

THIS SUPPLEMENT, THE SECURITY AGREEMENT, THE OTHER DOCUMENTS, THE BANK PRODUCTS AND THE LENDER FINANCIAL INSTRUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Signature page follows.]

IN WITNESS WHEREOF, the Specific Grantors and the Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

FRAC SHACK AMERICA INC., as a Specific Grantor

By: _____
Name: J. Todd Van Vliet
Title: Chief Executive Officer

Address:
11551 Bevington Road, Acheson, AB T7X 6C1

SANDTINEL LLC, as a Specific Grantor and New Grantor

By: _____
Name: J. Todd Van Vliet
Title: Chief Executive Officer

Address:
11551 Bevington Road, Acheson, AB T7X 6C1

HSBC BANK CANADA, as Agent

By: _____
Name: _____
Title: _____

SCHEDULES TO SUPPLEMENT NO. 2

SCHEDULE I
to Supplement No. 2 to Pledge and Security Agreement

ITEM A – PLEDGED SHARES

Grantor	Issuer	Certificate Number(s)	Number of Shares	% of Outstanding Equity Interests Owned / Pledged by Grantor	Type of Equity Interests Pledged
Frac Shack America Inc.	Sandtinel LLC	1	1000	100% / 100%	Common Stock

ITEM B – PLEDGED NOTES

None.

SCHEDULE II
to Supplement No. 2 to Pledge and Security Agreement

Item A-1. Location of Grantor for purposes of UCC.

Sandtinel LLC: 999 18th Street, Suite 2025N, Denver, CO 80202

Item A-2. Grantor's place of business or principal office.

Sandtinel LLC: 999 18th Street, Suite 2025N, Denver, CO 80202

Item A-3. Taxpayer ID number.

Sandtinel LLC: 84-5150145

Item B. Merger or other corporate reorganization.

Sandtinel LLC: N/A

Item C. Deposit Accounts, Securities Accounts and Commodity Accounts.

Name of Grantor	Name of Institution	Account Number	Description of Account	Currency
Sandtinel LLC	HSBC - United States	847023052	Checking Account	US$

Item D. Letter of Credit Rights.

None.

Item E. Commercial Tort Claims.

None.

Item F. Promissory Notes/Other Instruments Evidencing Receivables.

None.

Item G. Other Documents, Instruments, Promissory Notes, Pledged Notes and Tangible Chattel Paper

None.

Item H. Titled Assets

None.

SCHEDULE III – A
to Supplement No. 2 to Pledge and Security Agreement

PATENTS

No patent or patent application for Sandtinel LLC.

Name of Grantor	**Patent Description**	**Patent Number**	**Issue Date**
N/A	N/A	N/A	N/A

PATENT APPLICATIONS

Name of Grantor	**Patent Application**	**Application Filing Date**	**Application Serial Number**
N/A	N/A	N/A	N/A

SCHEDULE III – B
to Supplement No. 2 to Pledge and Security Agreement

TRADEMARKS

No trademarks or trademark applications for Sandtinel LLC.

CANADA

Name of Grantor	Trademark	Registration Date	Registration Number
N/A	N/A	N/A	N/A

U.S.

Name of Grantor	Trademark	Registration Date	Registration Number
N/A	N/A	N/A	N/A

TRADEMARK APPLICATIONS

CANADA

Name of Grantor	Trademark Application	Application Filing Date	Application Serial Number
N/A	N/A	N/A	N/A

U.S.

Name of Grantor	Trademark Application	Application Filing Date	Application Serial Number
N/A	N/A	N/A	N/A

SCHEDULE III – C
to Supplement No. 2 to Pledge and Security
Agreement

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None.

Joinder to U.S. Security Agreement of Sandtinel (HSBC_Frac Shack) TVV

Final Audit Report 2020-12-04

Created:	2020-12-04
By:	Helen Aikens (haikens@fracshack.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAArl4kb2RvOI0p3tGGAilzq-bVRPQIdL4s

"Joinder to U.S. Security Agreement of Sandtinel (HSBC_Frac Shack) TVV" History

Document created by Helen Aikens (haikens@fracshack.com)
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Signature Date: 2020-12-04 - 10:40:53 PM GMT - Time Source: server- IP address: 75.155.9.136

Agreement completed.
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Adobe Sign

This is **Exhibit 18** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FIXED AND FLOATING CHARGE DEMAND DEBENTURE
(Frac Shack Inc.)

Principal Sum: $300,000,000 United States Dollars

Interest Rate: 20.0% per annum

Date: July 8, 2019

ARTICLE 1 - PROMISE TO PAY

Promise to Pay

1.1 For value received, the undersigned (the "**Debtor**") hereby acknowledges itself indebted and promises to pay ON DEMAND to or to the order of HSBC Bank Canada, in its capacity as agent (in such capacity, the "**Agent**") for and on behalf of (a) HSBC Bank Canada and such other financial institutions in their capacity as lenders (collectively, the "**Lenders**" and, individually, a "**Lender**") under the credit agreement made as of July 8, 2019 between the Debtor, Frac Shack International Inc. and Frac Shack America Inc., as borrowers, the Lenders and the Agent (as the same may be amended, modified, supplemented or restated from time to time, the "**Credit Agreement**"), (b) all Bank Product Affiliates (as defined in the Credit Agreement) and (c) all Hedging Affiliates (as defined in the Credit Agreement), for the benefit of the Agent, the Lenders and such Bank Product Affiliates and Hedging Affiliates (collectively, the "**Beneficiaries**"), the principal sum herein stipulated on presentation and surrender of this Debenture at the Agent's offices at 6th Floor, 70 York Street, Toronto, Ontario, M5J 1S9 or at such other place as the Agent may designate by notice in writing to the Debtor, and to pay interest thereon from the date hereof at the rate per annum herein stipulated in like money at the same place monthly on the last day of each month; and, if the Debtor should at any time make default in the payment of any principal or interest to pay interest on the amount in default both before and after demand, default and judgment at the same rate in lawful money of Canada at the same place.

The Agent, on behalf of the Beneficiaries, is the person entitled to receive the principal of and interest on this Debenture and all other amounts payable hereunder.

ARTICLE 2 - CHARGE

Charge

2.1 As security for the due payment of all money payable hereunder and all other obligations hereunder (the "**Obligations**"), the Debtor hereby:

(a) grants, assigns, mortgages and charges, as and by way of a fixed and specific mortgage, assignment and charge to and in favour of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns:

(i) all of the right, title, interest and estate of the Debtor (both present and future) in and to the property and interests (including, without limitation leasehold interests) described in Schedule "A" attached hereto (the "**Lands**"); all buildings, erections, structures, improvements, surface rights and fixtures now or hereafter constructed or placed in, under or upon the Lands; all easements, rights-of-way, licences and privileges appurtenant or appertaining to the Lands; and all interests in any of the foregoing and all benefits and rights to be derived by the Debtor in respect thereof; and

(ii) all of the right, title and interest of the Debtor (both present and future) in, to and under the agreements, instruments and other documents described in Schedule "A" attached hereto or otherwise to the extent associated with the Lands, all as the same may be amended, modified, supplemented or restated from time to time; and

(b) grants a security interest to and in favor of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns, in all of the present and after-acquired personal property of the Debtor, including, without limitation, all trade-marks, inventions, processes, patents and patent rights, materials, supplies, inventories, motor vehicles, trucks, trailers, machinery, implements, goods and apparatus of every kind, furniture, rent, revenues, income, money, rights, powers and privileges and all such property which the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter, which security interest is intended to attach as soon as permitted by applicable law; and

(c) charges, as and by way of a first floating charge to and in favour of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns, all of the undertaking, property and assets of the Debtor, both present and future, of every nature and kind and wherever situate (other than such property and assets as are effectively and validly subject to the security interest granted in Sections 2.1(a) and 2.1(b) of this Debenture and excluding Excluded Equity Interests) including, without limitation, all of its present and future real property, franchises, unpaid capital and all such property which the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter and any and all proceeds of any of the foregoing; and

(d) grants a security interest to and in favor of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns, in any proceeds of the foregoing.

In this Debenture:

(a) the security interests, mortgages, assignments and charges created and provided for are collectively called the "**Charge**" and the subject matter of the Charge is called the "**Charged Premises**";

(b) **Equity Interest**" means with respect to any person, any shares, interests, participation, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such person;

(c) "**Excluded Equity Interests**" means (a) Excluded JV Equity Interests and (b) any Equity Interests in any non Wholly-Owned Subsidiary that is not a Material Subsidiary;

(d) "**Excluded JV Equity Interests**" means the Equity Interests owned by the Debtor in a Joint Partnership to the extent (but only to the extent) (a) the organizational documents of such Joint Partnership prohibit the granting of a Charge on such Equity Interests or (b) such Equity Interests of such Joint Partnership are otherwise pledged as collateral to secure (i) obligations to the other holders of the Equity Interests in such Joint Partnership (other than a holder that is a Loan Party) or (ii) indebtedness of such Joint Partnership that is non-recourse to any of the Loan Parties or to any of the Loan Parties' properties; provided however, if any of the foregoing conditions cease to be in effect for any reason, then the Equity Interest in such Joint Partnership shall cease to be an "Excluded JV Equity Interest" and shall automatically be subject to the lien and security interest granted hereby and to the terms and provisions of this Agreement as "Collateral"; provided further, that any proceeds received by the Debtor from the sale, transfer or other disposition of Excluded JV Equity Interest shall constitute Collateral unless any property constituting such proceeds are themselves subject to the exclusions set forth above; and

(e) Capitalized terms used herein without express definition shall, unless something in the subject matter or context is inconsistent therewith, have the same meanings as are ascribed to such terms in the Credit Agreement.

Dealings in the Ordinary Course

2.2 Subject to Section 3.1 hereof and until the Charge becomes enforceable, the Debtor may dispose of or deal with the property and assets subjected to the Charge in the ordinary course of business and for the purpose of carrying on the same, so that purchasers thereof or parties dealing with the Debtor take title thereto free and clear of the Charge.

Last Day

2.3 The Charge shall not extend or apply to the last day of the term of any lease or agreement to lease but upon the enforcement of the Charge the Debtor shall stand possessed of such last day in trust for the Agent to assign the same to any person acquiring such term in the course of enforcement of the Charge.

Exception for Certain Contractual Rights

2.4 The Charge does not and shall not (i) render the Secured Party liable to observe or perform any term, covenant or condition of any agreement, document or instrument to which the Debtor is a party or by which it is bound or (ii) extend to, and the Charged Premises shall not include, any

agreement, right, franchise, licence or permit (the "**Contractual Rights**") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation of the Charge herein would constitute a breach of the terms of or permit any person to terminate the Contractual Rights, but the Debtor shall hold its interest therein in trust for the Agent and shall assign such Contractual Rights to the Agent forthwith upon obtaining the consent of all other parties thereto. The Debtor agrees that it shall, upon the request of the Agent, use all commercially reasonable efforts to obtain any consent required to permit any Contractual Rights to be subjected to the Charge herein.

Crystallization Against Real Property

2.5 In respect of real property (and interests therein) subject to the floating charge created by Section 2.1, such floating charge shall become a fixed charge against such property and interests upon the earlier of (a) the Charge becoming enforceable in accordance with Section 4.1 and the Agent giving written notice to the Debtor that the indebtedness secured thereby is forthwith due and payable and that the floating charge has become a fixed charge on the real property and interests therein charged thereby, and (b) the occurrence of any other event which by operation of law would result in the floating charge becoming a fixed charge on the real property and interests therein of the Debtor charged thereby.

Attachment

2.6 The Debtor and the Agent hereby acknowledge that: (i) value has been given, (ii) the Debtor has rights in the Charged Premises (other than after-acquired collateral), (iii) it has not agreed to postpone the time of attachment of the Charge hereof, and (iv) the Debtor has received a copy of this Debenture.

Consolidation

2.7 The Agent may consolidate separate debts owing by the Debtor to the Agent and may require the Debtor to repay any and all moneys due to the Agent, whether or not such moneys are by separate mortgage or otherwise secured, prior to granting a discharge of the Charged Premises or this Debenture. The Agent's right of consolidation shall be deemed not to be diminished or limited in any way by Section 31 of the *Property Law Act* (British Columbia) and any amendments thereto or provisions enacted in replacement thereof.

ARTICLE 3 - NEGATIVE PLEDGE

Negative Pledge

3.1 Except as has otherwise been agreed in writing with the Agent and the Lenders or as expressly permitted pursuant to the terms of the Credit Agreement or any other Document (as defined in the Credit Agreement), the Debtor shall not create, assume, have outstanding or permit to exist, except in favour of the Agent, any mortgage, charge, pledge, lien, assignment by way of security, security interest or other encumbrance on any part of the Charged Premises.

ARTICLE 4 - DEFAULT AND REMEDIES

Default

4.1 Upon the occurrence and continuance of an Event of Default under the Credit Agreement, the Charge shall immediately become enforceable.

Remedies

4.2 (1) Whenever the Charge has become enforceable, the Agent may realize upon the Charged Premises and shall have the following rights and remedies, which rights and remedies may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights or remedies the Beneficiaries may have:

(a) the Agent may by appointment in writing appoint a receiver or receiver and manager (each herein referred to as the "**Receiver**") of the Charged Premises and may remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver of the Charged Premises or any part thereof; and the term "Agent" when used in this Section 4.2 shall include any Receiver so appointed and the agents, officers and employees of such Receiver;

(b) the Agent may take possession of the Charged Premises and require the Debtor to make the Charged Premises available to the Agent;

(c) the Agent may take such steps as it considers desirable to maintain, preserve or protect the Charged Premises;

(d) the Agent may carry on or concur in the carrying on of all or any part of the business of the Debtor relating to the Charged Premises;

(e) the Agent may enforce any rights of the Debtor in respect of the Charged Premises by any manner permitted by law;

(f) the Agent may sell, lease or otherwise dispose of the Charged Premises by judicial sale, by foreclosure, by public auction, by private tender or by private sale either for cash or upon credit upon such terms and conditions as the Agent may determine and without notice to the Debtor unless required by law and may execute and deliver to the purchaser or purchasers of the Charged Premises or any part thereof a good and sufficient deed or conveyance or deeds or conveyances for the same, any Vice President, Manager or Director of the Agent being hereby constituted the irrevocable attorney of the Debtor for the purpose of making such sale and executing such deeds or conveyances, and any such sale made as aforesaid shall be a perpetual bar both in law and in equity against the Debtor and all other persons claiming all or any part of the Charged Premises by, from, through or under the Debtor;

(g) the Agent may accept the Charged Premises in satisfaction or partial satisfaction of the Charge upon notice to the Debtor of its intention to do so in the manner required by law;

(h) the Agent may borrow money on the security of the Charged Premises for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Charged Premises in priority to the Charge;

(i) the Agent may perform any obligation, covenant or provision under the Credit Agreement referred to herein and the costs thereof are a charge on the Charged Premises and shall be added to the amounts due hereunder and shall be secured by the Charge; and

(j) the Agent may exercise any other right or remedy permitted by law or equity, including, without limitation, all rights and remedies of a secured party under the *Personal Property Security Act* (Alberta) or any similar personal property legislation of any jurisdiction in which any of the Charged Premises is located or which, by operation of law, governs or is deemed to govern the Charged Premises.

(2) The Debtor further agrees with the Agent that:

(a) the Agent or the Beneficiaries shall not be liable or responsible for any failure to seize, collect, realize, sell or obtain payment of the Charged Premises and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting, realizing or obtaining possession or payment of the Charged Premises or for the purpose of preserving any rights of the Beneficiaries, the Debtor or any other person, firm or corporation in respect of the Charged Premises;

(b) the Agent or the Beneficiaries may grant extensions of time, take, abstain from taking and perfecting and give up securities, accept compositions, grant releases and discharges, release any part of the Charged Premises and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Charged Premises and other securities as the Agent may see fit without prejudice to the liability of the Debtor to the Beneficiaries or the Beneficiaries' rights hereunder;

(c) to facilitate the realization of the Charged Premises, the Agent may enter upon, occupy and use all or any of the premises, buildings and plant comprising the Charged Premises and use all or any of the equipment and other personal property of the Debtor for such time as the Agent requires to facilitate such realization, free of charge (as between the Debtor and the Agent), and the Beneficiaries shall not be liable to the Debtor for any neglect in so doing (other than gross negligence or wilful misconduct on the part thereof) or in respect of any rent, charges or depreciation in connection with such actions;

(d) the Agent may charge on its own behalf and pay to others all reasonable amounts for expenses incurred and for services rendered in connection with the exercise of the rights and remedies of the Beneficiaries hereunder, including, without limiting the generality of the foregoing, reasonable legal, Receiver and accounting fees and expenses, and in every such case the amounts so paid together with all costs, charges

and expenses incurred in connection therewith shall be added to the amounts due hereunder and shall be secured by the Charge;

(e) the Agent may discharge any claim, lien, mortgage, charge, security interest, encumbrance or any rights of others that may exist or be threatened against the Charged Premises, and in every such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the amounts due hereunder and shall be secured by the Charge; and

(f) any proceeds of realization of the Charged Premises may be applied by the Agent to the payment of expenses in connection with the preservation and realization of the Charged Premises as above described and any balance of such proceeds shall be applied by the Agent to payment of any amount owing by the Debtor to the Agent in such order as the Agent may see fit; if there is any surplus remaining, it may be paid to any person having a claim thereto in priority to the Debtor of whom the Agent has knowledge and may be applied or retained as reserves against potential claims that the Agent or the Receiver in good faith believes should be maintained and the balance remaining, if any, shall (subject to applicable law) be paid to the Debtor.

(3) Any Receiver shall be entitled to exercise all rights and powers of the Agent hereunder. To the extent permitted by law, any Receiver shall for all purposes be deemed to be the agent of the Debtor and not of the Agent and the Debtor shall be solely responsible for the Receiver's acts or defaults and remuneration.

(4) The Debtor hereby irrevocably appoints the Agent attorney on its behalf to sell or transfer the Charged Premises and to execute all instruments, and do all acts, matters and things that may be necessary for carrying out the powers hereby given and for the recovery of all rents and sums of money that may become or are now due or owing to the Debtor in respect of the Charged Premises and for the enforcement of all contracts, covenants or conditions binding on any lessee or occupier of the Charged Premises or on any person in respect of it provided that this appointment shall only take effect if the Charge has become enforceable.

Limitations on the Agent's Liability

4.3 The Agent will not be liable to the Debtor or any other person for any failure or delay in exercising any of the rights of the Agent under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any of the Charged Premises, or to preserve rights against prior parties). Neither the Agent, nor any receiver or agent of the Agent is required to take, nor will the Agent or any such receiver or agent have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other persons under any Charged Premises in its possession. Neither the Agent nor any receiver or agent will be liable for any, and the Debtor will bear the full risk of all, loss or damage to any and all of the Charged Premises caused for any reason other than the gross negligence or wilful misconduct of the Agent or such receiver or agent.

ARTICLE 5 - GENERAL

Expenses

5.1 The Debtor shall pay to the Agent forthwith on demand all reasonable costs, charges and expenses, including all reasonable legal fees, incurred by the Agent in connection with the recovery or enforcement of payment of any moneys owing hereunder whether by realization or otherwise. All such sums, together with interest thereon at the rate set forth in this Debenture, shall be added to the amount payable hereunder and shall be secured by the Charge.

Pledge of Debenture

5.2 This Debenture may be pledged by the Debtor as security for its indebtedness and liabilities. While this Debenture is so pledged, no payment by the Debtor of the whole or any part of any indebtedness secured by this Debenture shall reduce the amount owing under this Debenture unless specifically appropriated to and noted on this Debenture by the Agent at the time of payment.

Not Negotiable

5.3 This Debenture is not a negotiable instrument and the rights created hereunder which are exercisable by any holder hereof other than the Agent are no greater than the rights of the Agent, and any holder hereof is subject to the same obligations, duties, liabilities and defences as the Agent would have been subject to.

No Waiver, Remedies

5.4 No failure on the part of the Beneficiaries or the Agent on their behalf to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Notices

5.5 Any demand, notice or communication to be made or given hereunder shall be in writing and may be made or given by personal delivery, by transmittal, by facsimile transmission or other electronic means of communication addressed to the Debtor as follows:

Frac Shack Inc.
136, 25901 - 11th Avenue
Acheson, Alberta T7X 6E2

Email: lholmstrom@fracshack.com
Attention: Chief Financial Officer

or to such other address or electronic communication number as the Debtor may from time to time notify the Agent in writing. Any demand, notice or communication made or given by personal

delivery or by facsimile transmission or other electronic means of communication shall be conclusively deemed to have been made or given on the day of actual delivery or transmittal thereof.

Additional Security

5.6 This Debenture and the Charge shall be and shall be deemed to have been given in addition to and not in place of any other security now or hereafter held or acquired by the Beneficiaries.

Headings; References to Debenture

5.7 The division of this Debenture into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture. The terms "this Debenture", "hereof", "hereunder" and similar expressions refer to this Debenture and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Debenture.

Number; Gender; Persons

5.8 In this Debenture words importing the singular number only shall include the plural and vice versa, words importing any gender shall include all genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

Governing Law

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

Attornment

5.10 The Debtor hereby attorns and submits to the jurisdiction of the courts of the Province of Alberta. For the purpose of all legal proceedings, this Debenture shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Debenture. Notwithstanding the foregoing, nothing herein shall be construed nor operate to limit the right of the Debtor or the Beneficiaries to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

Benefit of the Debenture

5.11 This Debenture shall be binding upon the successors and permitted assigns of the Debtor (including, without limitation, any corporation resulting from an amalgamation with the Debtor) except that the Debtor may not assign its obligations under this Debenture without the prior written consent of the Agent. This Debenture shall benefit the successors and permitted assigns of the Beneficiaries.

Time of the Essence

5.12 Time shall be of the essence with regard to this Debenture.

Discharge

5.13 The Debtor shall not be discharged from the Charge, this Debenture or any of its obligations hereunder except by a release or discharge in writing signed by the Agent.

Waiver of Financing Statement, Etc.

5.14 The Debtor hereby waives the right to receive from the Agent or the other Beneficiaries a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Debenture or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Debenture.

No Merger

5.15 No item or part of this Debenture shall be merged or be deemed to have been merged in or by any documents, instruments or acknowledgements delivered in connection with this Debenture or the Credit Agreement referred to herein, or any simple contract debt or any judgment, and any realization of or steps taken under or pursuant to any security, instrument or agreement shall be independent of and not create a merger with any other right available to the Beneficiaries under any security, instruments or agreements held by it or at law or in equity. No obligation of the Borrower hereunder shall merge in any judgment relating to any such obligation.

Expropriation

5.16 The Debtor hereby waives the provisions of sections 49 and 52 of the *Expropriation Act* (Alberta) and any legislation enacted in place thereof.

5.17 The Debtor covenants and agrees to and with the Agent as follows:

(a) in the event that the Charged Premises or any part thereof is condemned or expropriated to an extent which, in the Agent's sole discretion, materially impairs this Debenture or any collateral security therefore, the full amount of the principal and interest of and any other obligations secured by this Debenture then outstanding, shall, at the election of the Agent, be deemed to have become due and payable in full on the day prior to the day on which the Charged Premises were expropriated and interest shall accrue thereon, at the aforesaid rate, until the Agent has been paid in full and the Debtor shall be estopped from acting or pleading to the contrary; and

(b) the Debtor will pay or cause to be paid to the Agent, upon request of the Agent, and from any expropriation proceeds the full amount of the principal and interest and any other monies then outstanding hereunder.

Insurance Act Waiver

5.18 In the event that the Agent elects to apply any proceeds of insurance to the payment of the obligations secured, the Debtor hereby irrevocably waive the rights, benefits and provisions of any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild the improvements, including, without limitation, the *Fire Prevision (Metropolis) Act, 1174*, the *Insurance Act* (Alberta) and the *Insurance Act* (British Columbia).

Alberta Statutory Covenants

5.19 The Debtor hereby covenant and agree that:

(a) it is the registered and beneficial owner of the Charged Premises;

(b) it has the right to mortgage its interest in the Charged Premises;

(c) when the Charge becomes enforceable, the Agent shall have quiet possession of its interest in the Charged Premises, free from all encumbrances except for the Permitted Encumbrances (as defined in the Credit Agreement);

(d) it will execute such further assurances of its interest in the Charged Premises as may be requisite; and

(e) it has done no act to encumber its interest in the Charged Premises except for the Permitted Encumbrances.

Alberta Charge

5.20 For the better securing to the Agent (as mortgagee hereunder) the repayment in the manner aforesaid of the principal sum and interest and other obligations secured hereby, the Debtor (as mortgagor hereunder) DOES HEREBY mortgage to the Agent all of its estate and interest in the Charged Premises.

Conflict of Terms; Entire Agreement

5.21 This Debenture has been entered into as collateral security for the Obligations, the Lender Financial Instrument Obligations (as defined in the Credit Agreement) and the Bank Product Obligations (as defined in the Credit Agreement) and is subject to all the terms and conditions of the Credit Agreement, the Bank Products (as defined in the Credit Agreement) and the Lender Financial Instruments (as defined in the Credit Agreement) and, if there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Credit Agreement, the Bank Products or the Lender Financial Instruments, the rights and obligations of the Debtor, the Agent and the Beneficiaries shall be governed by the provisions of the Credit Agreement, the Bank Products and the Lender Financial Instruments (as applicable). This Debenture together with the Credit Agreement, the Lender Financial Instruments, the Bank Product documentation and all other Documents constitute the entire agreement between the Debtor and the Agent with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or

collateral agreements, express, implied or statutory, between the Beneficiaries and the Debtor except as expressly set forth therein and herein.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF the Debtor has executed this Debenture as of the date first written above.

FRAC SHACK INC.

By: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

SCHEDULE "A"

Lands

Nil.

This is **Exhibit 19** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FIXED AND FLOATING CHARGE DEMAND DEBENTURE
(Frac Shack International Inc.)

Principal Sum:	$300,000,000 United States Dollars
Interest Rate:	20.0% per annum
Date:	July 8, 2019

ARTICLE 1 - PROMISE TO PAY

Promise to Pay

1.1 For value received, the undersigned (the "**Debtor**") hereby acknowledges itself indebted and promises to pay ON DEMAND to or to the order of HSBC Bank Canada, in its capacity as agent (in such capacity, the "**Agent**") for and on behalf of (a) HSBC Bank Canada and such other financial institutions in their capacity as lenders (collectively, the "**Lenders**" and, individually, a "**Lender**") under the credit agreement made as of July 8, 2019 between the Parent Borrower, the Debtor and Frac Shack America Inc., as borrowers, the Lenders and the Agent (as the same may be amended, modified, supplemented or restated from time to time, the "**Credit Agreement**"), (b) all Bank Product Affiliates (as defined in the Credit Agreement) and (c) all Hedging Affiliates (as defined in the Credit Agreement), for the benefit of the Agent, the Lenders and such Bank Product Affiliates and Hedging Affiliates (collectively, the "**Beneficiaries**"), the principal sum herein stipulated on presentation and surrender of this Debenture at the Agent's offices at 6th Floor, 70 York Street, Toronto, Ontario, M5J 1S9 or at such other place as the Agent may designate by notice in writing to the Debtor, and to pay interest thereon from the date hereof at the rate per annum herein stipulated in like money at the same place monthly on the last day of each month; and, if the Debtor should at any time make default in the payment of any principal or interest to pay interest on the amount in default both before and after demand, default and judgment at the same rate in lawful money of Canada at the same place.

The Agent, on behalf of the Beneficiaries, is the person entitled to receive the principal of and interest on this Debenture and all other amounts payable hereunder.

ARTICLE 2 - CHARGE

Charge

2.1 As security for the due payment of all money payable hereunder and all other obligations hereunder (the "**Obligations**"), the Debtor hereby:

(a) grants, assigns, mortgages and charges, as and by way of a fixed and specific mortgage, assignment and charge to and in favour of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns:

(i) all of the right, title, interest and estate of the Debtor (both present and future) in and to the property and interests (including, without limitation leasehold interests) described in Schedule "A" attached hereto (the "**Lands**"); all buildings, erections, structures, improvements, surface rights and fixtures now or hereafter constructed or placed in, under or upon the Lands; all easements, rights-of-way, licences and privileges appurtenant or appertaining to the Lands; and all interests in any of the foregoing and all benefits and rights to be derived by the Debtor in respect thereof; and

(ii) all of the right, title and interest of the Debtor (both present and future) in, to and under the agreements, instruments and other documents described in Schedule "A" attached hereto or otherwise to the extent associated with the Lands, all as the same may be amended, modified, supplemented or restated from time to time; and

(b) grants a security interest to and in favor of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns, in all of the present and after-acquired personal property of the Debtor, including, without limitation, all trade-marks, inventions, processes, patents and patent rights, materials, supplies, inventories, motor vehicles, trucks, trailers, machinery, implements, goods and apparatus of every kind, furniture, rent, revenues, income, money, rights, powers and privileges and all such property which the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter, which security interest is intended to attach as soon as permitted by applicable law; and

(c) charges, as and by way of a first floating charge to and in favour of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns, all of the undertaking, property and assets of the Debtor, both present and future, of every nature and kind and wherever situate (other than such property and assets as are effectively and validly subject to the security interest granted in Sections 2.1(a) and 2.1(b) of this Debenture and excluding Excluded Equity Interests) including, without limitation, all of its present and future real property, franchises, unpaid capital and all such property which the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter and any and all proceeds of any of the foregoing; and

(d) grants a security interest to and in favor of the Agent and its successors and assigns, for the benefit of the Beneficiaries and their respective successors and permitted assigns, in any proceeds of the foregoing.

In this Debenture:

(a) the security interests, mortgages, assignments and charges created and provided for are collectively called the "**Charge**" and the subject matter of the Charge is called the "**Charged Premises**";

(b) **Equity Interest**" means with respect to any person, any shares, interests, participation, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such person;

(c) "**Excluded Equity Interests**" means (a) Excluded JV Equity Interests and (b) any Equity Interests in any non Wholly-Owned Subsidiary that is not a Material Subsidiary;

(d) "**Excluded JV Equity Interests**" means the Equity Interests owned by the Debtor in a Joint Partnership to the extent (but only to the extent) (a) the organizational documents of such Joint Partnership prohibit the granting of a Charge on such Equity Interests or (b) such Equity Interests of such Joint Partnership are otherwise pledged as collateral to secure (i) obligations to the other holders of the Equity Interests in such Joint Partnership (other than a holder that is a Loan Party) or (ii) indebtedness of such Joint Partnership that is non-recourse to any of the Loan Parties or to any of the Loan Parties' properties; provided however, if any of the foregoing conditions cease to be in effect for any reason, then the Equity Interest in such Joint Partnership shall cease to be an "Excluded JV Equity Interest" and shall automatically be subject to the lien and security interest granted hereby and to the terms and provisions of this Agreement as "Collateral"; provided further, that any proceeds received by the Debtor from the sale, transfer or other disposition of Excluded JV Equity Interest shall constitute Collateral unless any property constituting such proceeds are themselves subject to the exclusions set forth above; and

(e) Capitalized terms used herein without express definition shall, unless something in the subject matter or context is inconsistent therewith, have the same meanings as are ascribed to such terms in the Credit Agreement.

Dealings in the Ordinary Course

2.2 Subject to Section 3.1 hereof and until the Charge becomes enforceable, the Debtor may dispose of or deal with the property and assets subjected to the Charge in the ordinary course of business and for the purpose of carrying on the same, so that purchasers thereof or parties dealing with the Debtor take title thereto free and clear of the Charge.

Last Day

2.3 The Charge shall not extend or apply to the last day of the term of any lease or agreement to lease but upon the enforcement of the Charge the Debtor shall stand possessed of such last day in trust for the Agent to assign the same to any person acquiring such term in the course of enforcement of the Charge.

Exception for Certain Contractual Rights

2.4 The Charge does not and shall not (i) render the Secured Party liable to observe or perform any term, covenant or condition of any agreement, document or instrument to which the Debtor is a party or by which it is bound or (ii) extend to, and the Charged Premises shall not include, any

agreement, right, franchise, licence or permit (the "**Contractual Rights**") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation of the Charge herein would constitute a breach of the terms of or permit any person to terminate the Contractual Rights, but the Debtor shall hold its interest therein in trust for the Agent and shall assign such Contractual Rights to the Agent forthwith upon obtaining the consent of all other parties thereto. The Debtor agrees that it shall, upon the request of the Agent, use all commercially reasonable efforts to obtain any consent required to permit any Contractual Rights to be subjected to the Charge herein.

Crystallization Against Real Property

2.5 In respect of real property (and interests therein) subject to the floating charge created by Section 2.1, such floating charge shall become a fixed charge against such property and interests upon the earlier of (a) the Charge becoming enforceable in accordance with Section 4.1 and the Agent giving written notice to the Debtor that the indebtedness secured thereby is forthwith due and payable and that the floating charge has become a fixed charge on the real property and interests therein charged thereby, and (b) the occurrence of any other event which by operation of law would result in the floating charge becoming a fixed charge on the real property and interests therein of the Debtor charged thereby.

Attachment

2.6 The Debtor and the Agent hereby acknowledge that: (i) value has been given, (ii) the Debtor has rights in the Charged Premises (other than after-acquired collateral), (iii) it has not agreed to postpone the time of attachment of the Charge hereof, and (iv) the Debtor has received a copy of this Debenture.

Consolidation

2.7 The Agent may consolidate separate debts owing by the Debtor to the Agent and may require the Debtor to repay any and all moneys due to the Agent, whether or not such moneys are by separate mortgage or otherwise secured, prior to granting a discharge of the Charged Premises or this Debenture. The Agent's right of consolidation shall be deemed not to be diminished or limited in any way by Section 31 of the *Property Law Act* (British Columbia) and any amendments thereto or provisions enacted in replacement thereof.

ARTICLE 3 - NEGATIVE PLEDGE

Negative Pledge

3.1 Except as has otherwise been agreed in writing with the Agent and the Lenders or as expressly permitted pursuant to the terms of the Credit Agreement or any other Document (as defined in the Credit Agreement), the Debtor shall not create, assume, have outstanding or permit to exist, except in favour of the Agent, any mortgage, charge, pledge, lien, assignment by way of security, security interest or other encumbrance on any part of the Charged Premises.

ARTICLE 4 - DEFAULT AND REMEDIES

Default

4.1 Upon the occurrence and continuance of an Event of Default under the Credit Agreement, the Charge shall immediately become enforceable.

Remedies

4.2 (1) Whenever the Charge has become enforceable, the Agent may realize upon the Charged Premises and shall have the following rights and remedies, which rights and remedies may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights or remedies the Beneficiaries may have:

(a) the Agent may by appointment in writing appoint a receiver or receiver and manager (each herein referred to as the "**Receiver**") of the Charged Premises and may remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver of the Charged Premises or any part thereof; and the term "Agent" when used in this Section 4.2 shall include any Receiver so appointed and the agents, officers and employees of such Receiver;

(b) the Agent may take possession of the Charged Premises and require the Debtor to make the Charged Premises available to the Agent;

(c) the Agent may take such steps as it considers desirable to maintain, preserve or protect the Charged Premises;

(d) the Agent may carry on or concur in the carrying on of all or any part of the business of the Debtor relating to the Charged Premises;

(e) the Agent may enforce any rights of the Debtor in respect of the Charged Premises by any manner permitted by law;

(f) the Agent may sell, lease or otherwise dispose of the Charged Premises by judicial sale, by foreclosure, by public auction, by private tender or by private sale either for cash or upon credit upon such terms and conditions as the Agent may determine and without notice to the Debtor unless required by law and may execute and deliver to the purchaser or purchasers of the Charged Premises or any part thereof a good and sufficient deed or conveyance or deeds or conveyances for the same, any Vice President, Manager or Director of the Agent being hereby constituted the irrevocable attorney of the Debtor for the purpose of making such sale and executing such deeds or conveyances, and any such sale made as aforesaid shall be a perpetual bar both in law and in equity against the Debtor and all other persons claiming all or any part of the Charged Premises by, from, through or under the Debtor;

(g) the Agent may accept the Charged Premises in satisfaction or partial satisfaction of the Charge upon notice to the Debtor of its intention to do so in the manner required by law;

(h) the Agent may borrow money on the security of the Charged Premises for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Charged Premises in priority to the Charge;

(i) the Agent may perform any obligation, covenant or provision under the Credit Agreement referred to herein and the costs thereof are a charge on the Charged Premises and shall be added to the amounts due hereunder and shall be secured by the Charge; and

(j) the Agent may exercise any other right or remedy permitted by law or equity, including, without limitation, all rights and remedies of a secured party under the *Personal Property Security Act* (Alberta) or any similar personal property legislation of any jurisdiction in which any of the Charged Premises is located or which, by operation of law, governs or is deemed to govern the Charged Premises.

(2) The Debtor further agrees with the Agent that:

(a) the Agent or the Beneficiaries shall not be liable or responsible for any failure to seize, collect, realize, sell or obtain payment of the Charged Premises and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting, realizing or obtaining possession or payment of the Charged Premises or for the purpose of preserving any rights of the Beneficiaries, the Debtor or any other person, firm or corporation in respect of the Charged Premises;

(b) the Agent or the Beneficiaries may grant extensions of time, take, abstain from taking and perfecting and give up securities, accept compositions, grant releases and discharges, release any part of the Charged Premises and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Charged Premises and other securities as the Agent may see fit without prejudice to the liability of the Debtor to the Beneficiaries or the Beneficiaries' rights hereunder;

(c) to facilitate the realization of the Charged Premises, the Agent may enter upon, occupy and use all or any of the premises, buildings and plant comprising the Charged Premises and use all or any of the equipment and other personal property of the Debtor for such time as the Agent requires to facilitate such realization, free of charge (as between the Debtor and the Agent), and the Beneficiaries shall not be liable to the Debtor for any neglect in so doing (other than gross negligence or wilful misconduct on the part thereof) or in respect of any rent, charges or depreciation in connection with such actions;

(d) the Agent may charge on its own behalf and pay to others all reasonable amounts for expenses incurred and for services rendered in connection with the exercise of the rights and remedies of the Beneficiaries hereunder, including, without limiting the generality of the foregoing, reasonable legal, Receiver and accounting fees and expenses, and in every such case the amounts so paid together with all costs, charges

and expenses incurred in connection therewith shall be added to the amounts due hereunder and shall be secured by the Charge;

(e) the Agent may discharge any claim, lien, mortgage, charge, security interest, encumbrance or any rights of others that may exist or be threatened against the Charged Premises, and in every such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the amounts due hereunder and shall be secured by the Charge; and

(f) any proceeds of realization of the Charged Premises may be applied by the Agent to the payment of expenses in connection with the preservation and realization of the Charged Premises as above described and any balance of such proceeds shall be applied by the Agent to payment of any amount owing by the Debtor to the Agent in such order as the Agent may see fit; if there is any surplus remaining, it may be paid to any person having a claim thereto in priority to the Debtor of whom the Agent has knowledge and may be applied or retained as reserves against potential claims that the Agent or the Receiver in good faith believes should be maintained and the balance remaining, if any, shall (subject to applicable law) be paid to the Debtor.

(3) Any Receiver shall be entitled to exercise all rights and powers of the Agent hereunder. To the extent permitted by law, any Receiver shall for all purposes be deemed to be the agent of the Debtor and not of the Agent and the Debtor shall be solely responsible for the Receiver's acts or defaults and remuneration.

(4) The Debtor hereby irrevocably appoints the Agent attorney on its behalf to sell or transfer the Charged Premises and to execute all instruments, and do all acts, matters and things that may be necessary for carrying out the powers hereby given and for the recovery of all rents and sums of money that may become or are now due or owing to the Debtor in respect of the Charged Premises and for the enforcement of all contracts, covenants or conditions binding on any lessee or occupier of the Charged Premises or on any person in respect of it provided that this appointment shall only take effect if the Charge has become enforceable.

Limitations on the Agent's Liability

4.3 The Agent will not be liable to the Debtor or any other person for any failure or delay in exercising any of the rights of the Agent under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any of the Charged Premises, or to preserve rights against prior parties). Neither the Agent, nor any receiver or agent of the Agent is required to take, nor will the Agent or any such receiver or agent have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other persons under any Charged Premises in its possession. Neither the Agent nor any receiver or agent will be liable for any, and the Debtor will bear the full risk of all, loss or damage to any and all of the Charged Premises caused for any reason other than the gross negligence or wilful misconduct of the Agent or such receiver or agent.

ARTICLE 5 - GENERAL

Expenses

5.1 The Debtor shall pay to the Agent forthwith on demand all reasonable costs, charges and expenses, including all reasonable legal fees, incurred by the Agent in connection with the recovery or enforcement of payment of any moneys owing hereunder whether by realization or otherwise. All such sums, together with interest thereon at the rate set forth in this Debenture, shall be added to the amount payable hereunder and shall be secured by the Charge.

Pledge of Debenture

5.2 This Debenture may be pledged by the Debtor as security for its indebtedness and liabilities. While this Debenture is so pledged, no payment by the Debtor of the whole or any part of any indebtedness secured by this Debenture shall reduce the amount owing under this Debenture unless specifically appropriated to and noted on this Debenture by the Agent at the time of payment.

Not Negotiable

5.3 This Debenture is not a negotiable instrument and the rights created hereunder which are exercisable by any holder hereof other than the Agent are no greater than the rights of the Agent, and any holder hereof is subject to the same obligations, duties, liabilities and defences as the Agent would have been subject to.

No Waiver, Remedies

5.4 No failure on the part of the Beneficiaries or the Agent on their behalf to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Notices

5.5 Any demand, notice or communication to be made or given hereunder shall be in writing and may be made or given by personal delivery, by transmittal, by facsimile transmission or other electronic means of communication addressed to the Debtor as follows:

Frac Shack International Inc.
c/o Frac Shack Inc.
136, 25901 - 11th Avenue
Acheson, Alberta T7X 6E2

Email: lholmstrom@fracshack.com
Attention: Chief Financial Officer

or to such other address or electronic communication number as the Debtor may from time to time notify the Agent in writing. Any demand, notice or communication made or given by personal

delivery or by facsimile transmission or other electronic means of communication shall be conclusively deemed to have been made or given on the day of actual delivery or transmittal thereof.

Additional Security

5.6 This Debenture and the Charge shall be and shall be deemed to have been given in addition to and not in place of any other security now or hereafter held or acquired by the Beneficiaries.

Headings; References to Debenture

5.7 The division of this Debenture into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture. The terms "this Debenture", "hereof", "hereunder" and similar expressions refer to this Debenture and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Debenture.

Number; Gender; Persons

5.8 In this Debenture words importing the singular number only shall include the plural and vice versa, words importing any gender shall include all genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

Governing Law

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

Attornment

5.10 The Debtor hereby attorns and submits to the jurisdiction of the courts of the Province of Alberta. For the purpose of all legal proceedings, this Debenture shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Debenture. Notwithstanding the foregoing, nothing herein shall be construed nor operate to limit the right of the Debtor or the Beneficiaries to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

Benefit of the Debenture

5.11 This Debenture shall be binding upon the successors and permitted assigns of the Debtor (including, without limitation, any corporation resulting from an amalgamation with the Debtor) except that the Debtor may not assign its obligations under this Debenture without the prior written consent of the Agent. This Debenture shall benefit the successors and permitted assigns of the Beneficiaries.

Time of the Essence

5.12 Time shall be of the essence with regard to this Debenture.

Discharge

5.13 The Debtor shall not be discharged from the Charge, this Debenture or any of its obligations hereunder except by a release or discharge in writing signed by the Agent.

Waiver of Financing Statement, Etc.

5.14 The Debtor hereby waives the right to receive from the Agent or the other Beneficiaries a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Debenture or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Debenture.

No Merger

5.15 No item or part of this Debenture shall be merged or be deemed to have been merged in or by any documents, instruments or acknowledgements delivered in connection with this Debenture or the Credit Agreement referred to herein, or any simple contract debt or any judgment, and any realization of or steps taken under or pursuant to any security, instrument or agreement shall be independent of and not create a merger with any other right available to the Beneficiaries under any security, instruments or agreements held by it or at law or in equity. No obligation of the Borrower hereunder shall merge in any judgment relating to any such obligation.

Expropriation

5.16 The Debtor hereby waives the provisions of sections 49 and 52 of the *Expropriation Act* (Alberta) and any legislation enacted in place thereof.

5.17 The Debtor covenants and agrees to and with the Agent as follows:

(a) in the event that the Charged Premises or any part thereof is condemned or expropriated to an extent which, in the Agent's sole discretion, materially impairs this Debenture or any collateral security therefore, the full amount of the principal and interest of and any other obligations secured by this Debenture then outstanding, shall, at the election of the Agent, be deemed to have become due and payable in full on the day prior to the day on which the Charged Premises were expropriated and interest shall accrue thereon, at the aforesaid rate, until the Agent has been paid in full and the Debtor shall be estopped from acting or pleading to the contrary; and

(b) the Debtor will pay or cause to be paid to the Agent, upon request of the Agent, and from any expropriation proceeds the full amount of the principal and interest and any other monies then outstanding hereunder.

Insurance Act Waiver

5.18 In the event that the Agent elects to apply any proceeds of insurance to the payment of the obligations secured, the Debtor hereby irrevocably waive the rights, benefits and provisions of any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild the improvements, including, without limitation, the *Fire Prevision (Metropolis) Act, 1174*, the *Insurance Act* (Alberta) and the *Insurance Act* (British Columbia).

Alberta Statutory Covenants

5.19 The Debtor hereby covenant and agree that:

(a) it is the registered and beneficial owner of the Charged Premises;

(b) it has the right to mortgage its interest in the Charged Premises;

(c) when the Charge becomes enforceable, the Agent shall have quiet possession of its interest in the Charged Premises, free from all encumbrances except for the Permitted Encumbrances (as defined in the Credit Agreement);

(d) it will execute such further assurances of its interest in the Charged Premises as may be requisite; and

(e) it has done no act to encumber its interest in the Charged Premises except for the Permitted Encumbrances.

Alberta Charge

5.20 For the better securing to the Agent (as mortgagee hereunder) the repayment in the manner aforesaid of the principal sum and interest and other obligations secured hereby, the Debtor (as mortgagor hereunder) DOES HEREBY mortgage to the Agent all of its estate and interest in the Charged Premises.

Conflict of Terms; Entire Agreement

5.21 This Debenture has been entered into as collateral security for the Obligations, the Lender Financial Instrument Obligations (as defined in the Credit Agreement) and the Bank Product Obligations (as defined in the Credit Agreement) and is subject to all the terms and conditions of the Credit Agreement, the Bank Products (as defined in the Credit Agreement) and the Lender Financial Instruments (as defined in the Credit Agreement) and, if there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Credit Agreement, the Bank Products or the Lender Financial Instruments, the rights and obligations of the Debtor, the Agent and the Beneficiaries shall be governed by the provisions of the Credit Agreement, the Bank Products and the Lender Financial Instruments (as applicable). This Debenture together with the Credit Agreement, the Lender Financial Instruments, the Bank Product documentation and all other Documents constitute the entire agreement between the Debtor and the Agent with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or

collateral agreements, express, implied or statutory, between the Beneficiaries and the Debtor except as expressly set forth therein and herein.

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IN WITNESS WHEREOF the Debtor has executed this Debenture as of the date first written above.

FRAC SHACK INTERNATIONAL INC.

By: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

SCHEDULE "A"

Lands

Nil.

This is **Exhibit 20** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

THIS DEBENTURE PLEDGE AGREEMENT made as of July 8, 2019
(Frac Shack Inc.)

Description of Fixed and Floating Charge Demand Debenture

Principal Sum:	$300,000,000 United States Dollars
Interest Rate:	20.0 % per annum
Date:	July 8, 2019

WHEREAS:

A. HSBC Bank Canada and certain other lenders (collectively, the "**Lenders**") and HSBC Bank Canada, in its capacity as agent on behalf of the Lenders (in that capacity, the "**Agent**") have entered into a credit agreement with Frac Shack Inc. (the "**Debtor**"), Frac Shack International Inc. and Frac Shack America Inc. (collectively, the "**Borrowers**"), as borrowers, made as of July 8, 2019 (as amended, modified, supplemented or restated from time to time, the "**Credit Agreement**") pursuant to which the Lenders have agreed to make certain credit facilities available to the Borrowers;

B. In order to secure the payment and performance of all present and future Obligations (as hereinafter defined) of the Debtor to the Agent, the Lenders, the Bank Product Affiliates and the Hedging Affiliates (collectively, the "**Beneficiaries**") and in respect of the guarantee of the Debtor made as of July 8, 2019 (the "**Guarantee**"), the Debtor has created and issued to the Agent the debenture described above (as the same may hereafter be amended, modified, supplemented and restated from time to time, the "**Debenture**");

C. The purpose of this Debenture Pledge Agreement is to set forth the terms and conditions upon which the Debenture is to be held by the Agent;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged by the Debtor, the Debtor hereby agrees and covenants with the Agent as follows:

1. The Debtor hereby grants a security interest in and deposits with and pledges to the Agent the Debenture to be held by the Agent as general and continuing collateral security for the payment and performance of all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Beneficiaries including without limitation, (i) all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including, without limitation, the principal of, and all interest, fees, reasonable legal and other costs, charges and expenses owing or payable on or in respect of, any and all Loans, (ii) all Bank Product Obligations of or owing by the Debtor to any and all Lenders and Bank Product Affiliates, (iii) all Lender Financial Instrument Obligations of or owing by the Debtor to any and all Lenders and Hedging Affiliates and (iv) all obligations, liabilities and indebtedness of the Debtor under, pursuant or relating to the Guarantee and other Documents, in each case whether the same are from time to time

reduced and thereafter increased or entirely extinguished and thereafter incurred again (collectively, the "**Obligations**").

2. The Agent shall neither demand payment pursuant to the Debenture nor enforce the security constituted thereby unless the Agent shall be entitled to do so pursuant to the provisions of the Credit Agreement, the Guarantee and the other agreements, instruments or documents establishing, creating or evidencing any Obligations (collectively, the "**Credit Documents**"), but thereafter the Agent may at any time exercise and enforce all of the rights and remedies of a holder of the Debenture as if the Agent was the absolute owner thereof without notice to or control by the Debtor, and any such remedy may be exercised separately or in combination with, and shall be in addition to and not in substitution for, any other right or remedy of the Agent and the Beneficiaries however created, provided that the Agent shall not be bound to exercise any such right or remedy.

3. Subject to the requirements of applicable law, the Agent shall not be bound under any circumstances to realize upon or under the Debenture and shall not be responsible to the Debtor for any loss occasioned by any sale or other dealing with the Debenture or the Charged Premises (as defined in the Debenture) or by the retention of or failure to sell or otherwise deal with the same.

4. The proceeds of or any other amount received pursuant to the Debenture shall be applied by the Agent on account of the Obligations in such order as set out in the Credit Agreement without prejudice to the Agent's or the Beneficiaries' claim upon the Debtor for any deficiency. Subject to the requirements of applicable law, any surplus realized by the Agent in excess of the Obligations shall be paid over to the Debtor.

5. Subject to paragraph 2 hereof, the Agent shall not be obliged to exhaust its recourse against the Debtor, any other person or persons, or any other security it may hold with respect to the Obligations before realizing upon, under, or otherwise dealing with the Debenture in such manner as the Agent sees fit. The Agent and the Beneficiaries may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Debtor and with other parties, sureties or securities as they may see fit, without prejudice to the liability of the Debtor or the Agent's or the Beneficiaries' rights in respect of the Debenture.

6. Notwithstanding the stated interest rate per annum in the Debenture, payment to the Beneficiaries or, in the case of Obligations payable pursuant to the Credit Agreement, the Agent for the account of the Lenders, of the relevant interest, fees and other amounts owing under the Credit Documents for any period in respect of the Obligations at the current rate at which the Obligations bear interest for such period pursuant to the Credit Documents shall be deemed to be payment in satisfaction of the interest payment for the same period under the Debenture.

7. The Debenture shall not operate by way of merger of any of the Obligations and no judgment recovered by the Agent or the Beneficiaries shall operate by way of merger of or in any way affect the security of the Debenture which is in addition to and not in substitution for any other security now or hereafter held by the Agent or the Beneficiaries with respect to the Obligations.

8. Notwithstanding the form and terms of the Debenture and the provisions of this Debenture Pledge Agreement, (a) the Agent shall not claim or realize an amount under or in respect of the Debenture in excess of the aggregate Obligations, from time to time, of the Debtor to the Agent and the Beneficiaries and (b) the provisions of this Debenture Pledge Agreement and the Debenture, in particular, but without limitation, Sections 2.2 and 3.1 of the Debenture, are subject to the provisions of the Credit Agreement and the Guarantee relating to the subject matter thereof. If there are any express conflicts or inconsistencies between the terms of the Credit Agreement and the Guarantee and the Debenture or this Debenture Pledge Agreement, then the terms of the Credit Agreement and the Guarantee, as applicable, shall govern in all respects to the extent necessary to eliminate such express conflicts or inconsistencies.

9. Upon payment and satisfaction in full of the Obligations and cancellation in full of the credit facilities established under the Credit Agreement when none of the Beneficiaries has other credit facilities in favour of or any obligation to provide credit to any of the Borrowers, the Agent shall, at the request of the Debtor, deliver up the Debenture to the Debtor and shall, at the request and expense of the Debtor, execute and deliver to the Debtor releases, discharges and such other instruments as shall be required to effectively discharge the Charge (as defined in the Debenture).

10. Time shall be of the essence with regard to this Debenture Pledge Agreement.

11. Capitalized terms used herein without express definition shall have the same meanings ascribed thereto as are set forth in the Credit Agreement and the Guarantee, as applicable.

12. This Debenture Pledge Agreement shall enure to the benefit of and be binding upon the Debtor, the Agent and the Beneficiaries and their respective successors and permitted assigns.

13. The parties hereto each hereby attorn and submit to the jurisdiction of the courts of the Province of Alberta. For the purpose of all legal proceedings, this Debenture Pledge Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Debenture Pledge Agreement. Notwithstanding the foregoing, nothing herein shall be construed nor operate to limit the right of either party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

14. This Debenture Pledge Agreement shall be governed by and construed in accordance with the laws in force in the Province of Alberta.

15. The Debtor hereby waives the right to receive from the Agent or the Beneficiaries a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Debenture Pledge Agreement or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Debenture Pledge Agreement.

16. The Debtor may not assign its obligations under this Debenture Pledge Agreement.

17. This Debenture Pledge Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Debenture Pledge Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page of this Debenture Pledge Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of manually executed counterpart of this Debenture Pledge Agreement.

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IN WITNESS WHEREOF the Debtor has executed this Debenture Pledge Agreement as of the date first above written.

FRAC SHACK INC.

Per: _____

Name: Lance Holmstrom
Title: Chief Financial Officer

ACCEPTED AS OF THE DATE FIRST ABOVE WRITTEN BY:

HSBC BANK CANADA,
as Agent

Per: _____

Name:
Title:

IN WITNESS WHEREOF the Debtor has executed this Debenture Pledge Agreement as of the date first above written.

FRAC SHACK INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

ACCEPTED AS OF THE DATE FIRST ABOVE WRITTEN BY:

HSBC BANK CANADA,
as Agent

Per: _____
Name: CHRISTINE STROUM
Title: AUTHORIZED SIGNATORY

AUTHORIZED SIGNATORY

This is **Exhibit 21** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

THIS DEBENTURE PLEDGE AGREEMENT made as of July 8, 2019
(Frac Shack International Inc.)

Description of Fixed and Floating Charge Demand Debenture

Principal Sum:	$300,000,000 United States Dollars
Interest Rate:	20.0 % per annum
Date:	July 8, 2019

WHEREAS:

A. HSBC Bank Canada and certain other lenders (collectively, the "**Lenders**") and HSBC Bank Canada, in its capacity as agent on behalf of the Lenders (in that capacity, the "**Agent**") have entered into a credit agreement with the Parent Borrower, Frac Shack International Inc. (the "**Debtor**") and Frac Shack America Inc. (collectively, the "**Borrowers**"), as borrowers, made as of July 8, 2019 (as amended, modified, supplemented or restated from time to time, the "**Credit Agreement**") pursuant to which the Lenders have agreed to make certain credit facilities available to the Borrowers;

B. In order to secure the payment and performance of all present and future Obligations (as hereinafter defined) of the Debtor to the Agent, the Lenders, the Bank Product Affiliates and the Hedging Affiliates (collectively, the "**Beneficiaries**") and in respect of the guarantee of the Debtor made as of July 8, 2019 (the "**Guarantee**"), the Debtor has created and issued to the Agent the debenture described above (as the same may hereafter be amended, modified, supplemented and restated from time to time, the "**Debenture**");

C. The purpose of this Debenture Pledge Agreement is to set forth the terms and conditions upon which the Debenture is to be held by the Agent;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged by the Debtor, the Debtor hereby agrees and covenants with the Agent as follows:

1. The Debtor hereby grants a security interest in and deposits with and pledges to the Agent the Debenture to be held by the Agent as general and continuing collateral security for the payment and performance of all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Beneficiaries including without limitation, (i) all present and future obligations, liabilities and indebtedness (absolute or contingent, matured or otherwise) of the Debtor to the Agent and the Lenders under, pursuant or relating to the Credit Agreement and other Documents and including, without limitation, the principal of, and all interest, fees, reasonable legal and other costs, charges and expenses owing or payable on or in respect of, any and all Loans, (ii) all Bank Product Obligations of or owing by the Debtor to any and all Lenders and Bank Product Affiliates, (iii) all Lender Financial Instrument Obligations of or owing by the Debtor to any and all Lenders and Hedging Affiliates and (iv) all obligations, liabilities and indebtedness of the Debtor under, pursuant or relating to the Guarantee and other Documents, in each case whether the same are from time to time

reduced and thereafter increased or entirely extinguished and thereafter incurred again (collectively, the "**Obligations**").

2. The Agent shall neither demand payment pursuant to the Debenture nor enforce the security constituted thereby unless the Agent shall be entitled to do so pursuant to the provisions of the Credit Agreement, the Guarantee and the other agreements, instruments or documents establishing, creating or evidencing any Obligations (collectively, the "**Credit Documents**"), but thereafter the Agent may at any time exercise and enforce all of the rights and remedies of a holder of the Debenture as if the Agent was the absolute owner thereof without notice to or control by the Debtor, and any such remedy may be exercised separately or in combination with, and shall be in addition to and not in substitution for, any other right or remedy of the Agent and the Beneficiaries however created, provided that the Agent shall not be bound to exercise any such right or remedy.

3. Subject to the requirements of applicable law, the Agent shall not be bound under any circumstances to realize upon or under the Debenture and shall not be responsible to the Debtor for any loss occasioned by any sale or other dealing with the Debenture or the Charged Premises (as defined in the Debenture) or by the retention of or failure to sell or otherwise deal with the same.

4. The proceeds of or any other amount received pursuant to the Debenture shall be applied by the Agent on account of the Obligations in such order as set out in the Credit Agreement without prejudice to the Agent's or the Beneficiaries' claim upon the Debtor for any deficiency. Subject to the requirements of applicable law, any surplus realized by the Agent in excess of the Obligations shall be paid over to the Debtor.

5. Subject to paragraph 2 hereof, the Agent shall not be obliged to exhaust its recourse against the Debtor, any other person or persons, or any other security it may hold with respect to the Obligations before realizing upon, under, or otherwise dealing with the Debenture in such manner as the Agent sees fit. The Agent and the Beneficiaries may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Debtor and with other parties, sureties or securities as they may see fit, without prejudice to the liability of the Debtor or the Agent's or the Beneficiaries' rights in respect of the Debenture.

6. Notwithstanding the stated interest rate per annum in the Debenture, payment to the Beneficiaries or, in the case of Obligations payable pursuant to the Credit Agreement, the Agent for the account of the Lenders, of the relevant interest, fees and other amounts owing under the Credit Documents for any period in respect of the Obligations at the current rate at which the Obligations bear interest for such period pursuant to the Credit Documents shall be deemed to be payment in satisfaction of the interest payment for the same period under the Debenture.

7. The Debenture shall not operate by way of merger of any of the Obligations and no judgment recovered by the Agent or the Beneficiaries shall operate by way of merger of or in any way affect the security of the Debenture which is in addition to and not in substitution for any other security now or hereafter held by the Agent or the Beneficiaries with respect to the Obligations.

8. Notwithstanding the form and terms of the Debenture and the provisions of this Debenture Pledge Agreement, (a) the Agent shall not claim or realize an amount under or in respect of the Debenture in excess of the aggregate Obligations, from time to time, of the Debtor to the Agent and the Beneficiaries and (b) the provisions of this Debenture Pledge Agreement and the Debenture, in particular, but without limitation, Sections 2.2 and 3.1 of the Debenture, are subject to the provisions of the Credit Agreement and the Guarantee relating to the subject matter thereof. If there are any express conflicts or inconsistencies between the terms of the Credit Agreement and the Guarantee and the Debenture or this Debenture Pledge Agreement, then the terms of the Credit Agreement and the Guarantee, as applicable, shall govern in all respects to the extent necessary to eliminate such express conflicts or inconsistencies.

9. Upon payment and satisfaction in full of the Obligations and cancellation in full of the credit facilities established under the Credit Agreement when none of the Beneficiaries has other credit facilities in favour of or any obligation to provide credit to any of the Borrowers, the Agent shall, at the request of the Debtor, deliver up the Debenture to the Debtor and shall, at the request and expense of the Debtor, execute and deliver to the Debtor releases, discharges and such other instruments as shall be required to effectively discharge the Charge (as defined in the Debenture).

10. Time shall be of the essence with regard to this Debenture Pledge Agreement.

11. Capitalized terms used herein without express definition shall have the same meanings ascribed thereto as are set forth in the Credit Agreement and the Guarantee, as applicable.

12. This Debenture Pledge Agreement shall enure to the benefit of and be binding upon the Debtor, the Agent and the Beneficiaries and their respective successors and permitted assigns.

13. The parties hereto each hereby attorn and submit to the jurisdiction of the courts of the Province of Alberta. For the purpose of all legal proceedings, this Debenture Pledge Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Debenture Pledge Agreement. Notwithstanding the foregoing, nothing herein shall be construed nor operate to limit the right of either party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

14. This Debenture Pledge Agreement shall be governed by and construed in accordance with the laws in force in the Province of Alberta.

15. The Debtor hereby waives the right to receive from the Agent or the Beneficiaries a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Debenture Pledge Agreement or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Debenture Pledge Agreement.

16. The Debtor may not assign its obligations under this Debenture Pledge Agreement.

17. This Debenture Pledge Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Debenture Pledge Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page of this Debenture Pledge Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of manually executed counterpart of this Debenture Pledge Agreement.

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IN WITNESS WHEREOF the Debtor has executed this Debenture Pledge Agreement as of the date first above written.

FRAC SHACK INTERNATIONAL INC.

Per: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

ACCEPTED AS OF THE DATE FIRST ABOVE WRITTEN BY:

HSBC BANK CANADA,
as Agent

Per: _____
Name:
Title:

IN WITNESS WHEREOF the Debtor has executed this Debenture Pledge Agreement as of the date first above written.

FRAC SHACK INTERNATIONAL INC.

Per: _____
Name:
Title:

ACCEPTED AS OF THE DATE FIRST ABOVE WRITTEN BY:

HSBC BANK CANADA,
as Agent

Per: _____
Name: CHRISTINE STOCK
Title: AUTHORIZED SIGNATORY

ULYSSE H SCHLICHTING
AUTHORIZED SIGNATORY

This is **Exhibit 22** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Return to:
Severson, Wogsland & Liebl PC
4627 44TH AVE S STE 108
FARGO, ND 58104

539696
County Recorder
McKenzie County
Watford City ND 58854
Page 1 of 31
Fee $83.00

Aug 11, 2022 01:45 PM
Electronically Recorded

COUNTY RECORDER, MCKENZIE COUNTY, ND
I certify that this instrument was filed and recorded.
Katie Paulson, McKenzie County Recorder
By Katie R. Paulson

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT AND FIXTURE FILING

from

ENERGERA AMERICA INC., (formerly known as FRACK SHACK AMERICA, INC.)
as MORTGAGOR/DEBTOR

to

HSBC BANK CANADA,
as MORTGAGEE/SECURED PARTY

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.

THIS INSTRUMENT SECURES PAYMENT OF FUTURE ADVANCES.

PORTIONS OF THE MORTGAGED PROPERTY THIS INSTRUMENT COVERS ARE GOODS WHICH ARE TO BECOME FIXTURES ON THE LANDS DESCRIBED IN EXHIBIT A HERETO. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD, AMONG OTHER PLACES, IN THE REAL PROPERTY RECORDS OF THE NORTH DAKOTA COUNTIES IN WHICH SUCH PROPERTIES ARE LOCATED AND SUCH FILING SHALL SERVE, AMONG OTHER PURPOSES, AS A FIXTURE FILING.

ATTENTION RECORDING OFFICER:

THIS INSTRUMENT IS A MORTGAGE OF BOTH REAL AND PERSONAL PROPERTY AND IS, AMONG OTHER THINGS, A SECURITY AGREEMENT UNDER THE UNIFORM COMMERCIAL CODE AND A FINANCING STATEMENT UNDER THE UNIFORM COMMERCIAL CODE. THIS INSTRUMENT CREATED A LIEN ON RIGHTS IN OR RELATING TO THE LANDS OF THE MORTGAGOR WHICH ARE DESCRIBED IN EXHIBIT A HERETO.

FOR PURPOSES OF FILING THIS INSTRUMENT AS A FINANCING STATEMENT, THE MAILING ADDRESS OF THE MORTGAGOR (DEBTOR) AND THE MAILING ADDRESS OF THE MORTGAGEE (SECURED PARTY) ARE AS FOLLOWS:

MORTGAGOR:
(Debtor)

Energera America Inc.

999 18th Street, Suite 3400S
Legal Department
Denver, CO 80202

a Delaware corporation

MORTGAGEE:
(Secured Party)

HSBC Bank Canada

16 York Street
Suite 500 Box 64
Toronto, Ontario, Canada
M5J 0E6

With a copy to:

1025 – 101st Street NW
Edmonton, Alberta, Canada
T5J 3P4

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT AND FIXTURE FILING

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT AND FIXTURE FILING (hereinafter referred to as "Mortgage"), is made this 10th day of August, 2022, by ENERGERA AMERICA INC., a Delaware corporation, whose business address is 999 18th Street, Suite 3400S, Denver, CO 80202, Attn: Legal Department, which was formerly known as "Frack Shack America, Inc." (hereinafter "Mortgagor"), in favor of HSBC BANK CANADA, a Canadian chartered bank, whose business address is 10250 – 101st Street NW, Edmonton, Alberta, T5J 3P4, Attn: Aaron Pragnell (hereinafter "Mortgagee").

ARTICLE 1
GRANT

1.1 Grant. For the purposes of and upon the terms and conditions in this Mortgage, Mortgagor irrevocably bargains, conveys, warrants, mortgages, encumbers, transfers, hypothecates, pledges, sells, sets over, assigns and grants a security interest and assigns to Mortgagee, its successors and assigns, all of Mortgagor's right, title and interest in and to:

(a) that real property located in the County of McKenzie, State of North Dakota, described on Exhibit A attached hereto and made a part hereof (the "Real Property"), including,

(b) the Collateral (as defined herein),

(c) all buildings and other improvements and fixtures now or hereafter located on the Real Property, all apparatus, equipment and appliances used in the operation or occupancy of the Real Property, it being intended by the parties that all such items shall be conclusively considered to be a part of the Real Property, whether or not attached or affixed to the Real Property ("Improvements");

(d) all right, title, interest, and privileges of Mortgagor now owned or hereafter acquired in and to the Real Property and all appurtenances to such Real Property owned by Mortgagor, if any;

(e) all proceeds refunds, rebates or credits in connection with reduction in real estate taxes and assessments charged against the Property (as defined below) as a result of tax certiorari or any applications or proceedings for reduction;

(f) all awards, compensation or settlement proceeds made by any governmental or other lawful authorities for the threatened or actual taking or damaging by eminent domain of the whole or any part of the Property, including any awards for a temporary taking, change of grade of streets or taking of access, together with all insurance proceeds resulting from a casualty to any portion of the Property;

(g) all rights and interests of Mortgagor against others, including adjoining property owners, arising out of damage to the property including damage due to environmental injury or release of hazardous substances;

(h) all development rights or credits, licenses and permits, air rights, water, water rights and water stock related to the Real Property;

(i) all minerals, oil and gas, and other hydrocarbon substances owned by Mortgagor in, on or under the Real Property, and all appurtenances, easements, estates, tenements, hereditaments, privileges, rights and rights of way appurtenant or related thereto (if any); and

(j) all interest or estate which Mortgagor may hereafter acquire in the property described above, and all additions and accretions thereto, and the proceeds of any of the foregoing (all of the foregoing being collectively referred to as the "Property"). The listing of specific rights or property shall not be interpreted as a limit of general terms.

TO HAVE AND TO HOLD the Property unto Mortgagee, and Mortgagee's successors and assigns, forever, together with any and all rights, estates, powers and privileges appurtenant thereto, and all products and proceeds thereof, in accordance with the terms and provisions hereof, to secure and enforce prompt payment and performance of the Secured Obligations (as hereinafter defined and set out).

1.2 Address. The address of the Property is 2066 125th Avenue NW, Watford City, ND 58854. However, neither the failure to designate an address nor any inaccuracy in the address designated shall affect the validity or priority of the lien of this Mortgage on the Property as described on Exhibit A.

1.3 Warranty of Title; Use of Property. Except for (a) building a zoning laws, regulations, and ordinances; and (b) rights of way, easements, covenants, conditions, restrictions, declarations, reservations, and encumbrances shown in public records, Mortgagor represents and warrants that Mortgagor lawfully holds and possesses fee simple title absolute to the Property without limitation on the right to convey and encumber, and that this Mortgage is a first and prior lien on the Property subject only to those exceptions approved by Mortgagee in writing. Mortgagor will warrant and defend the title to the Property against claims from all parties claiming by, through or under Mortgagor. Mortgagor further warrants that the Property is not used principally for agricultural or farming purposes, and that the Property is not homestead and that all of the Property, together with the Real Property, comprises one or more tax parcels, and there are no properties included in such tax parcels other than the Property. Mortgagor further covenants and agrees that it shall not cause all or any portion of the Property to be replatted or for any lots or boundary lines to be adjusted, changed or altered for either ad valorem tax purposes or otherwise, and shall not consent to the assessment of the Property in more than one tax parcel or in conjunction with any property other than the Property.

1.4 Use of Proceeds. Mortgagor represents and warrants to Mortgagee that the proceeds of the obligations secured hereby shall be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor, and the entire principal obligations secured by this Mortgage constitute a business loan.

ARTICLE 2
OBLIGATIONS SECURED

2.1 Obligations Secured. Mortgagor makes this Mortgage for the purpose of securing the payment and performance of the following obligations (collectively "Secured Obligations"):

(a) Payment to Mortgagee of all sums at any time owing with interest thereon in the principal amount of NINETY FIVE MILLION TWO HUNDRED SIXTEEN THOUSAND TWO HUNDRED EIGHTY SEVEN and 00/100 Canadian Dollars (Cdn. $95,216,287.00) as evidenced by and together with payment and performance of all covenants and obligations on the part of Mortgagor under that certain Amended and Restated Credit Agreement dated December 22, 2020 by and among Energera Inc., Energera International Inc., Mortgagor and Sand Separation Technologies Inc., as Borrowers, and Mortgagee as agent for the Lenders party thereto (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"); and

(b) Payment and performance of all covenants and obligations of Mortgagor under this Mortgage and any and all documents, writings, agreements and instruments which evidence and/or secure the Credit Facilities (as such term is defined in the Credit Agreement) as the same may be amended, restated, extended or supplemented; and

(c) Payment of all costs, expenses, legal fees and liabilities incurred by Mortgagee in connection with the enforcement of any of Mortgagee's rights or remedies under the Documents, or collateral therefor, whether now in effect or hereafter executed, and whether before or after judgment; and

(d) Payment and performance of all covenants and obligations, if any, of any rider attached as an Exhibit to this Mortgage; and

(e) Payment and performance of all future advances and other obligations that the then record owner of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Mortgagee, when such future advance or obligation is evidenced by an instrument in writing, which recites that it is secured by this Mortgage including any and all advances or disbursements of Mortgagee with respect to the Property for the payment of taxes, assessments, insurance premiums or costs incurred for the protection of the Property; and

(f) All modifications, extensions, novations and renewals of any of the obligations secured hereby, however evidenced, including, without limitation: (i) modifications of the required principal payment dates or interest payment dates or both, as the case may be, deferring or accelerating payment dates wholly or partly; or (ii)

modifications, extensions or renewals at a different rate of interest whether or not the modification, extension or renewal is evidenced by a new or additional Document; and

(g) All indebtedness, liabilities, duties, covenants, promises and other obligations whether joint or several, direct or indirect, fixed or contingent, liquidated or unliquidated, and the cost of collection of all such amounts, owed by Mortgagor to Mortgagee now or hereafter incurred or arising pursuant to or permitted by the provisions of the Documents, this Mortgage or any other document now or hereafter evidencing, governing, guaranteeing, securing or otherwise executed by Mortgagor for the benefit of Mortgagee in connection with the Credit Agreement or other Documents.

2.2 Obligations. The term "obligations" is used herein in its broadest and most comprehensive sense and shall be deemed to include, without limitation, all interest and charges, prepayment charges (if any), late charges and loan fees at any time accruing or assessed on any of the Secured Obligations together with all costs of collecting the Secured Obligations. All the covenants, conditions and agreements contained in the Credit Agreement and the other Documents, are hereby made a part of this Mortgage to the same extent and with the same force as if fully set forth herein.

2.3 Incorporation. All terms of the Secured Obligations and the documents evidencing such obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Property shall be deemed to have notice of the terms of the Secured Obligations and to have notice, if provided therein, that: (a) the Credit Agreement may permit borrowing, repayment and re-borrowing so that repayments shall not reduce the amounts of the Secured Obligations; and (b) the rate of interest on one or more Secured Obligations may vary from time to time.

2.4 Future Advance Mortgage. This Mortgage secures the payment of the entire indebtedness secured hereby. This Mortgage is given to secure not only presently existing indebtedness under the Credit Agreement and any other Documents, but also future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the real estate is located. The total amount of indebtedness may increase or decrease from time to time, and any disbursements which Mortgagee may make under this Mortgage, the Credit Agreement or any other Document (e.g., for payment of taxes, insurance premiums or other advances to protect Mortgagee's liens and security interests, as permitted hereby) shall be additional indebtedness secured hereby. This Mortgage is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the real estate, to the extent of the maximum amount secured hereby.

ARTICLE 3
ASSIGNMENT OF LEASES AND RENTS

3.1 Assignment. Mortgagor hereby absolutely and irrevocably assigns and transfers to Mortgagee all of Mortgagor's right, title and interest in, to and under: (a) all present and future leases, subleases, licenses or occupancy agreements of the Property or any portion thereof, and all other agreements of any kind relating to the management, leasing, operation, use or occupancy of the Property or any portion thereof, whether now existing or entered into after the date hereof ("Leases"); and (b) the rents, revenue, income, receipts, reserves, issues, deposits and profits of the Property, including, without limitation, all amounts payable and all rights and benefits accruing to Mortgagor under the Leases ("Payments"). The term "Leases", as referred to herein, shall also include all subleases and other agreements for the use or occupancy of the Property, options, rights of first refusal or guarantees of and security for the tenant's performance thereunder, the right to exercise any landlord's liens and other remedies to which the landlord is entitled, and all amendments, extensions, renewals or modifications thereto which are permitted hereunder. This assignment is intended to be and constitutes a present, unconditional and absolute assignment, not an assignment for security purposes only, and Mortgagee's right to the Leases and Payments is not contingent upon, and may be exercised without possession of, the Property. Nothing contained in this Mortgage is intended to diminish, alter, impair, or affect any other rights and remedies of Mortgagee, including but not limited to, the appointment of a receiver, nor shall any provision in this Section 3.1 diminish, alter, impair or affect any rights or powers of the receiver in law or equity or as set forth herein. In addition, this assignment shall be fully operative without regard to value of the Property or without regard to the adequacy of the Property to serve as security for the obligations owed by Mortgagor to Mortgagee, and shall be in addition to any rights at law or in equity. Further, except for the notices required hereunder or under any of the other Documents, if any, Mortgagor hereby waives any notice of default or demand for turnover of rents by Mortgagee, together with any rights, if any, to apply to a court to deposit the Payments into the registry of the court or such other depository as the court may designate.

3.2 Grant of License. Mortgagee confers upon Mortgagor a revocable license ("License") to collect and retain the Payments as they become due and payable, and otherwise to manage, operate and lease the Property; provided, however, that such license may only be revoked upon the occurrence and during the continuance of a Default (as hereinafter defined). Upon and during the continuation of a Default, the License shall be automatically revoked and Mortgagee may collect and apply the Payments pursuant to that certain Section hereof entitled Application of Other Sums without notice and without taking possession of the Property. All payments thereafter collected by Mortgagor during the continuance of such Default shall be held by Mortgagor as trustee under a constructive trust for the benefit of Mortgagee. Mortgagor hereby irrevocably authorizes and directs the tenants under the Leases to rely upon and comply with any notice or demand by Mortgagee for the payment to Mortgagee of any rentals or other sums which may at any time become due under the Leases, or for the performance of any of the tenants' undertakings under the Leases, and the tenants shall have no right or duty to inquire as to whether any Default has actually occurred or is then existing hereunder. Mortgagor hereby relieves the tenants from any liability to Mortgagor by reason of relying upon and complying with any such notice or

demand by Mortgagee. Mortgagee may apply, in its sole discretion, any Payments so collected by Mortgagee against any Secured Obligation under the Documents, whether existing on the date hereof or hereafter arising. Collection of any Payments by Mortgagee shall not cure or waive any Default or notice of Default or invalidate any acts done pursuant to such notice.

3.3 Effect of Assignment. The foregoing irrevocable assignment shall not cause Mortgagee to be: (a) a mortgagee in possession; (b) responsible or liable for the control, care, management or repair of the Property or for performing any of the terms, agreements, undertakings, obligations, representations, warranties, covenants and conditions of the Leases; (c) responsible or liable for any waste committed on the Property by the tenants under any of the Leases or any other parties, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee, invitee or other person; or (d) responsible for or under any duty to produce rents or profits. Mortgagee shall not directly or indirectly be liable to Mortgagor or any other person as a consequence of: (i) the exercise or failure to exercise by Mortgagee, or any of its respective employees, agents, contractors or subcontractors, any of the rights, remedies or powers granted to Mortgagee hereunder; or (ii) the failure or refusal of Mortgagee to perform or discharge any obligation, duty or liability of Mortgagor arising under the Leases.

3.4 Representations and Warranties. Mortgagor represents and warrants that Mortgagor has delivered to Mortgagee a true, accurate and complete list of all Leases, and that, except as disclosed to Mortgagee in writing prior to the date hereof, (a) all existing Leases are in full force and effect and are enforceable in accordance with their respective terms, and no breach or default, or event which would constitute a breach or default after notice or the passage of time, or both, exists under any existing Leases on the part of any party; (b) no rent or other payment under any existing Lease has been paid by any tenant for more than one (1) month in advance of its accrual, and payment thereof has not otherwise been forgiven, discounted or compromised; and (c) none of the landlord's interests under any of the Leases has been transferred or assigned.

3.5 Covenants. Mortgagor covenants and agrees, at Mortgagor's sole cost and expense, to: (a) perform all of the obligations on the part of Mortgagor to be performed pursuant to the terms of the Leases and enforce by all available remedies performance by the tenants of the obligations of the tenants contained in the Leases; (b) give Mortgagee prompt written notice of any default which occurs with respect to any of the Leases, whether the default be that of the tenant or of the landlord; (c) exercise Mortgagor's best efforts to keep all portions of the Property that are currently subject to Leases leased at all times at rentals not less than the fair market rental value; (d) deliver to Mortgagee fully executed, counterpart copies of each and every Lease and any modifications or amendments thereto if requested to do so; and (e) execute and record such additional assignments of any Lease or specific subordinations (or subordination, attornment and non-disturbance agreements executed by the landlord and tenant) of any Lease to the Mortgage, in form and substance acceptable to Mortgagee, as Mortgagee may reasonably request. Mortgagor shall not, without Mortgagee's prior written consent or as otherwise permitted by any provision of the Credit Agreement: (i) enter into any Leases after the date hereof; (ii) execute any other assignment

relating to any of the Leases; (iii) discount any rent or other sums due under the Leases or collect the same in advance, other than to collect rentals one (1) month in advance of the time when it becomes due under any of the Leases; (iv) terminate, modify or amend any of the terms of the Leases or in any manner release or discharge the tenants from any obligations thereunder; (v) consent to any assignment or subletting by any tenant under any Lease; or (vi) subordinate or agree to subordinate any of the Leases to any other deed of trust, mortgage, deed to secure debt or encumbrance. Any such attempted amendment, cancellation, modification or other action in violation of the provisions of this Section without the prior written consent of Mortgagee shall be null and void. Without in any way limiting the requirement of Mortgagee's consent hereunder, any sums received by Mortgagor with respect to (A) any settlement of claims of Mortgagor against third parties in connection with any of the Leases, (B) any rejection, termination, surrender or cancellation of any of the Leases or any lease buy out or surrender payment from any tenant under any of the Leases (including any payment relating to unamortized tenant improvements and/or leasing commissions), and (C) any damages arising from any rejection by a tenant of any Lease under Title 11 of the United States Code entitled "Bankruptcy", as amended from time to time, and any successor statute or statutes and all rules and regulations from time to time promulgated thereunder, and any comparable foreign laws relating to bankruptcy, insolvency or creditors' rights, shall be held by Mortgagor in trust for the benefit of Mortgagee and shall be promptly forwarded to Mortgagee to be applied to reduce the outstanding Secured Obligations.

3.6 Performance of Other Agreements. Mortgagor shall observe and perform each and every term, covenant and provision to be observed or performed by Mortgagor pursuant to the Credit Agreement, any other Document and any other agreement or recorded instrument affecting or pertaining to the Property and any amendments, modifications or changes thereto.

3.7 Estoppel Certificates. Within thirty (30) days after written request by Mortgagee, Mortgagor shall obtain and shall deliver to Mortgagee and to any party designated by Mortgagee estoppel certificates executed by Mortgagor and by each of the tenants, in recordable form, certifying (if such be the case) to certain matters relating to the Leases, including, without limitation: (a) that the foregoing assignment and the Leases are in full force and effect; (b) the date and amount of each tenant's most recent payment of rent and other charges; (c) that there are no uncured defaults, defenses or offsets outstanding, or stating those claimed by Mortgagor or tenants under the foregoing assignment or the Leases, as the case may be; and (d) any other information reasonably requested by Mortgagee.

3.8 Mortgagee Right to Cure. Without regard to whether there exists a Default, if there exists a default under a Lease or any other contract collaterally assigned by Mortgagor to Mortgagee in connection with the Loan, Mortgagor acknowledges and agrees (A) that Mortgagee may, at its option, with no obligation to do so, take any actions necessary to cure such default including, without limitation, any actions that require Mortgagee or its designee to enter onto the Property, (B) to indemnify, defend and hold Indemnitees (as defined herein) harmless in connection with any such action, and (C) any money advanced

for any such purpose shall be secured hereby and payable by Mortgagor to Mortgagee on demand, with interest thereon from the date such amounts are advanced.

ARTICLE 4
SECURITY AGREEMENT AND FIXTURE FILING

4.1 Security Interest. This Mortgage shall constitute a security agreement as defined in the UCC (as defined below) and Mortgagor hereby grants and assigns to Mortgagee a security interest, to secure payment and performance of all of the Secured Obligations, in the Property and all assets of Mortgagor, including, but not limited to the following described personal property in which Mortgagor now or at any time hereafter has any interest (collectively, the "Collateral"):

> All goods, building and other materials, supplies, inventory, work in process, equipment, machinery, fixtures, furniture, furnishings, signs and other personal property and embedded software included therein and supporting information, wherever situated, which are or are to be incorporated into, used in connection with, or appropriated for use on the Property; together with all Payments and other rents and security deposits derived from the Property; all inventory, accounts, cash receipts, deposit accounts (including impound accounts, if any), accounts receivable, contract rights, licenses, agreements, general intangibles, payment intangibles, software, chattel paper (whether electronic or tangible), instruments, documents, promissory notes, debentures, drafts, letters of credit, letter of credit rights, supporting obligations, insurance policies, insurance and condemnation awards and proceeds, proceeds of the sale of debentures or promissory notes, any other rights to the payment of money, trade names, trademarks and service marks arising from or related to the ownership, management, leasing, operation, sale or disposition of the Property or any business now or hereafter conducted thereon by Mortgagor; all proceeds refunds, rebates or credits in connection with reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction; all development rights and credits, and any and all permits, consents, approvals, licenses, authorizations and other rights granted by, given by or obtained from, any governmental entity with respect to the Property; all water and water rights, wells and well rights, canals and canal rights, ditches and ditch rights, springs and spring rights, and reservoirs and reservoir rights appurtenant to or associated with the Property, whether decreed or undecreed, tributary, non-tributary or not non-tributary, surface or underground or appropriated or unappropriated, and all shares of stock in water, ditch, lateral and canal companies, well permits and all other evidences of any of such rights; all deposits or other security now or hereafter made with or given to utility companies by Mortgagor with respect to the Property; all advance payments of insurance premiums made by Mortgagor with respect to the Property; all plans, drawings and specifications relating to the Property; all loan funds held by Mortgagee, whether or not disbursed; all funds deposited with

Mortgagee pursuant to any Credit Agreement; all reserves, deferred payments, deposits, accounts, refunds, cost savings and payments of any kind related to the Property or any portion thereof; together with all replacements and proceeds of, and additions and accessions to, any of the foregoing; together with all books, records and files relating to any of the foregoing.

As to all of the above described personal property which is or which hereafter becomes a "fixture" under applicable law, it is intended by Mortgagor and Mortgagee that this Mortgage constitutes a fixture filing filed with the real estate records of McKenzie County, North Dakota, under the Uniform Commercial Code, as amended or recodified from time to time, from the state wherein the Property is located ("UCC"). For purposes of this fixture filing, the "Debtor" is the Mortgagor and the "Secured Party" is the Mortgagee. A description of the land which relates to the fixtures is set forth in Exhibit A attached hereto. Mortgagor is the record owner of such land. The filing of a financing statement covering the Collateral shall not be construed to derogate from or impair the lien or provisions of this Mortgage with respect to any property described herein which is real property or which the parties have agreed to treat as real property. Similarly, nothing in any financing statement shall be construed to alter any of the rights of Mortgagee under this Mortgage or the priority of Mortgagee's lien created hereby, and such financing statement is declared to be for the protection of Mortgagee in the event any court shall at any time hold that notice of Mortgagee's priority interest in any property or interests described in this Mortgage must, in order to be effective against a particular class of persons, including but not limited to the Federal government and any subdivision, agency or entity of the Federal government, be filed in the UCC records.

4.2 Fixture Filing. Certain of the Property is or will become "fixtures" (as that term is defined in the UCC) on the Land, and this Mortgage, upon being filed for record in the real estate records of the city or county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said UCC upon such of the Property that is or may become fixtures. For such purpose, the following information is given:

(a) Name and Address of Debtor:

Energera America Inc.
999 18th Street, Suite 3400S
Legal Department
Denver, CO 80202

(b) Name and Address of Secured Party:

HSBC Bank Canada

16 York Street
Suite 500 Box 64
Toronto, Ontario, Canada
M5J 0E6

1025 – 101st Street NW
Edmonton, Alberta
T5J 3P4

(c) Description of the types of property covered by this Fixture Filing:

The Property and Collateral described above.

(d) The real estate to which such fixtures are or are to be attached:

See Exhibit A attached hereto, the record owner of which is Debtor.

4.3 Representations and Warranties. Mortgagor represents and warrants that: (a) Mortgagor has, or will have, good title to the Collateral; (b) Mortgagor has not previously assigned or encumbered the Collateral, and no financing statement covering any of the Collateral has been delivered to any other person or entity that has not been terminated as of the date hereof; and (c) Mortgagor's principal place of business is located at the address set forth on the second page of this Mortgage. As of the date of this Mortgage, except as otherwise disclosed to Mortgagee in writing by Mortgagor, no work or construction of any kind has been commenced on the real property. As of the date of this Mortgage there are no outstanding bills for labor and materials relating to the Property due and owing to any contractor, subcontractor, or supplier.

4.4 Covenants. Mortgagor agrees: (a) to execute and deliver such documents as Mortgagee reasonably deems necessary to create, perfect and continue the security interests contemplated hereby; (b) not to change its name, and as applicable, its chief executive office, its principal residence or the jurisdiction in which it is organized and/or registered without giving Mortgagee prior written notice thereof; (c) to cooperate with Mortgagee in perfecting all security interests granted herein and in obtaining such agreements from third parties as Mortgagee deems necessary, proper or convenient in connection with the preservation, perfection or enforcement of any of its rights hereunder; and (d) that Mortgagee is authorized to file financing statements in the name of Mortgagor to perfect Mortgagee's security interest in the Collateral.

4.5 Rights of Mortgagee. In addition to Mortgagee's rights as a "Secured Party" under the UCC, Mortgagee may, but shall not be obligated to, at any time without notice and at the expense of Mortgagor: (a) give notice to any person of Mortgagee's rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Collateral or any rights or interests of Mortgagee therein; (c) inspect the Collateral; and (d) endorse, collect and receive any right to payment of money owing to Mortgagor under or from the Collateral. Notwithstanding the foregoing to the contrary, in no event shall Mortgagee be deemed to have accepted any property other than cash in satisfaction of any

obligation of Mortgagor to Mortgagee unless Mortgagee shall make an express written election of said remedy under UCC § 9-620, or other applicable law.

Upon the occurrence and during the continuance of a Default (hereinafter defined) under this Mortgage, then in addition to all of Mortgagee's rights as a "Secured Party" under the UCC or otherwise at law and in addition to Mortgagee's rights under the Documents:

(a) Mortgagee may (i) upon written notice, require Mortgagor to assemble any or all of the Collateral and make it available to Mortgagee at a place designated by Mortgagee; (ii) without prior notice, enter upon the Property or other place where any of the Collateral may be located and take possession of, collect, sell, lease, license or otherwise dispose of any or all of the Collateral, and store the same at locations acceptable to Mortgagee at Mortgagor's expense; (iii) sell, assign and deliver at any place or in any lawful manner all or any part of the Collateral and bid and become the purchaser at any such sales; and

(b) Mortgagee may, for the account of Mortgagor and at Mortgagor's expense: (i) operate, use, consume, sell, lease, license or otherwise dispose of the Collateral as Mortgagee deems appropriate for the purpose of performing any or all of the Secured Obligations; (ii) enter into any agreement, compromise, or settlement, including insurance claims, which Mortgagee may deem desirable or proper with respect to any of the Collateral; and (iii) endorse and deliver evidences of title for, and receive, enforce and collect by legal action or otherwise, all indebtedness and obligations now or hereafter owing to Mortgagor in connection with or on account of any or all of the Collateral; and

(c) In disposing of the Collateral hereunder, Mortgagee may disclaim all warranties of title, possession, quiet enjoyment and the like. Any proceeds of any disposition of any Collateral may be applied by Mortgagee to the payment of expenses incurred by Mortgagee in connection with the foregoing, including reasonable attorneys' fees, and the balance of such proceeds may be applied by Mortgagee toward the payment of the Secured Obligations in such order of application as Mortgagee may from time to time elect.

Notwithstanding any other provision hereof, Mortgagee shall not be deemed to have accepted any property other than cash in satisfaction of any obligation of Mortgagor to Mortgagee unless Mortgagee shall make an express written election of said remedy under the UCC or other applicable law. Mortgagor agrees that Mortgagee shall have no obligation to process or prepare any Collateral for sale or other disposition. Mortgagor acknowledges and agrees that a disposition of the Collateral in accordance with Mortgagee's rights and remedies as heretofore provided is a disposition thereof in a commercially reasonable manner and that ten (10) days prior notice of such disposition is commercially reasonable notice.

4.6 Power of Attorney. Mortgagor hereby irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact (such agency being coupled with an interest), and as such attorney-in-fact Mortgagee may, without the obligation to do so, in Mortgagee's name, or in the name of

Mortgagor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve any of Mortgagee's security interests and rights in or to any of the Collateral, and, upon and during the continuance of a Default hereunder, take any other action required of Mortgagor; provided however, that Mortgagee as such attorney-in-fact shall be accountable only for such funds as are actually received by Mortgagee.

ARTICLE 5
RIGHTS AND DUTIES OF THE PARTIES

5.1 Performance of Secured Obligations. Mortgagor shall promptly pay and perform each Secured Obligation for which it is responsible hereunder or under the other Documents prior to delinquency. If Mortgagor fails to timely pay or perform any portion of the Secured Obligations (including taxes, assessments and insurance premiums), or if a legal proceeding is commenced that may adversely affect Mortgagee's rights in the Property, then Mortgagee may (but is not obligated to), at Mortgagor's expense, take such action as it reasonably considers to be necessary to protect the value of the Property and Mortgagee's rights in the Property, including the retaining of counsel, and any amount so expended by Mortgagee will be added to the Secured Obligations and will be payable by Mortgagor to Mortgagee on demand, together with interest thereon from the date of advance until paid.

5.2 Taxes and Assessments. Subject to Mortgagor's rights to contest payment of taxes or assessments as may be provided in the Credit Agreement, Mortgagor shall pay prior to delinquency all taxes, assessments, levies and charges imposed by any public or quasi-public authority or utility company which are or which may become a lien upon or cause a loss in value of the Property or any interest therein. Mortgagor shall also pay prior to delinquency all taxes, assessments, levies and charges imposed by any public authority upon Mortgagee by reason of its interest in any Secured Obligation or in the Property, or by reason of any payment made to Mortgagee pursuant to any Secured Obligation; provided, however, Mortgagor shall have no obligation to pay taxes which may be imposed from time to time upon Mortgagee and which are measured by and imposed upon Mortgagee's net income.

5.3 Liens, Encumbrances and Charges. Mortgagor shall immediately discharge all liens, claims and encumbrances not approved by Mortgagee in writing that has or may attain priority over this Mortgage or that does or may rank *pari passu* with this Mortgage. Mortgagor shall pay when due all obligations secured by, or which may become, liens and encumbrances which shall now or hereafter encumber or appear to encumber all or any part of the Property or Collateral, or any interest therein, whether senior or subordinate hereto.

5.4 Damages; Insurance and Condemnation Proceeds.

(a) The following (whether now existing or hereafter arising) are all absolutely and irrevocably assigned by Mortgagor to Mortgagee and, at the request of Mortgagee, shall be paid directly to Mortgagee: (i) all awards of damages and all other compensation payable directly or indirectly by reason of a condemnation or

proposed condemnation for public or private use affecting all or any part of, or any interest in, the Property or Collateral; (ii) all other claims and awards for damages to, or decrease in value of, all or any part of, or any interest in, the Property or Collateral; (iii) all proceeds of any insurance policies (whether or not expressly required by Mortgagee to be maintained by Mortgagor, including, but not limited to, earthquake insurance and terrorism insurance, if any) payable by reason of loss sustained to all or any part of the Property or Collateral; and (iv) all interest which may accrue on any of the foregoing. Subject to applicable law, and without regard to any requirement contained in this Mortgage, Mortgagee may at its discretion apply all or any of the proceeds it receives to its expenses in settling, prosecuting or defending any claim and may apply the balance to the Secured Obligations in such order and amounts as Mortgagee in its sole discretion may choose, and/or Mortgagee may release all or any part of the proceeds to Mortgagor upon any conditions Mortgagee may impose. Mortgagee may commence, appear in, defend or prosecute any assigned claim or action and may adjust, compromise, settle and collect all claims and awards assigned to Mortgagee; provided, however, in no event shall Mortgagee be responsible for any failure to collect any claim or award, regardless of the cause of the failure, including, without limitation, any malfeasance or nonfeasance by Mortgagee or its employees or agents.

(b) Mortgagor shall give Mortgagee prompt notice of any damage or destruction to the Property or Collateral and in case of any covered loss. Notwithstanding anything contained herein to the contrary, if there is no uncured Default, the Mortgagor may itself adjust and collect for any losses payable under an insurance policy and arising out of a single occurrence not in excess of Fifty Thousand and 00/100 Dollars ($50,000.00) (a "Minor Insurance Claim"). Any expense incurred by the Mortgagee in the adjustment and collection of insurance proceeds (including the cost of any independent appraisal of the loss or damage on behalf of Mortgagee) shall be reimbursed to Mortgagee first out of any insurance proceeds. Mortgagor shall be permitted to use the proceeds from all Minor Insurance Claims, and in Mortgagee's sole discretion, the proceeds for claims in excess of a Minor Insurance Claim, for the restoration or repair or restoration of the Property, but Mortgagee may condition such application upon reasonable conditions, including, without limitation: (i) the deposit with Mortgagee of such additional funds which Mortgagee determines are needed to pay all costs of the repair or restoration, (including, without limitation, taxes, financing charges, insurance and rent during the repair period); (ii) the establishment of an arrangement for lien releases and disbursement of funds acceptable to Mortgagee; (iii) the delivery to Mortgagee of plans and specifications for the work, a contract for the work signed by a contractor acceptable to Mortgagee, a cost breakdown for the work and a payment and performance bond for the work, all of which shall be acceptable to Mortgagee; and (iv) the delivery to Mortgagee of evidence acceptable to Mortgagee (aa) that after completion of the work the income from the Property will be sufficient to pay all expenses and debt service for the Property; (bb) of the continuation or replacement of Leases acceptable to and required by Mortgagee; (cc) that upon completion of the work, the size, capacity and total value of the Property will be at least substantially the same as it was before the damage or condemnation occurred; (dd)

that there has been no material adverse change in the financial condition or credit of Mortgagor or any Guarantor since the date of this Mortgage; and (ee) of the satisfaction of any additional conditions that Mortgagee may reasonably establish to protect its security. Mortgagor hereby acknowledges that the conditions described above are reasonable, and, if such conditions have not been satisfied within thirty (30) days of receipt by Mortgagee of such insurance or condemnation proceeds, then Mortgagee may apply such insurance or condemnation proceeds to pay the Secured Obligations in such order and amounts as Mortgagee in its sole discretion may choose.

5.5 Maintenance and Preservation of the Property. Subject to the provisions of the Credit Agreement, Mortgagor covenants: (a) to insure the Property and Collateral against such risks as Mortgagee may require as set forth in the Credit Agreement and any supplemental insurance provisions or requirements provided to Mortgagor by Mortgagee, and, at Mortgagee's request, to provide evidence of such insurance to Mortgagee, and to comply with the requirements of any insurance companies providing such insurance; (b) to keep the Property and Collateral in good condition and repair; (c) not to remove or demolish the Property or Collateral or any part thereof; (d) to complete or restore promptly and in good and workmanlike manner the Property and Collateral, or any part thereof which may be damaged or destroyed, without regard to whether Mortgagee elects to require that insurance proceeds be used to reduce the Secured Obligations as provided in that certain Section hereof entitled Damages; Insurance and Condemnation Proceeds; (e) to comply in all material respects with all laws, ordinances, regulations and standards, and all covenants, conditions, restrictions and equitable servitudes, whether public or private, of every kind and character which affect the Property or Collateral and pertain to acts committed or conditions existing thereon, including, without limitation, any work, alteration, improvement or demolition mandated by such laws, covenants or requirements; (f) not to commit or permit waste of the Property or Collateral, and (g) to do all other acts which from the character or use of the Property or Collateral may be reasonably necessary to maintain and preserve its value.

5.6 Required Insurance. Mortgagor shall at all times provide, maintain and keep in force or cause to be provided, maintained and kept in force with respect to the Property, at no expense to Mortgagee, policies of insurance in forms and amounts required of the Mortgagor by the Mortgagee pursuant to the Documents.

5.7 Defense and Notice of Losses; Claims and Actions. At Mortgagor's sole expense, Mortgagor shall protect, preserve and defend the Property and Collateral and title to and right of possession of the Property and Collateral, the security hereof and the rights and powers of Mortgagee hereunder against all adverse claims. Mortgagor shall give Mortgagee prompt notice in writing of the assertion of any claim, of the filing of any action or proceeding, of the occurrence of any material damage to the Property or Collateral and of any condemnation offer or action with respect to the Property or Collateral.

5.8 Due on Sale; Encumbrance. Except to the extent expressly permitted in the Credit Agreement, if the Property or any interest therein or if any direct or indirect ownership interest in Mortgagor shall be sold, under contract to sell, transferred, mortgaged, assigned,

further encumbered or leased, whether directly or indirectly, whether voluntarily, involuntarily or by operation of law, or if there shall be any change in the management of the Property or Mortgagor, in each case without the prior written consent of Mortgagee or as expressly permitted by or in accordance with the Credit Agreement, THEN Mortgagee, in its sole discretion, may at any time thereafter declare all Secured Obligations immediately due and payable.

5.9 Actions by Mortgagee. From time to time, without affecting the personal liability of any person for payment of any indebtedness or performance of any obligations secured hereby, Mortgagee, without liability therefor and without notice, may: (a) release all or any part of the Property from this Mortgage; (b) consent to the making of any map or plat thereof; and (c) join in any grant of easement thereon, any declaration of covenants and restrictions, or any extension agreement or any agreement subordinating the lien or charge of this Mortgage.

5.10 Releases, Extensions, Modifications and Additional Security. Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in the Property and Collateral or in any manner obligated under the Secured Obligations ("Interested Parties"), Mortgagee may, from time to time and without notice to Mortgagor (i) release any person or entity from liability for the payment or performance of any Secured Obligation; (ii) take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation; or (iii) accept additional security or release all or a portion of the Property and Collateral and other security for the Secured Obligations. None of the foregoing actions shall release or reduce the personal liability of any of said Interested Parties, or release or impair the priority of the lien of and security interests created by this Mortgage upon the Property, the Collateral or any other security provided herein or in the other Documents.

5.11 Subrogation. Mortgagee shall be subrogated to the lien of all encumbrances, whether released of record or not, paid in whole or in part by Mortgagee pursuant to the Documents or by the proceeds of any loan secured by this Mortgage.

5.12 Right of Inspection. Mortgagee, its agents, representatives and employees, may at all times during the term of the Loan during normal business hours and upon reasonable advance notice to Mortgagor, have the right of entry and free access to the Property; provided that suitable arrangements are made to minimize disruption of any business on the Property and respect the rights of the tenants, except following and during the continued existence of a Default when no notice is required.

ARTICLE 6
DEFAULT PROVISIONS

6.1 Default. For all purposes hereof, the term "Default" shall have the meaning given such term in the Credit Agreement.

6.2 Rights and Remedies. At any time after and during the continuance of a Default, Mortgagee shall have each and every one of the following rights and remedies in addition to Mortgagee's rights at law, equity, or under the other Documents:

(a) With or without notice, to declare all Secured Obligations immediately due and payable.

(b) With or without notice, and without releasing Mortgagor from any Secured Obligation, and without becoming a mortgagee in possession, to cure any breach or Default of Mortgagor and, in connection therewith, to enter upon the Property and do such acts and things as Mortgagee deems necessary or desirable to protect the security hereof, including, without limitation: (i) to appear in and defend any action or proceeding purporting to affect the security of this Mortgage or the rights or powers of Mortgagee under this Mortgage; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the sole judgment of Mortgagee, ranks or may rank senior in priority to or *pari passu* with this Mortgage, the judgment of Mortgagee being conclusive as between the parties hereto; (iii) to obtain insurance and to pay any premiums or charges with respect to insurance required to be carried under this Mortgage; or (iv) to employ counsel, accountants, contractors and other appropriate persons.

(c) To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this instrument as a deed of trust or mortgage or to obtain specific enforcement of the covenants of Mortgagor hereunder, and Mortgagor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Mortgagor waives the defense of laches and any applicable statute of limitations.

(d) To the extent this Mortgage may encumber more than one property, the Mortgagee at its sole option shall have the right to foreclose any one property or to foreclose en masse. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness to the decree for sale all costs, fees and expenses described in that certain Section hereof entitled Payment of Costs, Expenses and Attorney's Fees which may be paid or incurred by or on behalf of Mortgagee to prosecute such suit, and such other costs and fees including, but not limited to, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, accounting fees, brokerage commissions, costs of whatever nature or kind to protect and avoid impairment of the Property, and other related costs and fees as shall be necessary.

(e) To foreclose this Mortgage by action or advertisement, pursuant to the statutes of the State of North Dakota in such case made and provided, power being expressly granted to sell the Property at public auction and convey the same to the purchaser in fee simple and, out of the proceeds arising from such sale, to pay the Secured Obligations secured hereby with interest, and all legal costs and charges of such

foreclosure and the maximum attorneys' fees permitted by law, which costs, charges and fees Mortgagor agrees to pay.

(f) To apply to a court of competent jurisdiction for and obtain ex parte appointment of a receiver of the Property as a matter of strict right and without regard to the adequacy of the security for the repayment of the Secured Obligations, the existence of a declaration that the Secured Obligations are immediately due and payable, or the filing of a notice of default, and Mortgagor hereby consents to such ex parte appointment and waives notice of any hearing or proceeding for such appointment.

(g) To enter upon, possess, control, lease, manage and operate the Property or any part thereof, to take and possess all documents, books, records, papers and accounts of Mortgagor or the then owner of the Property, to make, terminate, enforce or modify Leases of the Property upon such terms and conditions as Mortgagee deems proper, to make repairs, alterations and improvements to the Property as necessary, in Mortgagee's sole judgment, to protect or enhance the security hereof.

(h) To resort to and realize upon the security hereunder and any other security now or later held by Mortgagee concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken non-judicial proceedings, or both, and to apply the proceeds received upon the Secured Obligations all in such order and manner as Mortgagee determines in its sole discretion.

(i) Upon sale of the Property at any foreclosure sale, Mortgagee may credit bid (as determined by Mortgagee in its sole and absolute discretion) all or any portion of the Secured Obligations. In determining such credit bid, to the extent permitted by law, Mortgagee may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Property as such appraisals may be discounted or adjusted by Mortgagee in its sole and absolute underwriting discretion; (ii) expenses and costs incurred by Mortgagee with respect to the Property prior to foreclosure; (iii) expenses and costs which Mortgagee anticipates will be incurred with respect to the Property after foreclosure, but prior to resale, including, without limitation, costs of structural reports and other due diligence, costs to carry the Property prior to resale, costs of resale (e.g. commissions, attorneys' fees, and taxes), costs of any hazardous materials clean-up and monitoring, costs of deferred maintenance, repair, refurbishment and retrofit, costs of defending or settling litigation affecting the Property, and lost opportunity costs (if any), including the time value of money during any anticipated holding period by Mortgagee; (iv) declining trends in real property values generally and with respect to properties similar to the Property; (v) anticipated discounts upon resale of the Property as a distressed or foreclosed property; (vi) the fact of additional collateral (if any), for the Secured Obligations; and (vii) such other factors or matters that Mortgagee (in its sole and absolute discretion) deems appropriate. In regard to the above, Mortgagor acknowledges and agrees that: (w) Mortgagee is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (x) this Section does not impose upon Mortgagee any additional obligations that are not

imposed by law at the time the credit bid is made; (y) the amount of Mortgagee's credit bid need not have any relation to any loan-to-value ratios specified in the Documents or previously discussed between Mortgagor and Mortgagee; and (z) Mortgagee's credit bid may be (at Mortgagee's sole and absolute discretion) higher or lower than any appraised value of the Property.

(j) Apply any sums then deposited or held in escrow or otherwise by or on behalf of Mortgagee in accordance with the terms of the Credit Agreement, this Mortgage or any other Document to the payment of the following items in any order in its sole discretion:

(i) Taxes and other charges;

(ii) Insurance Premiums;

(iii) Interest on the unpaid principal balance; or

(iv) All other sums payable pursuant to the Credit Agreement, this Mortgage and the other Documents, including, without limitation, advances made by Mortgagee pursuant to the terms of this Mortgage or the Credit Agreement;

(k) Upon the completion of any foreclosure of all or a portion of the Property, commence an action to recover any of the Secured Obligations that remains unpaid or unsatisfied.

(l) Exercise any and all remedies at law, equity, or under this Mortgage, the Credit Agreement or other Documents for such Default.

6.3 Application of Foreclosure Sale Proceeds. Except as may be otherwise required by applicable law, after deducting all costs, fees and expenses of Mortgagee, including, without limitation, cost of evidence of title and attorneys' fees in connection with sale and costs and expenses of sale and of any judicial proceeding wherein such sale may be made, all proceeds of any foreclosure sale shall be applied: (a) to payment of all sums expended by Mortgagee under the terms hereof and not then repaid, with accrued interest at the rate of interest specified in the Credit Agreement to be applicable on or after maturity or acceleration of the debt; (b) to payment of all other Secured Obligations; and (c) the remainder, if any, to the person or persons legally entitled thereto.

6.4 Application of Other Sums. All sums received by Mortgagee under this Mortgage other than those described in that certain Section hereof entitled Rights and Remedies or that certain Section hereof entitled Grant of License, less all costs and expenses incurred by Mortgagee or any receiver, including, without limitation, attorneys' fees, shall be applied in payment of the Secured Obligations in such order as Mortgagee shall determine in its sole discretion; provided, however, Mortgagee shall have no liability for funds not actually received by Mortgagee.

6.5 No Cure or Waiver. Neither Mortgagee's nor any receiver's entry upon and taking possession of all or any part of the Property and Collateral, nor any collection of rents,

issues, profits, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Secured Obligation, nor the exercise or failure to exercise of any other right or remedy by Mortgagee or any receiver shall cure or waive any breach, Default or notice of default under this Mortgage, or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and Mortgagor has cured all other defaults), or limit or impair the status of the security, or prejudice Mortgagee in the exercise of any right or remedy, or be construed as an affirmation by Mortgagee of any tenancy, lease or option or a subordination of the lien of or security interests created by this Mortgage.

6.6 Payment of Costs, Expenses and Attorneys' Fees. To the extent permitted under applicable law, Mortgagor agrees to pay to Mortgagee immediately and without demand all costs and expenses of any kind incurred by Mortgagee pursuant to this Article (including, without limitation, court costs and attorneys' fees, whether incurred in litigation or not, including, without limitation, at trial, on appeal or in any bankruptcy or other proceeding, or not and the costs of any appraisals obtained in connection with a determination of the fair value of the Property) with interest from the date of expenditure until said sums have been paid at the rate of interest then applicable to the principal balance or as allowed by applicable law. In addition, Mortgagor will pay the costs and fees for title searches, sale guarantees, publication costs, appraisal reports or environmental assessments made in preparation for and in the conduct of any such proceedings or suit. All of the foregoing amounts must be paid to Mortgagee as part of any reinstatement tendered hereunder. In the event of any legal proceedings, court costs and attorneys' fees shall be set by the court and not by jury and shall be included in any judgment obtained by Mortgagee.

6.7 Power to File Notices and Cure Defaults. Mortgagor hereby irrevocably appoints Mortgagee and its successors and assigns, as its attorney-in-fact, which agency is coupled with an interest, to prepare, execute and file or record any document necessary to create, perfect or preserve Mortgagee's security interests and rights in or to any of the Property and Collateral, and upon the occurrence of an event, act or omission which, with notice or passage of time or both, would constitute a Default, Mortgagee may perform any obligation of Mortgagor hereunder. Furthermore, Mortgagor hereby authorizes Mortgagee and its agents or counsel to file financing statements that indicate the collateral (i) as all assets of the Mortgagor or words of similar effect or (ii) as being of an equal, greater or lesser scope, or with greater or lesser detail, than as set forth in this Security Agreement and/or this Mortgage, on behalf of the Mortgagor.

6.8 Remedies Cumulative. All rights and remedies of Mortgagee provided hereunder are cumulative and are in addition to all rights and remedies provided by applicable law (including specifically that of foreclosure of this instrument as though it were a mortgage) or in any other agreements between Mortgagor and Mortgagee. No failure on the part of Mortgagee to exercise any of its rights hereunder arising upon any Default shall be construed to prejudice its rights upon the occurrence of any other or subsequent Default. No delay on the part of Mortgagee in exercising any such rights shall be construed to preclude it from the exercise thereof at any time while that Default is continuing. Mortgagee may enforce any one or more remedies or rights hereunder successively or

concurrently. By accepting payment or performance of any of the Secured Obligations after its due date, Mortgagee shall not waive the agreement contained herein that time is of the essence, nor shall Mortgagee waive either its right to require prompt payment or performance when due of the remainder of the Secured Obligations or its right to consider the failure to so pay or perform a Default.

ARTICLE 7
MISCELLANEOUS PROVISIONS

7.1 Notices. All notices, demands, or other communications under this Mortgage shall be made or given in accordance with Section 16.3 of the Credit Agreement.

7.2 Attorneys' Fees and Expenses; Enforcement. Upon and during the continuance of a Default, if all or any portion of the Secured Obligations is placed with an attorney for collection or if an attorney is engaged by Mortgagee to exercise rights or remedies or otherwise take actions to collect thereunder or under any other Document, or if suit be instituted for collection, reinforcement of rights and remedies, then in all events and to the extent permitted under applicable law, Mortgagor agrees to pay to Mortgagee all reasonable costs of collection, exercise of remedies or rights or other assertion of claims, including, but not limited to, attorneys' fees, whether or not court proceedings are instituted, and, where instituted, whether in district court, appellate court, or bankruptcy court. In the event of any legal proceedings, court costs and attorneys' fees shall be set by the court and not by jury and shall be included in any judgment obtained by Mortgagee.

7.3 No Waiver. No previous waiver and no failure or delay by Mortgagee in acting with respect to the terms of the Credit Agreement, the Documents or this Mortgage shall constitute a waiver of any breach, default, or failure of condition under the Credit Agreement, the Documents, this Mortgage or the obligations secured hereby. A waiver of any term of the Credit Agreement, the Documents, this Mortgage or of any of the obligations secured hereby must be made in writing and shall be limited to the express written terms of such waiver.

7.4 Severability. If any provision or obligation under this Mortgage shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision shall be deemed severed from this Mortgage and the validity, legality and enforceability of the remaining provisions or obligations shall remain in full force as though the invalid, illegal, or unenforceable provision had never been a part of this Mortgage.

7.5 Heirs, Successors and Assigns. Except as otherwise expressly provided under the terms and conditions herein, the terms of this Mortgage shall bind and inure to the benefit of the heirs, executors, administrators, nominees, successors and permitted assigns of the parties hereto, including, without limitation, subsequent owners of the Property or any part thereof; provided, however, that this Section does not waive or modify the provisions of that certain Section entitled Due on Sale or Encumbrance.

7.6 Attorney-In-Fact. Mortgagor hereby irrevocably appoints and authorizes Mortgagee as Mortgagor's attorney-in-fact, which agency is coupled with an interest, and as such

attorney-in-fact Mortgagee may, without the obligation to do so, execute and/or record in Mortgagee's or Mortgagor's name any notices, instruments or documents that Mortgagee deems appropriate to protect Mortgagee's interest under any of the Documents.

7.7 Time. Time is of the essence of each and every term herein.

7.8 Governing Law; Waiver of Jury Trial; Consent to Jurisdiction. IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS MORTGAGE AND THE OBLIGATIONS ARISING HEREUNDER WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NORTH DAKOTA, APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA. TO THE FULLEST EXTENT PERMITTED BY LAW, MORTGAGOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS MORTGAGE, AND THIS MORTGAGE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NORTH DAKOTA. TO THE FULLEST EXTENT PERMITTED BY LAW, MORTGAGOR AND MORTGAGEE HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION RELATING TO THE LOAN AND/OR THE DOCUMENTS. FURTHER, MORTGAGOR HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND FOREVER WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS MORTGAGE OR ANY OTHER DOCUMENT, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY MORTGAGOR, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. MORTGAGEE IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY THE OTHER PARTY. MORTGAGOR, TO THE FULLEST EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, (A) SUBMITS TO PERSONAL JURISDICTION IN THE STATE OF NORTH DAKOTA OVER ANY SUIT, ACTION OR PROCEEDING BY ANY PERSON ARISING FROM OR RELATING TO THIS MORTGAGE, (B) AGREES THAT ANY SUCH ACTION, SUIT OR PROCEEDING MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF NORTH DAKOTA, (C) SUBMITS TO THE JURISDICTION AND VENUE OF SUCH COURTS AND WAIVES ANY ARGUMENT THAT VENUE IN SUCH FORUMS IS NOT CONVENIENT, AND (D) AGREES THAT IT WILL NOT BRING ANY ACTION, SUIT OR PROCEEDING IN ANY OTHER FORUM (BUT NOTHING HEREIN WILL AFFECT THE RIGHT OF MORTGAGEE TO BRING ANY ACTION, SUIT OR PROCEEDING IN ANY OTHER FORUM).

7.9 Joint and Several Liability. The liability of all persons and entities obligated in any manner hereunder and under any of the Documents shall be joint and several.

7.10 Headings. All article, section or other headings appearing in this Mortgage are for convenience of reference only and shall be disregarded in construing this Mortgage.

7.11 Counterparts. To facilitate execution, this document may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single document. It shall not be necessary in making proof of this document to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

7.12 Powers of Attorney. The powers of attorney granted by Mortgagor to Mortgagee in this Mortgage shall be unaffected by the disability of the principal so long as any portion of the Loan remains unpaid or unperformed. Mortgagee shall have no obligation to exercise any of the foregoing rights and powers in any event. Mortgagee hereby discloses that it may exercise the foregoing powers of attorney for Mortgagee's benefit, and such authority need not be exercised for Mortgagor's best interest.

7.13 Defined Terms. Unless otherwise defined herein, capitalized terms used in this Mortgage shall have the meanings attributed to such terms in the Credit Agreement.

7.14 Provisions Subject to Applicable Law. All rights, powers and remedies provided in this Mortgage may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Mortgage or any application thereof will be invalid or unenforceable, the remainder of this Mortgage and any other application of the term will not be affected thereby.

7.15 Rules of Construction. The word "Mortgagor" as used herein shall include both the named Mortgagor and any other person at any time assuming or otherwise becoming primarily liable for all or any part of the obligations under the Credit Agreement, this Mortgage or the other Documents. The term "person" as used herein shall include any individual, company, trust or other legal entity of any kind whatsoever. The word "Mortgagee" as used herein shall include Mortgagee, its successors, assigns and affiliates. The term "Property" and "Collateral" means all and any part of the Property and Collateral, respectively, and any interest in the Property and Collateral, respectively.

7.16 Use of Singular and Plural; Gender. When the identity of the parties or other circumstances make it appropriate, the singular number includes the plural, and the masculine gender includes the feminine and/or neuter.

7.17 Exhibits, Schedules and Riders. All exhibits, schedules, riders and other items attached hereto are incorporated into this Mortgage by such attachment for all purposes.

7.18 Inconsistencies. In the event of any inconsistencies between the terms of this Mortgage and the terms of the Credit Agreement or other Documents, including without limitation, provisions regarding collection and application of Property revenue, required insurance, tax impounds, and transfers of the Property, the terms of the Credit Agreement shall prevail.

7.19 Merger. No merger shall occur as a result of Mortgagee's acquiring any other estate in, or any other lien on, the Property unless Mortgagee consents to a merger in writing and in accordance with the terms of the Credit Agreement.

7.20 Waiver of Marshalling Rights. To the extent permitted by applicable law, Mortgagor hereby waives the benefit of all appraisement, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein. Further, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, and on behalf of each and every Person acquiring any interest in or title to the Property subsequent to the date of this Mortgage and on behalf of all other Persons to the extent permitted by applicable law.

7.21 Advertising. In connection with the Loan, Mortgagor hereby agrees that Mortgagee may, with Mortgagor's prior written consent, publicly identify details of the Loan in any Mortgagee advertising and public communications of all kinds, including, but not limited to, press releases, direct mail, newspapers, magazines, journals, e-mail, or internet advertising or communications. Such details may include the name of the Property, the address of the Property, the amount of the Loan, the date of the closing and a description of the size/location of the Property.

7.22 Subordination of Property Manager's Lien. Any property management agreement for the Property entered into hereafter with a property manager shall contain a provision whereby the property manager agrees that any and all mechanics lien rights that the property manager or anyone claiming by, through or under the property manager may have in the Property shall be subject and subordinate to the lien of this Mortgage and shall provide that Mortgagee may terminate such agreement at any time after the occurrence of a Default hereunder. Such property management agreement or a short form thereof, at Mortgagee's request, shall be recorded with the County Recorder of the county where the Property is located. In addition, if the property management agreement in existence as of the date hereof does not contain a subordination provision, Mortgagor shall cause the property manager under such agreement to enter into a subordination of the management agreement with Mortgagee, in recordable form, whereby such property manager subordinates present and future lien rights and those of any party claiming by, through or under such property manager to the lien of this Mortgage.

7.23 Integration; Interpretation. The Documents contain or expressly incorporate by reference the entire agreement of the parties with respect to the matters contemplated therein and supersede all prior negotiations or agreements, written or oral. The Documents shall not be modified except by written instrument executed by all parties. Any reference to the Documents includes any amendments, renewals or extensions now or hereafter approved by Mortgagee in writing. The Documents grant further rights to Mortgagee and contain further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property and Collateral and such further rights and agreements are incorporated herein by this reference.

7.24 Hazardous Materials Representations. Without in any way limiting the other representations and warranties set forth in this Mortgage, and after reasonable investigation and inquiry, Mortgagor hereby represents and warrants to the best of Mortgagor's knowledge as of the date of hereof as follows:

(a) Hazardous Materials. The Property is not and has not been a site for the use, generation, manufacture, storage, treatment, release, threatened release, discharge, disposal, transportation or presence of any oil, flammable explosives, asbestos, urea formaldehyde insulation, mold, toxic mold, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials, including, without limitation, any substances which are "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "wastes," "regulated substances," "industrial solid wastes," or "pollutants or contaminates" under the Hazardous Materials Laws, as described below, and/or other applicable environmental laws, ordinances and regulations (collectively, the "Hazardous Materials"). "Hazardous Materials" shall not include commercially reasonable amounts of such materials used in the ordinary course of operation of the Property which are used and stored in accordance with all applicable Hazardous Materials Laws (as defined below).

(b) Hazardous Materials Laws. The Property and the Improvements are in compliance with all laws, ordinances and regulations relating to Hazardous Materials ("Hazardous Materials Laws"), including, without limitation: the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986, "CERCLA"), 42 U.S.C. Section 9601 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Hazardous Materials Transportation Act, as amended 49 U.S.C. Section 1801 et seq.; the Atomic Energy Act, as amended, 42 U.S.C. Section 2011 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, as amended, 7 U.S.C. Section 136 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651, the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; each as now and hereafter amended, and the regulations thereunder, and any other

applicable local, state and/or federal laws or regulations that govern (i) the existence, cleanup and/or remedy of contamination on the Property; (ii) the protection of the environment from released, spilled, deposited or otherwise emplaced contamination; (iii) the control of hazardous wastes; or (iv) the use, generation, transport, treatment, removal or recovery of Hazardous Materials, including any and all building materials.

7.25 Hazardous Materials Claims. There are no claims, actions, proceedings or investigations ("Hazardous Materials Claims") pending or threatened against Mortgagor or the Property by any governmental entity or agency or by any other person or entity relating to Hazardous Materials or pursuant to the Hazardous Materials Laws.

7.26 Hazardous Materials Covenants. Mortgagor agrees as follows:

(a) No Hazardous Activities. Mortgagor shall not cause or permit the Property to be used as a site for the use, generation, manufacture, storage, treatment, release, discharge, disposal, transportation or presence of any Hazardous Materials.

(b) Compliance. Mortgagor shall comply, and cause the Property to comply, with all Hazardous Materials Laws.

(c) Notices. Mortgagor shall immediately notify Mortgagee in writing of: (1) the discovery of any Hazardous Materials on, under or about the Property; (2) any knowledge by Mortgagor that the Property does not comply with any Hazardous Materials Laws; (3) any Hazardous Materials Claims; and (4) the discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to become contaminated with Hazardous Materials.

(d) Remedial Action. In response to the presence of any Hazardous Materials on, under or about the Property, Mortgagor shall immediately take, at Mortgagor's sole expense, all remedial action required by any Hazardous Materials Laws, regulatory agency, governing body or any judgment, consent decree, settlement or compromise in respect to any Hazardous Materials Claims.

(e) Inspection by Mortgagee. Upon reasonable prior notice to Mortgagor, Mortgagee and its employees and agents, may from time to time (whether before or after the commencement of a nonjudicial or judicial foreclosure proceeding) enter and inspect the Property for the purpose of determining the existence, location, nature and magnitude of any past or present release or threatened release of any Hazardous Materials into, onto, beneath or from the Property.

7.27 Hazardous Material Indemnity.

(a) MORTGAGOR HEREBY AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS INDEMNITEES FOR, FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, LIABILITIES, CLAIMS, ACTIONS, JUDGMENTS, COURT COSTS AND LEGAL OR OTHER EXPENSES (INCLUDING,

WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES) WHICH INDEMNITEES MAY INCUR AS A DIRECT OR INDIRECT CONSEQUENCE OF (A) THE USE, GENERATION, MANUFACTURE, STORAGE, TREATMENT, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, TRANSPORTATION OR PRESENCE OF ANY HAZARDOUS MATERIALS WHICH ARE FOUND IN, ON, UNDER, ABOUT OR MIGRATING FROM THE PROPERTY; (B) ANY VIOLATION OR CLAIM OF VIOLATION OF ANY HAZARDOUS MATERIALS LAWS WITH RESPECT TO THE PROPERTY; (C) ANY INDEMNITY CLAIM BY A THIRD PARTY AGAINST ONE OR MORE INDEMNITEES IN CONNECTION WITH ANY OF THE FOREGOING; OR (D) THE BREACH OF ANY COVENANTS (OR REPRESENTATIONS AND WARRANTIES) OF MORTGAGOR UNDER THIS INDEMNITY. SUCH INDEMNITY SHALL INCLUDE, WITHOUT LIMITATION: (I) THE COSTS, WHETHER FORESEEABLE OR UNFORESEEABLE, OF ANY REPAIR, CLEANUP OR DETOXIFICATION OF THE PROPERTY, OR THE REMOVAL OR REMEDIATION OF ANY HAZARDOUS MATERIALS (REGARDLESS OF THE MEDIUM) FROM THE PROPERTY, OR THE TAKING OF ANY EMERGENCY ACTION, WHICH IS REQUIRED BY ANY GOVERNMENTAL ENTITY OR IS OTHERWISE NECESSARY TO RENDER THE PROPERTY IN COMPLIANCE WITH ALL HAZARDOUS MATERIALS LAWS AND REGULATIONS; (II) ALL OTHER DIRECT OR INDIRECT CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY THIRD PARTY TORT CLAIMS OR GOVERNMENTAL CLAIMS, FINES OR PENALTIES AGAINST ANY AND ALL INDEMNITEES); AND (III) ALL COURT COSTS AND ATTORNEYS' FEES AND EXPENSES PAID OR INCURRED BY ANY AND ALL INDEMNITEES. EACH INDEMNITEES SHALL HAVE THE RIGHT AT ANY TIME TO APPEAR IN, AND TO PARTICIPATE IN AS A PARTY IF IT SO ELECTS, AND BE REPRESENTED BY COUNSEL OF ITS OWN CHOICE IN, ANY ACTION OR PROCEEDING INITIATED IN CONNECTION WITH ANY HAZARDOUS MATERIALS LAWS THAT AFFECT THE PROPERTY. MORTGAGOR SHALL IMMEDIATELY PAY TO THE APPLICABLE INDEMNITEES UPON DEMAND ANY AMOUNTS OWING UNDER THIS INDEMNITY, TOGETHER WITH INTEREST FROM THE DATE THE INDEBTEDNESS ARISES UNTIL PAID AT THE RATE OF INTEREST APPLICABLE TO THE PRINCIPAL BALANCE UNDER THE CREDIT AGREEMENT. FOR THE PURPOSES HEREOF, "INDEMNITEES" SHALL MEAN MORTGAGEE, MORTGAGEE'S PARENTS, SUBSIDIARIES AND AFFILIATES, ANY HOLDER OF OR PARTICIPANT IN THE LOAN, AND EACH OF THEIR RESPECTIVE DIRECTORS OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING.

(b) The term of the indemnity provided for herein will commence on the date hereof. Without in any way limiting the above, it is expressly understood that Mortgagor's duty to defend and indemnify the Indemnitees hereunder shall survive: (1) any judicial or non-judicial foreclosure under this Mortgage or any other Document, or transfer of the Property in lieu thereof; (2) the release, satisfaction or reconveyance

or partial release, satisfaction or reconveyance of this Mortgage; and (3) the satisfaction of all of Mortgagor's obligations under the Documents.

[*Remainder of page intentionally left blank. Signature and acknowledgement page(s) follow.*]

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first set forth above.

ENERGERA AMERICA INC.

By: _____
David Sobernheim
Its: COO

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 10 day of August, 2022, by David Sobernheim, the COO of Energera America Inc., a Delaware corporation, on behalf of said corporation.

_____
Notary Public (Signature)
My Commission Expires: 10/13/25

JAN ANDREW THOMAS MCKISSACK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20214040549
MY COMMISSION EXPIRES OCTOBER 13, 2025

EXHIBIT A

Attached to and made a part of the Mortgage, Assignment of Leases and Rents, Security Agreement, Financing Statement and Fixture Filing from Energera America Inc., as Mortgagor/Debtor, to HSBC Bank Canada, as Mortgagee/Secured Party.

Municipal Address:

2066 – 125th Avenue NW

Watford City, North Dakota 58854

Legal Description:

A tract located in S½NE¼, Section 19, Township 149 North, Range 98 West of the 5th P.M. McKenzie County, North Dakota, more particularly described as follows: Commencing at the Southeast Corner of said Section 19; thence N 15°38'16"W, a distance of 3572.62 feet to the Point of Beginning; thence S88°38'31"W, a distance of 1179.51 feet to a point lying on the centerline of 125th Avenue; thence along said centerline N22°21'06"W, a distance of 203.51 feet; thence N88°38'31"E, a distance of 1184.04 feet; thence S21°09'08"E, a distance of 201.93 feet to the Point of Beginning, known as Tract 8, now known as IT # 2279
AND
A tract located in S½NE¼, Section 19, Township 149 North, Range 98 West of the 5th P.M. McKenzie County, North Dakota, more particularly described as follows: Commencing at the Southeast Corner of said Section 19; thence N15°38'16"W, a distance of 3572.62 feet; thence N21°09'08"W, a distance of 201.93 feet to the point of beginning, thence S88°38'31"W, a distance of 1184.04 feet to a point lying on the centerline of 125th Avenue; thence along said centerline N22°21'06"W, a distance of 203.51 feet; thence N88°38'31"E, a distance of 1188.57 feet; thence S21°09'08"E, a distance of 201.93 feet to the Point of Beginning, known as Tract 9, now known as IT # 2280

This is **Exhibit 23** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z19648228

Transmitting Party

NORTON ROSE FULBRIGHT CANADA LLP

Suite 3700, 400- 3rd Avenue SW
Calgary, AB T2P 4H2

Party Code: 60003332
Phone #: 403 267 8222
Reference #: 1001247662

Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Business Debtor Search For:

ENERGERA INC.

Exact Result(s) Only Found

NOTE:

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

REGISTRAR OF PERSONAL PROPERTY

Business Debtor Search For:

ENERGERA INC.

Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Registration Number: 15072706482
Registration Date: 2015-Jul-27
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2030-Jul-27 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

19081233547	Amendment	2019-Aug-12
19102233613	Amendment	2019-Oct-22
20070634744	Renewal	2020-Jul-06
21091517794	Amendment	2021-Sep-15
25032409715	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INC. 145-26229 TOWNSHIP ROAD 531A ACHESON, AB T7X 5A4	Deleted by 19102233613

Block		Status
2	FRAC SHACK INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21091517794

Block		Status
3	ENERGERA INC. . 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21091517794

Search ID #: Z19648228

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 101 STREET EDMONTON, AB T5J 3P4	Deleted by 19081233547

Block		Status
2	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032409715

Block		Status
3	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032409715

Collateral: General

Block	Description	Status
1	All present and after-acquired personal property and proceeds.	Current

Search ID #: Z19648228

Business Debtor Search For:
ENERGERA INC.
Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Registration Number: 15081017585
Registration Date: 2015-Aug-10
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 3

Amendments to Registration

19081233615	Amendment	2019-Aug-12
19102233694	Amendment	2019-Oct-22
21091517906	Amendment	2021-Sep-15
25032409855	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INC. 145-26229 TOWNSHIP ROAD 531A ACHESON, AB T7X 5A4	Deleted by 19102233694

Block		Status
2	FRAC SHACK INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21091517906

Block		Status
3	ENERGERA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21091517906

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 - 101 STREET EDMONTON, AB T5J 3P4	Deleted by 19081233615

Block		Status
2	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032409855

Block		Status
3	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032409855

Business Debtor Search For:
ENERGERA INC.
Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Registration Number: 19070240593
Registration Date: 2019-Jul-02
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2029-Jul-02 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

19101826998	Amendment	2019-Oct-18
21091518009	Amendment	2021-Sep-15
25032409934	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INC. 136, 25901 114TH AVENUE ACHESON, AB T7X 6E2	Deleted by 19101826998
2	FRAC SHACK INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21091518009
3	ENERGERA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21091518009

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032409934

Search ID #: Z19648228

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032409934

Collateral: General

Block	Description	Status
1	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.	Current

Business Debtor Search For:
ENERGERA INC.
Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Registration Number: 19070240891
Registration Date: 2019-Jul-02
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 3

Amendments to Registration

19101827109	Amendment	2019-Oct-18
21091518085	Amendment	2021-Sep-15
25032410006	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INC. 136, 25901 114TH AVENUE ACHESON, AB T7X 6E2	Deleted by 19101827109
2	FRAC SHACK INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21091518085
3	ENERGERA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21091518085

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410006

Search ID #: Z19648228

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410006

Business Debtor Search For:
ENERGERA INC.
Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Registration Number: 21092937789
Registration Date: 2021-Sep-29
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 1

Amendments to Registration

25032410061	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	ENERGERA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 101ST STREET N.W. EDMONTON, AB T5J 3P4 Email: Aaron.x.pragnell@hsbc.ca	Deleted by 25032410061

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410061

Search ID #: Z19648228

Business Debtor Search For:
ENERGERA INC.
Search ID #: Z19648228 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:21

Registration Number: 21092937793
Registration Date: 2021-Sep-29
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2031-Sep-29 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

25032410144 Amendment 2025-Mar-24

Debtor(s)

Block		Status
1	ENERGERA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 101ST STREET N.W. EDMONTON, AB T5J 3P4 Email: Aaron.x.pragnell@hsbc.ca	Deleted by 25032410144

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410144

Collateral: General

Block	Description	Status
1	All present and after-acquired personal property of the Debtor.	Current

Result Complete

My Personal Property Registry

Help

Lindsey Ehredt | ELDOR-WAL REGISTRATIONS (1987) LTD.

Search Results

for Business Debtor Name "Energera Inc." as of January 26, 2026 at 7:58:59 am Pacific time

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

2 matches found | **2** exact matches
2 total matches in **2** registrations added to report

PDF Generate Search Result Report

Select All	Debtor Name
Exact Matches (2)	
exact match added	ENERGERA INC
exact match added	ENERGERA INC

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Energera Inc."

Search Date and Time: January 26, 2026 at 7:58:59 am Pacific time
Account Name: ELDOR-WAL REGISTRATIONS (1987) LTD.

TABLE OF CONTENTS

2 Matches in 2 Registrations in Report | Exact Matches: 2 (*) | Total Search Report Pages: 8

	Base Registration	Base Registration Date	Debtor Name	Page
1	608070L	July 2, 2019	* ENERGERA INC	2
2	274805N	September 29, 2021	* ENERGERA INC	6

Base Registration Number: 608070L

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	July 2, 2019 at 2:53:20 pm Pacific time
Current Expiry Date and Time:	July 2, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 26, 2026 at 7:58:59 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT

Address

16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

Debtor Information

FRAC SHACK INC

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

ENERGERA INC

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY; UNCRYSTALLIZED FLOATING CHARGE ON LAND; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ,ANY OTHER FORM OF PROCEEDS.

Original Registering Party

BORDEN LADNER GERVAIS LLP

Address

1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

HISTORY
(Showing most recent first)

AMENDMENT

Registration Date and Time: March 24, 2025 at 12:02:23 pm Pacific time
Registration Number: 122335R
Description:

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT
ADDED

Address
16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

HSBC BANK CANADA, AS AGENT
DELETED

Address
6TH FLOOR, 70 YORK STREET
TORONTO ON
M5J 1S9 Canada

HSBC BANK CANADA
DELETED

Address
6TH FLOOR, 70 YORK STREET
TORONTO ON
M5J 1S9 Canada

Registering Party Information

ELDOR-WAL REGISTRATIONS (1987) LTD.

Address
1200, 10123 99 STREET NW
EDMONTON AB
T5J 3H1 Canada

AMENDMENT

Registration Date and Time: September 15, 2021 at 3:53:03 pm Pacific time
Registration Number: 243998N
Description: DEBTOR NAME/ADDRESS CHANGE;

Debtor Information

ENERGERA INC

ADDED

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Registering Party Information

BORDEN LADNER GERVAIS LLP

Address

1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

AMENDMENT

Registration Date and Time: October 24, 2019 at 9:15:45 am Pacific time
Registration Number: 849710L
Description: DEBTOR NAME/ADDRESS CHANGE

Debtor Information

FRAC SHACK INC

ADDRESS CHANGED

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Registering Party Information

BORDEN LADNER GERVAIS LLP

Address

1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

Base Registration Number: 274805N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	September 29, 2021 at 6:06:33 pm Pacific time
Current Expiry Date and Time:	September 29, 2031 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 26, 2026 at 7:58:59 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT

Address

16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

Debtor Information

ENERGERA INC

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY; . UNCRYSTALLIZED FLOATING CHARGE ON LAND; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

Original Registering Party

NORTON ROSE FULBRIGHT CANADA LLP

Address

SUITE 1800-510 WEST GEORGIA ST
VANCOUVER BC
V6B 0M3 Canada

HISTORY

(Showing most recent first)

AMENDMENT - SECURED PARTIES AMENDED

Registration Date and Time: March 24, 2025 at 12:16:25 pm Pacific time
Registration Number: 122366R
Description:

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT

ADDED

Address

16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

HSBC BANK CANADA

DELETED

Address

10250 - 101ST STREET N.W.
EDMONTON AB
T5J 3P4 Canada

Registering Party Information

ELDOR-WAL REGISTRATIONS (1987) LTD.

Address

1200, 10123 99 STREET NW
EDMONTON AB
T5J 3H1 Canada

Saskatchewan
Personal Property Registry
Search Result

Searching Party: ELDOR-WAL REGISTRATION (1987) LTD.
Search Date: 26-Jan-2026 09:54:10
Search Type: Standard

Search #: 204965074
Client Reference:
Control #:

Search Criteria
Search By: Business Debtor Name
Business Name

Energera Inc.

The following list displays all matches & indicates the ones that were selected.
2 Registration(s) Found: Exacts (2) - Similars (0)

Selected	Match	Reg #	Registration Type	Debtor Name	City	Enforcement Instruction Reg #
Yes	Exact	301997094	Personal Property Security Agreement	ENERGERA INC.	Acheson	N/A
Yes	Exact	302216574	Personal Property Security Agreement	Energera Inc.	ACHESON	N/A

Saskatchewan
Personal Property Registry
Search Result

Current - Exact

Registration Type: Personal Property Security Agreement
Registration #: 301997094
Registration Date: 20-Jan-2020 16:12:36
Expiry Date: 20-Jan-2030

Event Type: Amendment
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Item #:	2	**Address:**	16 York Street, Suite 500 Box 64
Party ID:	154570988-1		Toronto, Ontario
Entity Type:	Business		M5J0E6
Name:	Royal Bank of Canada, as Agent		Canada

Debtor Party

* **Item #:**	1	**Address:**	11551 Bevington Road
Party ID:	153768352-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	ENERGERA INC.		Canada

General Property

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

History - Setup

Registration Type: Personal Property Security Agreement
Registration #: 301997094
Registration Date: 20-Jan-2020 16:12:36
Transaction #: 1
Expiry Date: 20-Jan-2030

Event Type: Setup
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Saskatchewan
Personal Property Registry
Search Result

Secured Party

Item #:	1	**Address:**	6th Floor, 70 York Street
Party ID:	152800074-1		Toronto, Ontario
Entity Type:	Business		M5J1S9
Name:	HSBC Bank Canada, As Agent		Canada

Debtor Party

Item #:	1	**Address:**	11551 Bevington Road
Party ID:	153391921-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	Frac Shack Inc.		Canada

General Property

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

History - Amendment

Amendment Date: 15-Sep-2021 11:31:34

Registration #: 301997094
Transaction #: 2

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Debtor Party

Action:	Update		
Item #:	1	**Address:**	11551 Bevington Road
Party ID:	153768352-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	ENERGERA INC.		Canada

History - Amendment

Amendment Date: 24-Mar-2025 13:07:43

Registration #: 301997094
Transaction #: 3

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Saskatchewan
Personal Property Registry
Search Result

Secured Party

Action:	Delete		
Item #:	1	**Address:**	6th Floor, 70 York Street
Party ID:	152800074-1		Toronto, Ontario
Entity Type:	Business		M5J1S9
Name:	HSBC Bank Canada, As Agent		Canada
Action:	Add		
Item #:	2	**Address:**	16 York Street, Suite 500 Box 64
Party ID:	154570988-1		Toronto, Ontario
Entity Type:	Business		M5J0E6
Name:	Royal Bank of Canada, as Agent		Canada

Saskatchewan
Personal Property Registry
Search Result

Current - Exact

Registration Type: Personal Property Security Agreement
Registration #: 302216574
Registration Date: 29-Sep-2021 19:15:13
Expiry Date: 29-Sep-2031

Event Type: Setup
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Item #:	1	**Address:**	10250 - 101st Street N.W.
Party ID:	153777868-1		EDMONTON, Alberta
Entity Type:	Business		T5J3P4
Name:	HSBC Bank Canada		Canada

Debtor Party

* **Item #:**	1	**Address:**	11551 Bevington Road
Party ID:	153777869-1		ACHESON, Alberta
Entity Type:	Business		T7X6C1
Name:	Energera Inc.		Canada

General Property

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

End of Search Result

This is **Exhibit 24** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z19648230

Transmitting Party

NORTON ROSE FULBRIGHT CANADA LLP

Suite 3700, 400- 3rd Avenue SW
Calgary, AB T2P 4H2

Party Code: 60003332
Phone #: 403 267 8222
Reference #: 1001247662

Search ID #: Z19648230 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:45

Business Debtor Search For:

ENERGERA INTERNATIONAL INC.

Exact Result(s) Only Found

NOTE:

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

REGISTRAR OF PERSONAL PROPERTY

Business Debtor Search For:

ENERGERA INTERNATIONAL INC.

Search ID #: Z19648230 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:45

Registration Number: 15072706448
Registration Type: SECURITY AGREEMENT
Registration Date: 2015-Jul-27
Registration Status: Current
Expiry Date: 2030-Jul-27 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

19081233679	Amendment	2019-Aug-12
19102233507	Amendment	2019-Oct-22
20070631634	Renewal	2020-Jul-06
21113010178	Amendment	2021-Nov-30
25032410263	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INTERNATIONAL INC. 145, 26229 TOWNSHIP ROAD 531A ACHESON, AB T7X 5A4	Deleted by 19102233507

Block		Status
2	FRAC SHACK INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21113010178

Block		Status
3	ENERGERA INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21113010178

Search ID #: Z19648230

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 101 STREET EDMONTON, AB T5J 3P4	Deleted by 19081233679

Block		Status
2	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410263

Block		Status
3	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410263

Collateral: General

Block	Description	Status
1	All present and after-acquired personal property and proceeds.	Current

Business Debtor Search For:
ENERGERA INTERNATIONAL INC.
Search ID #: Z19648230 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:45

Registration Number: 15081015774
Registration Date: 2015-Aug-10
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 3

Amendments to Registration

19081233745	Amendment	2019-Aug-12
19102233593	Amendment	2019-Oct-22
21113010248	Amendment	2021-Nov-30
25032410312	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INTERNATIONAL INC. 145, 26229 TOWNSHIP ROAD 531A ACHESON, AB T7X 5A4	Deleted by 19102233593

Block		Status
2	FRAC SHACK INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21113010248

Block		Status
3	ENERGERA INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21113010248

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 - 101 STREET EDMONTON, AB T5J 3P4	Deleted by 19081233745

Block		Status
2	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410312

Block		Status
3	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410312

Business Debtor Search For:
ENERGERA INTERNATIONAL INC.
Search ID #: Z19648230 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:45

Registration Number: 19070240686
Registration Date: 2019-Jul-02
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2029-Jul-02 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

19101827047	Amendment	2019-Oct-18
21113010321	Amendment	2021-Nov-30
25032410437	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INTERNATIONAL INC. 136, 25901 114TH AVENUE ACHESON, AB T7X 6E2	Deleted by 19101827047

Block		Status
2	FRAC SHACK INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21113010321

Block		Status
3	ENERGERA INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21113010321

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410437

Search ID #: Z19648230

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410437

Collateral: General

Block	Description	Status
1	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.	Current

Business Debtor Search For:
ENERGERA INTERNATIONAL INC.
Search ID #: Z19648230 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:45

Registration Number: 19070240972
Registration Date: 2019-Jul-02
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 3

Amendments to Registration

19101827126	Amendment	2019-Oct-18
21113010404	Amendment	2021-Nov-30
25032410467	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK INTERNATIONAL INC. 136, 25901 114TH AVENUE ACHESON, AB T7X 6E2	Deleted by 19101827126

Block		Status
2	FRAC SHACK INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 21113010404

Block		Status
3	ENERGERA INTERNATIONAL INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 21113010404

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410467

Search ID #: Z19648230

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410467

Search ID #: Z19648230

Business Debtor Search For:

ENERGERA INTERNATIONAL INC.

Search ID #: Z19648230 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:13:45

Registration Number: 23121317099
Registration Date: 2023-Dec-13
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2029-Dec-13 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	ENERGERA INTERNATIONAL INC. 136-25901 114 AVE ACHESON, AB T7X 6E2	Current

Secured Party / Parties

Block		Status
1	RICOH CANADA INC. 1290 CENTRAL PARKWAY W, SUITE 900 MISSISSAUGA, ON L5C 4R3 Email: absecparties@avssystems.ca	Current

Collateral: General

Block	Description	Status
1	ALL GOODS WHICH ARE PHOTOCOPIERS, MULTIFUNCTION DEVICES, PRINTERS, PRODUCTION PRINTERS, FAX MACHINES, PROJECTORS, VIDEO CONFERENCING, INTERACTIVE WHITEBOARDS, SERVERS, STORAGE, NETWORKING EQUIPMENT, SWITCHES, ROUTERS, COMPUTERS, LCD DISPLAYS AND SOFTWARE MANUFACTURED, DISTRIBUTED, OR SOLD BY RICOH CANADA INC. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.(REFERENCE NO. 5892724-001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UP-DATED FROM TIME TO TIME)	Current

My Personal Property Registry

Help

Lindsey Ehredt | ELDOR-WAL REGISTRATIONS (1987) LTD.

Search Results

for Business Debtor Name "Energera International Inc." as of January 26, 2026 at 8:00:51 am Pacific time

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

1 matches found | **1** exact matches
1 total matches in **1** registrations added to report

PDF Generate Search Result Report

Select All	Debtor Name
Exact Matches (1)	
exact match added	ENERGERA INTERNATIONAL INC.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Energera International Inc."

Search Date and Time: January 26, 2026 at 8:00:51 am Pacific time
Account Name: ELDOR-WAL REGISTRATIONS (1987) LTD.

TABLE OF CONTENTS

1 Match in 1 Registration in Report | Exact Matches: 1 (*) | Total Search Report Pages: 5

	Base Registration	Base Registration Date	Debtor Name	Page
1	608090L	July 2, 2019	* ENERGERA INTERNATIONAL INC.	2

Base Registration Number: 608090L

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	July 2, 2019 at 2:56:22 pm Pacific time
Current Expiry Date and Time:	July 2, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 26, 2026 at 8:00:51 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT

Address

16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

Debtor Information

ENERGERA INTERNATIONAL INC.

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY; UNCRYSTALLIZED FLOATING CHARGE ON LAND; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ,ANY OTHER FORM OF PROCEEDS.

Original Registering Party

BORDEN LADNER GERVAIS LLP

Address

1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

HISTORY
(Showing most recent first)

AMENDMENT

Registration Date and Time: March 24, 2025 at 11:56:09 am Pacific time
Registration Number: 122313R
Description:

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT
ADDED

Address
16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

HSBC BANK CANADA, AS AGENT
DELETED

Address
6TH FLOOR, 70 YORK STREET
TORONTO ON
M5J 1S9 Canada

HSBC BANK CANADA
DELETED

Address
6TH FLOOR, 70 YORK STREET
TORONTO ON
M5J 1S9 Canada

Registering Party Information

ELDOR-WAL REGISTRATIONS (1987) LTD.

Address
1200, 10123 99 STREET NW
EDMONTON AB
T5J 3H1 Canada

AMENDMENT - DEBTORS AMENDED

Registration Date and Time: May 15, 2023 at 9:10:06 am Pacific time
Registration Number: 535600P
Description: Amending Debtor name.

Debtor Information

ENERGERA INTERNATIONAL INC.
(Formerly FRAC SHACK INTERNATIONAL INC)
NAME CHANGED

Address
11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Registering Party Information

NORTON ROSE FULBRIGHT CANADA LLP

Address
VANCOUVER DIVISION
1800 510 WEST GEORGIA STREET
VANCOUVER BC
V6B 0M3 Canada

AMENDMENT

Registration Date and Time: October 24, 2019 at 9:19:20 am Pacific time
Registration Number: 849722L
Description: DEBTOR NAME/ADDRESS CHANGE

Debtor Information

FRAC SHACK INTERNATIONAL INC
ADDRESS CHANGED

Address
11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Registering Party Information

BORDEN LADNER GERVAIS LLP

Address
1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

Saskatchewan
Personal Property Registry
Search Result

Searching Party: ELDOR-WAL REGISTRATION (1987) LTD.
Search Date: 26-Jan-2026 09:54:23
Search Type: Standard

Search #: 204965075
Client Reference:
Control #:

Search Criteria
Search By: Business Debtor Name
Business Name

Energera International Inc.

The following list displays all matches & indicates the ones that were selected.
2 Registration(s) Found: Exacts (1) - Similars (1)

Selected	Match	Reg #	Registration Type	Debtor Name	City	Enforcement Instruction Reg #
Yes	Exact	301997095	Personal Property Security Agreement	Energera International Inc.	Acheson	N/A
No	Similar	301997096	Personal Property Security Agreement	Energera America Inc	Acheson	N/A

Saskatchewan
Personal Property Registry
Search Result

Current - Exact

Registration Type: Personal Property Security Agreement
Registration #: 301997095
Registration Date: 20-Jan-2020 16:12:46
Expiry Date: 20-Jan-2030

Event Type: Amendment
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Item #:	3	**Address:**	16 York Street, Suite 500 Box 64
Party ID:	154570988-1		Toronto, Ontario
Entity Type:	Business		M5J0E6
Name:	Royal Bank of Canada, as Agent		Canada

Debtor Party

* **Item #:**	1	**Address:**	11551 BEVINGTON ROAD
Party ID:	154570992-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	Energera International Inc.		Canada

General Property

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

History - Setup

Registration Type: Personal Property Security Agreement
Registration #: 301997095
Registration Date: 20-Jan-2020 16:12:46
Transaction #: 1
Expiry Date: 20-Jan-2030

Event Type: Setup
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Saskatchewan
Personal Property Registry
Search Result

Secured Party

Item #:	1	**Address:**	6TH FLOOR, 70 YORK STREET
Party ID:	153391924-1		Toronto, Ontario
Entity Type:	Business		M5J1S9
Name:	HSBC BANK CANADA, AS AGENT		Canada

Debtor Party

Item #:	1	**Address:**	11551 BEVINGTON ROAD
Party ID:	153391925-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	Frac Shack International Inc.		Canada

General Property

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

History - Amendment

Amendment Date: 24-Mar-2025 13:08:23

Registration #: 301997095
Transaction #: 2

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Action:	Delete		
Item #:	1	**Address:**	6TH FLOOR, 70 YORK STREET
Party ID:	153391924-1		Toronto, Ontario
Entity Type:	Business		M5J1S9
Name:	HSBC BANK CANADA, AS AGENT		Canada
Action:	Add		
Item #:	3	**Address:**	16 York Street, Suite 500 Box 64
Party ID:	154570988-1		Toronto, Ontario
Entity Type:	Business		M5J0E6
Name:	Royal Bank of Canada, as Agent		Canada

Debtor Party

Action:	Update		
Item #:	1	**Address:**	11551 BEVINGTON ROAD
Party ID:	154570992-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	Energera International Inc.		Canada

Saskatchewan
Personal Property Registry
Search Result

End of Search Result

This is **Exhibit 25** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z19648235

Transmitting Party

NORTON ROSE FULBRIGHT CANADA LLP

Suite 3700, 400- 3rd Avenue SW
Calgary, AB T2P 4H2

Party Code: 60003332
Phone #: 403 267 8222
Reference #: 1001247662

Search ID #: Z19648235 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:14:08

Business Debtor Search For:

ENERGERA AMERICA INC.

Exact Result(s) Only Found

NOTE:

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

REGISTRAR OF PERSONAL PROPERTY

Business Debtor Search For:
ENERGERA AMERICA INC.
Search ID #: Z19648235 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:14:08

Registration Number: 15072706514 Registration Type: SECURITY AGREEMENT
Registration Date: 2015-Jul-27 Registration Status: Current
Expiry Date: 2030-Jul-27 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

19081233404	Amendment	2019-Aug-12
19102233322	Amendment	2019-Oct-22
20070634755	Renewal	2020-Jul-06
23051513494	Amendment	2023-May-15
25032410532	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK AMERICA INC. 145-26229 TOWNSHIP ROAD 531A ACHESON, AB T7X 5A4	Deleted by 19102233322

Block		Status
2	FRAC SHACK AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 23051513494

Block		Status
3	ENERGERA AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 23051513494

Search ID #: Z19648235

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 101 STREET EDMONTON, AB T5J 3P4	Deleted by 19081233404

Block		Status
2	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410532

Block		Status
3	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410532

Collateral: General

Block	Description	Status
1	All present and after-acquired personal property and proceeds.	Current

Search ID #: Z19648235

Business Debtor Search For:
ENERGERA AMERICA INC.
Search ID #: Z19648235 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:14:08

Registration Number: 15081016329
Registration Date: 2015-Aug-10
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 3

Amendments to Registration

19081233472	Amendment	2019-Aug-12
19102233423	Amendment	2019-Oct-22
23051513529	Amendment	2023-May-15
25032410624	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK AMERICA INC. 145-26229 TOWNSHIP ROAD 531A ACHESON, AB T7X 5A4	Deleted by 19102233423

Block		Status
2	FRAC SHACK AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 23051513529

Block		Status
3	ENERGERA AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 23051513529

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA 10250 - 101 STREET EDMONTON, AB T5J 3P4	Deleted by 19081233472

Block		Status
2	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410624

Block		Status
3	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410624

Business Debtor Search For:
ENERGERA AMERICA INC.
Search ID #: Z19648235 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:14:08

Registration Number: 19070240781
Registration Date: 2019-Jul-02
Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2029-Jul-02 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

19101827052	Amendment	2019-Oct-18
23051513535	Amendment	2023-May-15
25032410687	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK AMERICA INC. 136, 25901 114TH AVENUE ACHESON, AB T7X 6E2	Deleted by 19101827052

Block		Status
2	FRAC SHACK AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 23051513535

Block		Status
3	ENERGERA AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 23051513535

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410687

Search ID #: Z19648235

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410687

Collateral: General

Block	Description	Status
1	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.	Current

Business Debtor Search For:
ENERGERA AMERICA INC.
Search ID #: Z19648235 **Date of Search:** 2026-Jan-26 **Time of Search:** 12:14:08

Registration Number: 19070241079
Registration Date: 2019-Jul-02
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 3

Amendments to Registration

19102233156	Amendment	2019-Oct-22
23051513546	Amendment	2023-May-15
25032410721	Amendment	2025-Mar-24

Debtor(s)

Block		Status
1	FRAC SHACK AMERICA INC. 136, 25901 114TH AVENUE ACHESON, AB T7X 6E2	Deleted by 19102233156

Block		Status
2	FRAC SHACK AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Deleted by 23051513546

Block		Status
3	ENERGERA AMERICA INC. 11551 BEVINGTON ROAD ACHESON, AB T7X 6C1	Current by 23051513546

Secured Party / Parties

Block		Status
1	HSBC BANK CANADA, AS AGENT 6TH FLOOR, 70 YORK STREET TORONTO, ON M5J 1S9 Email: edmcmbo@hsbc.ca	Deleted by 25032410721

Search ID #: Z19648235

Block		Status
2	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current by 25032410721

Result Complete

My Personal Property Registry

Help

Lindsey Ehredt | ELDOR-WAL REGISTRATIONS (1987) LTD.

Search Results

for Business Debtor Name "Energera America Inc." as of January 26, 2026 at 8:01:51 am Pacific time

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

1 matches found | **1** exact matches
1 total matches in **1** registrations added to report

PDF Generate Search Result Report

Select All	Debtor Name
Exact Matches (1)	
exact match added	ENERGERA AMERICA INC.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Energera America Inc."

Search Date and Time: January 26, 2026 at 8:01:51 am Pacific time
Account Name: ELDOR-WAL REGISTRATIONS (1987) LTD.

TABLE OF CONTENTS

1 Match in 1 Registration in Report | Exact Matches: 1 (*) | Total Search Report Pages: 5

	Base Registration	Base Registration Date	Debtor Name	Page
1	608080L	July 2, 2019	* ENERGERA AMERICA INC.	2

Base Registration Number: 608080L

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	July 2, 2019 at 2:54:57 pm Pacific time
Current Expiry Date and Time:	July 2, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 26, 2026 at 8:01:51 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT

Address

16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

Debtor Information

ENERGERA AMERICA INC.

Address

11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY; UNCRYSTALLIZED FLOATING CHARGE ON LAND; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ,ANY OTHER FORM OF PROCEEDS.

Original Registering Party

BORDEN LADNER GERVAIS LLP

Address

1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

HISTORY
(Showing most recent first)

AMENDMENT

Registration Date and Time: March 24, 2025 at 11:58:15 am Pacific time
Registration Number: 122320R
Description:

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT
ADDED

Address
16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

HSBC BANK CANADA, AS AGENT
DELETED

Address
6TH FLOOR, 70 YORK STREET
TORONTO ON
M5J 1S9 Canada

HSBC BANK CANADA
DELETED

Address
6TH FLOOR, 70 YORK STREET
TORONTO ON
M5J 1S9 Canada

Registering Party Information

ELDOR-WAL REGISTRATIONS (1987) LTD.

Address
1200, 10123 99 STREET NW
EDMONTON AB
T5J 3H1 Canada

AMENDMENT - DEBTORS AMENDED

Registration Date and Time: May 15, 2023 at 9:09:44 am Pacific time
Registration Number: 535599P
Description: Amending Debtor name.

Debtor Information

ENERGERA AMERICA INC.
(Formerly FRAC SHACK AMERICA INC)
NAME CHANGED

Address
11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Registering Party Information

NORTON ROSE FULBRIGHT CANADA LLP

Address
VANCOUVER DIVISION
1800 510 WEST GEORGIA STREET
VANCOUVER BC
V6B 0M3 Canada

AMENDMENT

Registration Date and Time: October 24, 2019 at 9:16:59 am Pacific time
Registration Number: 849713L
Description: DEBTOR NAME/ADDRESS CHANGE

Debtor Information

FRAC SHACK AMERICA INC
ADDRESS CHANGED

Address
11551 BEVINGTON ROAD
ACHESON AB
T7X 6C1 Canada

Registering Party Information

BORDEN LADNER GERVAIS LLP

Address
1200-200 BURRARD STREET
VANCOUVER BC
V7X 1T2 Canada

Saskatchewan
Personal Property Registry
Search Result

Searching Party: ELDOR-WAL REGISTRATION (1987) LTD.
Search Date: 26-Jan-2026 09:54:37
Search Type: Standard

Search #: 204965076
Client Reference:
Control #:

Search Criteria
Search By: Business Debtor Name
Business Name

Energera America Inc.

The following list displays all matches & indicates the ones that were selected.
2 Registration(s) Found: Exacts (0) - Similars (2)

Selected	Match	Reg #	Registration Type	Debtor Name	City	Enforcement Instruction Reg #
Yes	Similar	301997096	Personal Property Security Agreement	Energera America Inc	Acheson	N/A
No	Similar	301997095	Personal Property Security Agreement	Energera International Inc.	Acheson	N/A

Saskatchewan
Personal Property Registry
Search Result

Current - Similar

Registration Type: Personal Property Security Agreement
Registration #: 301997096
Registration Date: 20-Jan-2020 16:12:54
Expiry Date: 20-Jan-2030

Event Type: Amendment
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Item #:	2	**Address:**	16 York Street, Suite 500 Box 64
Party ID:	154570988-1		Toronto, Ontario
Entity Type:	Business		M5J0E6
Name:	Royal Bank of Canada, as Agent		Canada

Debtor Party

* **Item #:**	1	**Address:**	11551 BEVINGTON ROAD
Party ID:	154571001-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	Energera America Inc		Canada

General Property

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

History - Setup

Registration Type: Personal Property Security Agreement
Registration #: 301997096
Registration Date: 20-Jan-2020 16:12:54
Transaction #: 1
Expiry Date: 20-Jan-2030

Event Type: Setup
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Saskatchewan
Personal Property Registry
Search Result

Secured Party

Item #:	1	**Address:**	6TH FLOOR, 70 YORK STREET
Party ID:	153391924-1		Toronto, Ontario
Entity Type:	Business		M5J1S9
Name:	HSBC BANK CANADA, AS AGENT		Canada

Debtor Party

Item #:	1	**Address:**	11551 BEVINGTON ROAD
Party ID:	153391927-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	FRAC SHACK AMERICA INC.		Canada

General Property

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

History - Amendment

Amendment Date: 24-Mar-2025 13:09:42

Registration #: 301997096
Transaction #: 2

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Action:	Delete		
Item #:	1	**Address:**	6TH FLOOR, 70 YORK STREET
Party ID:	153391924-1		Toronto, Ontario
Entity Type:	Business		M5J1S9
Name:	HSBC BANK CANADA, AS AGENT		Canada
Action:	Add		
Item #:	2	**Address:**	16 York Street, Suite 500 Box 64
Party ID:	154570988-1		Toronto, Ontario
Entity Type:	Business		M5J0E6
Name:	Royal Bank of Canada, as Agent		Canada

Debtor Party

Action:	Update		
Item #:	1	**Address:**	11551 BEVINGTON ROAD
Party ID:	154571001-1		Acheson, Alberta
Entity Type:	Business		T7X6C1
Name:	Energera America Inc		Canada

Saskatchewan
Personal Property Registry
Search Result

End of Search Result

This is **Exhibit 26** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z19675909

Transmitting Party

NORTON ROSE FULBRIGHT CANADA LLP

Suite 3700, 400- 3rd Avenue SW
Calgary, AB T2P 4H2

Party Code: 60003332
Phone #: 403 267 8222
Reference #: 1001247662

Search ID #: Z19675909 **Date of Search:** 2026-Feb-02 **Time of Search:** 15:08:02

Business Debtor Search For:

SANDTINEL LLC

Exact Result(s) Only Found

NOTE:

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

REGISTRAR OF PERSONAL PROPERTY

Search ID #: Z19675909

Business Debtor Search For:
SANDTINEL LLC
Search ID #: Z19675909 **Date of Search:** 2026-Feb-02 **Time of Search:** 15:08:02

Registration Number: 26020229238 Registration Type: SECURITY AGREEMENT
Registration Date: 2026-Feb-02 Registration Status: Current
Expiry Date: 2036-Feb-02 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	SANDTINEL LLC 999 18TH STREET, SUITE 2025N DENVER, CO 80202	Current

Secured Party / Parties

Block		Status
1	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current

Collateral: General

Block	Description	Status
1	All present and after-acquired personal property of the Debtor.	Current

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z19675909

Business Debtor Search For:
SANDTINEL LLC
Search ID #: Z19675909 **Date of Search:** 2026-Feb-02 **Time of Search:** 15:08:02

Registration Number: 26020229256
Registration Date: 2026-Feb-02
Registration Type: LAND CHARGE
Registration Status: Current
Registration Term: Infinity

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	SANDTINEL LLC 999 18TH STREET, SUITE 2025N DENVER, CO 80202	Current

Secured Party / Parties

Block		Status
1	ROYAL BANK OF CANADA, AS AGENT 16 YORK STREET, SUITE 500 BOX 64 TORONTO, ON M5J 0E6 Email: torbscpr@rbc.com	Current

Result Complete

My Personal Property Registry

Help

Taylor Thurston | NORTON ROSE FULBRIGHT CANADA LLP

Search Results

for Business Debtor Name "SANDTINEL LLC" as of February 2, 2026 at 2:03:10 pm Pacific time

Folio Number: 1001247662

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

1 matches found | **1** exact matches
1 total matches in **1** registrations added to report

PDF Generate Search Result Report

Select All	Debtor Name
Exact Matches (1)	
exact match added	SANDTINEL LLC

Business Debtor - "SANDTINEL LLC"

Search Date and Time: February 2, 2026 at 2:03:10 pm Pacific time
Account Name: NORTON ROSE FULBRIGHT CANADA LLP
Folio Number: 1001247662

TABLE OF CONTENTS

1 Match in 1 Registration in Report | Exact Matches: 1 (*) | Total Search Report Pages: 3

	Base Registration	Base Registration Date	Debtor Name	Page
1	763162R	February 2, 2026	* SANDTINEL LLC	2

Base Registration Number: 763162R

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	February 2, 2026 at 2:02:07 pm Pacific time
Current Expiry Date and Time:	February 2, 2036 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 2, 2026 at 2:03:10 pm Pacific time)

Secured Party Information

ROYAL BANK OF CANADA, AS AGENT

Address

16 YORK STREET, SUITE 500 BOX 64
TORONTO ON
M5J 0E6 Canada

Debtor Information

SANDTINEL LLC

Address

999 18TH STREET, SUITE 2025N
DENVER CO
80202 United States of America

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTERACQUIRED PERSONAL PROPERTY; UNCRYSTALLIZED FLOATING CHARGE ON LAND; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND, ANY OTHER FORM OF PROCEEDS.

Original Registering Party

NORTON ROSE FULBRIGHT CANADA LLP

Address

VANCOUVER DIVISION
1800 510 WEST GEORGIA STREET
VANCOUVER BC
V6B 0M3 Canada

Saskatchewan
Personal Property Registry
Search Result

Searching Party: ELDOR-WAL REGISTRATION (1987) LTD.
Search Date: 02-Feb-2026 15:29:23
Search Type: Standard

Search #: 204971703
Client Reference:
Control #:

Search Criteria
Search By: Business Debtor Name
Business Name

Sandtinel LLC

The following list displays all matches & indicates the ones that were selected.
1 Registration(s) Found: Exacts (1) - Similars (0)

Selected	Match	Reg #	Registration Type	Debtor Name	City	Enforcement Instruction Reg #
Yes	Exact	302790372	Personal Property Security Agreement	Sandtinel LLC	Denver	N/A

Saskatchewan
Personal Property Registry
Search Result

Current - Exact

Registration Type: Personal Property Security Agreement
Registration #: 302790372
Registration Date: 02-Feb-2026 15:26:47
Expiry Date: 02-Feb-2036

Event Type: Setup
Transaction Reason: Regular

Notations
Trust Indenture: No

Registrant

Party ID:	153171375-1	**Address:**	1200, 10123 99 St NW
Entity Type:	Business		Edmonton, Alberta
Name:	ELDOR-WAL REGISTRATION (1987) LTD.		T5J3H1
			Canada

Secured Party

Item #:	1	**Address:**	16 YORK STREET, SUITE 500 BOX 64
Party ID:	154781827-1		TORONTO, Ontario
Entity Type:	Business		M5J0E6
Name:	ROYAL BANK OF CANADA, AS AGENT		Canada

Debtor Party

* **Item #:**	1	**Address:**	999 18th Street, Suite 2025N
Party ID:	154781828-1		Denver, Colorado
Entity Type:	Business		80202
Name:	Sandtinel LLC		United States of America

General Property

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

End of Search Result

This is **Exhibit 27** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

CT Corporation
a Wolters Kluwer Business

Search Results

AMANDA CZINGER
Norton Rose Fulbright Canada LLP
3700 - 400 - 3rd Avenue S.W.
Calgary, AB T2P 4-2

Date: 01/27/2026
Order #: 107464691
Customer #: 507036
Reference 1: 1001247662
Reference 2: --

Target Name: **Energera America Inc.**

Jurisdiction: **Secretary of State, Delaware**

Search Type:	**Federal Tax Lien**	**Searched Through: 01/16/2026**
Results:	No Records Found /See Attached Certified Search	Searched: 10 Years
Search Type:	**UCC Lien**	**Searched Through: 01/16/2026**
Results:	See Attached Certified Search with 1 Copy Attached	Searched: 5 Years

JOHN MURPHY
UCC Team 2
208 S. LaSalle Street
Suite 814
Chicago, IL 60604
312.288.3547
J.Murphy@wolterskluwer.com

This report contains information compiled from sources which CT Corporation considers reliable but does not control. The information provided is not a certified record of the applicable jurisdiction unless otherwise indicated. CT Corporation does not (i) warrant or guarantee the accuracy, completion or timeliness of the information provided or (ii) accept any liability for delays, errors or omissions in the information provided. CT Corporation is not an insurer with regard to this information or these services. Under no circumstances shall CT Corporation be liable for any loss of underlying collateral or loss (or decreased priority) of security interest in connection with this information or these services. Any categorization of search results is provided for convenience only and is not to be construed as a legal opinion concerning the status of filings .

Delaware

The First State

CERTIFICATE

SEARCHED JANUARY 26, 2026 AT 4:08 P.M.
FOR DEBTOR, ENERGERA AMERICA INC.

1 OF 1 FINANCING STATEMENT 20251918116

EXPIRATION DATE: 03/19/2030

DEBTOR:	ENERGERA AMERICA INC.	
	11551 BEVINGTON ROAD	ADDED 03-19-25
	ACHESON, AB CA T7X6CL	
SECURED:	ROYAL BANK OF CANADA, AS AGENT	
	16 YORK STREET, SUITE 500 BOX 64	ADDED 03-19-25
	TORONTO, ON CA M5J0E6	

F I L I N G H I S T O R Y

20251918116 FILED 03-19-25 AT 12:10 P.M. FINANCING STATEMENT

E N D O F F I L I N G H I S T O R Y

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, ENERGERA AMERICA INC. AS OF JANUARY 16, 2026 AT 11:59 P.M.

C. B. Sanchez

Charuni Patibanda-Sanchez, Secretary of State

20265711576-UCC11
SR# 20260295654

Authentication: 202914868
Date: 01-26-26

You may verify this certificate online at corp.delaware.gov/authver.shtml

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

Delaware Department of State
U.C.C. Filing Section
Filed: 12:10 PM 03/19/2025
U.C.C. Initial Filing No: 2025 1918116

Service Request No: 20251128332

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME: **Energera America Inc.**

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 Bevington Road	Acheson	AB	T7X 6C1	CA

1d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
Not Applicable			Delaware	5067995 ☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME:

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

2d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
Not Applicable				☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME: **Royal Bank of Canada, as Agent**

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
16 York Street, Suite 500 Box 64	Toronto	ON	M5J 0E6	CA

4. This FINANCING STATEMENT covers the following collateral:

All assets whether tangible or intangible, whether now owned or hereafter acquired or coming into existence, and wherever located, and all proceeds thereof.

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☑ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

To be filed with the Secretary of the State of Delaware.

FILING OFFICE COPY — UCC FINANCING STATEMENT (FORM UCC1) (REV. 05/22/02)

This is **Exhibit 28** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

CT Corporation
a Wolters Kluwer Business

Search Results

AMANDA CZINGER
Norton Rose Fulbright Canada LLP
3700 - 400 - 3rd Avenue S.W.
Calgary, AB T2P 4-2

Date: 01/27/2026
Order #: 107464691
Customer #: 507036
Reference 1: 1001247662
Reference 2: --

Target Name: **Sandtinel LLC**

Jurisdiction: **Secretary of State, Delaware**

Search Type:	**Federal Tax Lien**	**Searched Through: 01/16/2026**
Results:	No Records Found /See Attached Certified Search	Searched: 10 Years
Search Type:	**UCC Lien**	**Searched Through: 01/16/2026**
Results:	See Attached Certified Search with 1 Copy Attached	Searched: 5 Years

JOHN MURPHY
UCC Team 2
208 S. LaSalle Street
Suite 814
Chicago, IL 60604
312.288.3547
J.Murphy@wolterskluwer.com

This report contains information compiled from sources which CT Corporation considers reliable but does not control. The information provided is not a certified record of the applicable jurisdiction unless otherwise indicated. CT Corporation does not (i) warrant or guarantee the accuracy, completion or timeliness of the information provided or (ii) accept any liability for delays, errors or omissions in the information provided. CT Corporation is not an insurer with regard to this information or these services. Under no circumstances shall CT Corporation be liable for any loss of underlying collateral or loss (or decreased priority) of security interest in connection with this information or these services. Any categorization of search results is provided for convenience only and is not to be construed as a legal opinion concerning the status of filings .

Delaware

The First State

CERTIFICATE

SEARCHED JANUARY 26, 2026 AT 4:09 P.M.
FOR DEBTOR, SANDTINEL LLC

1 OF 1 FINANCING STATEMENT 20253716617

EXPIRATION DATE: 05/23/2030

DEBTOR: SANDTINEL LLC

999 18TH STREET, SUITE 2025N ADDED 05-23-25

DENVER, CO US 80202

SECURED: ROYAL BANK OF CANADA, AS AGENT

16 YORK STREET, SUITE 500 ¿¿¿ 64 ADDED 05-23-25

TORONTO, ON CA M5J6

F I L I N G H I S T O R Y

20253716617 FILED 05-23-25 AT 2:52 P.M. FINANCING STATEMENT

E N D O F F I L I N G H I S T O R Y

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, SANDTINEL LLC AS OF JANUARY 16, 2026 AT 11:59 P.M.

C. B. Sanchez

Charuni Patibanda-Sanchez, Secretary of State

20265711597-UCC11
SR# 20260295682

Authentication: 202914880
Date: 01-26-26

You may verify this certificate online at corp.delaware.gov/authver.shtml

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

Delaware Department of State
U.C.C. Filing Section
Filed: 02:52 PM 05/23/2025
U.C.C. Initial Filing No: 2025 3716617

Service Request No: 20252619859

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700-400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name). If any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information as item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME
Sandtinel LLC

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
999 18th Street, Suite 2025N	Denver	CO	80202	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name). If any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information as item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
16 York Street, Suite 500 Box 64	Toronto	ON	M5J 0E6	CA

4. COLLATERAL: This financing statement covers the following collateral:

ALL ASSETS WHETHER TANGIBLE OR INTANGIBLE, WHETHER NOW OWNED OR HEREAFTER ACQUIRED OR COMING INTO EXISTENCE, AND WHEREVER LOCATED, AND ALL PROCEEDS THEREOF.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: ☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: ☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the State of Delaware.

This is **Exhibit 29** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

CT Corporation
a Wolters Kluwer Business

Search Results

AMANDA CZINGER
Norton Rose Fulbright Canada LLP
3700 - 400 - 3rd Avenue S.W.
Calgary, AB T2P 4-2

Date: 01/27/2026
Order #: 107464691
Customer #: 507036
Reference 1: 1001247662
Reference 2: --

Target Name: **Energera Inc.**

Jurisdiction: **Recorder of Deeds, Dist. of Columbia**

Search Type: **UCC Lien**
Results: See Attached Listing of Records Found with 14 Copies Attached

Searched Through: 01/21/2026
Searched: 5 Years

JOHN MURPHY
UCC Team 2
208 S. LaSalle Street
Suite 814
Chicago, IL 60604
312.288.3547
J.Murphy@wolterskluwer.com

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File Number	File Date	Type of Filing	Party
2019071797	7/8/2019	Original Financing Statement	HSBC BANK CANADA
2019114392	10/23/2019	Amendment	
2021123268	9/15/2021	Amendment	
2021123931	9/16/2021	Amendment	
2025029291	3/25/2025	Amendment	
2025029312	3/25/2025	Amendment	
2025044935	5/8/2025	Original Financing Statement	ROYAL BANK OF CANADA, AS AGENT

Doc #: 2019071797
07/08/2019 04:05 PM

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
MEL GLINA

B. E-MAIL CONTACT AT FILER (optional)
MEL.GLINA@BRACEWELL.COM

C. SEND ACKNOWLEDGMENT TO: (Name and Address)
CAPITOL SERVICES, INC.

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME: FRAC SHACK INC.

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
136, 25901 - 114TH AVENUE	ACHESON		T7X 6E2	CAN

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME: HSBC BANK CANADA, AS AGENT

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
70 YORK STREET, 6TH FLOOR	TORONTO		M5J 1S9	CAN

4. COLLATERAL: This financing statement covers the following collateral:
ALL ASSETS WHETHER TANGIBLE OR INTANGIBLE, WHETHER NOW OWNED OR HEREAFTER ACQUIRED OR COMING INTO EXISTENCE, AND WHEREVER LOCATED, AND ALL PROCEEDS THEREOF.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: ☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: ☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
0035804.000007 - DC - DISTRICT OF COLUMBIA

Doc #: 2019071797
Filed & Recorded
07/08/2019 04:05 PM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$6.50
TOTAL:	$31.50

[redacted]

2019114392-2

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
MEL GLINA

B. E-MAIL CONTACT AT FILER (optional)
MEL.GLINA@BRACEWELL.COM

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

CAPITOL SERVICES

Return Acknowledgement to:

Capitol Services, Inc.
PO Box 1831
Austin, TX 78767
800 345-4647

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071797 FILED ON 07/08/2019

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☒ PARTY INFORMATION CHANGE:

Check one of these two boxes: This Change affects ☒ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to: ☒ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c ☐ ADD name: Complete item 7a or 7b, and item 7c ☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME: FRAC SHACK INC.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME: FRAC SHACK INC.

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 BEVINGTON ROAD	ACHESON		T7X 6C1	CAN

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral

Indicate collateral

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
HSBC BANK CANADA, AS AGENT

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
0035804.000007 - FRAC SHACK INC. - DC - DISTRICT OF COLUMBIA

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS

11 INITIAL FINANCING STATEMENT FILE NUMBER: Same as item 1a on Amendment form
2019071797

12 NAME OF PARTY AUTHORIZING THIS AMENDMENT: Same as item 9 on Amendment form

12a ORGANIZATION'S NAME
HSBC BANK CANADA, AS AGENT

OR

12b INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

13 Name of DEBTOR on related financing statement (Name of a current Debtor of record required for indexing purposes only in some filing offices - see Instruction item 13): Provide only one Debtor name (13a or 13b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name), see instructions if name does not fit

13a ORGANIZATION'S NAME FRAC SHACK INC.

OR

13b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

14 ADDITIONAL SPACE FOR ITEM 8 (Collateral)

Doc #: 2019114392 Fees: $31.50
10/23/2019 10:13 AM Pages: 2
Filed and Recorded in Official Records of
WASH DC RECORDER OF DEEDS IDA WILLIAMS

RECORDING FEES	$25.00
SURCHARGE	$6.50

15 This FINANCING STATEMENT AMENDMENT
☐ covers timber to be cut ☐ covers as-extracted collateral ☐ is filed as a fixture filing

16 Name and address of a RECORD OWNER of real estate described in item 17
(if Debtor does not have a record interest)

17 Description of real estate

18 MISCELLANEOUS:

Doc #: 2021123268
09/15/2021 08:36 AM

[redacted]

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. E-MAIL CONTACT AT FILER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071797 filed in DC on 07/08/2019

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☑ PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☑ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to:
☑ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c
☐ ADD name: Complete item 7a or 7b, and item 7c
☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
FRAC SHACK INC.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME
ENERGERA INC.

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral

Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
District of Columbia Filing - Matter 1001170385

Doc #: 2021123268
Filed & Recorded
09/15/2021 08:36 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$6.50
TOTAL:	$31.50

Doc #: 2021123931
09/16/2021 08:38 AM

[redacted]

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
Roba Haymour (403) 266-2981

B. E-MAIL CONTACT AT FILER (optional)
cnn2@cnnsearch.com T1H

C. SEND ACKNOWLEDGMENT TO: (Name and Address) 010587 001

CSC
801 Adlai Stevenson Drive
Springfield, IL 62703

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071797

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
File: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☑ PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☑ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to:
☑ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c
☐ ADD name: Complete item 7a or 7b, and item 7c
☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
Frac Shack Inc.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME
Energera Inc.

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 Bevington Road	Acheson	AB	T7X6C1	Canada

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral

Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
HSBC Bank Canada, as agent

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
BLG - DC registration

Doc #: 2021123931
Filed & Recorded
09/16/2021 08:38 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$6.50
TOTAL:	$31.50

Doc #: 2025029291
03/25/2025 08:03 AM

[redacted]

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071797 (0035804.000007)

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party(y)(ies) authorizing this Termination Statement

3. ☐ ASSIGNMENT. Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9; check ASSIGN Collateral box in item 8 and describe the affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☑ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to:
☑ CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c ☐ ADD name: Complete item 7a or 7b, and item 7c ☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
Frac Shack Inc.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME
Energera Inc.

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 Bevington Road	Acheson	AB	T7X 6C1	CA

8. COLLATERAL CHANGE: Check only one box: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN* collateral

Indicate collateral:

*Check ASSIGN COLLATERAL only if the assignee's power to amend the record is limited to certain collateral and describe the collateral in Section 8

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the District of Columbia.

Doc #: 2025029291
Filed & Recorded
03/25/2025 08:03 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$5.00
TOTAL:	$30.00

Doc #: 2025029312
03/25/2025 08:49 AM

[redacted]

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071797 (0035804.000007)

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party(y)(ies) authorizing this Termination Statement

3. ☐ ASSIGNMENT. Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9; check ASSIGN Collateral box in item 8 and describe the affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☐ Debtor or ☑ Secured Party of record

AND Check one of these three boxes to:
☒ CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c
☐ ADD name. Complete item 7a or 7b, and item 7c
☐ DELETE name. Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
HSBC Bank Canada, as Agent

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
16 York Street, Suite 500 Box 64	Toronto	ON	M5J 0E6	CA

8. COLLATERAL CHANGE: Check only one box: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN* collateral

Indicate collateral:

*Check ASSIGN COLLATERAL only if the assignee's power to amend the record is limited to certain collateral and describe the collateral in Section 8

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the District of Columbia. - Debtor: Energera Inc.

Doc #: 2025029312
Filed & Recorded
03/25/2025 08:49 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$5.00
TOTAL:	$30.00

Doc #: 2025044935
05/08/2025 10:56 AM

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME
Energera Inc.

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 Bevington Road	Acheson	AB	T7X 6C1	CA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
16 York Street, Suite 500 Box 64	Toronto	ON	M5J 0E6	CA

4. COLLATERAL: This financing statement covers the following collateral:

All assets whether tangible or intangible, whether now owned or hereafter acquired or coming into existence, and wherever located, and all proceeds thereof.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box.
☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box.
☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the District of Columbia

Doc #: 2025044935
Filed & Recorded
05/08/2025 10:56 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$5.00
TOTAL:	$30.00

This is **Exhibit 30** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

CT Corporation
a Wolters Kluwer Business

Search Results

AMANDA CZINGER
Norton Rose Fulbright Canada LLP
3700 - 400 - 3rd Avenue S.W.
Calgary, AB T2P 4-2

Date: 01/27/2026
Order #: 107464691
Customer #: 507036
Reference 1: 1001247662
Reference 2: --

Target Name: **Energera International Inc.**

Jurisdiction: **Recorder of Deeds, Dist. of Columbia**

Search Type: **UCC Lien**
Results: See Attached Listing of Records Found with 10 Copies Attached

Searched Through: 01/21/2026
Searched: 5 Years

JOHN MURPHY
UCC Team 2
208 S. LaSalle Street
Suite 814
Chicago, IL 60604
312.288.3547
J.Murphy@wolterskluwer.com

This report contains information compiled from sources which CT Corporation considers reliable but does not control. The information provided is not a certified record of the applicable jurisdiction unless otherwise indicated. CT Corporation does not (i) warrant or guarantee the accuracy, completion or timeliness of the information provided or (ii) accept any liability for delays, errors or omissions in the information provided. CT Corporation is not an insurer with regard to this information or these services. Under no circumstances shall CT Corporation be liable for any loss of underlying collateral or loss (or decreased priority) of security interest in connection with this information or these services. Any categorization of search results is provided for convenience only and is not to be construed as a legal opinion concerning the status of filings .

File Number	File Date	Type of Filing	Party
2019071796	7/8/2019	Original Financing Statement	HSBC BANK CANADA, as Agent
2019114391	10/23/2019	Amendment	
2025029310	3/25/2025	Amendment	ROYAL BANK OF CANADA, as Agent
2025029313	3/25/2025	Amendment	
2025044961	5/8/2025	Original Financing Statement	ROYAL BANK OF CANADA, as Agent

Doc #: 2019071796
07/08/2019 04:05 PM

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
MEL GLINA

B. E-MAIL CONTACT AT FILER (optional)
MEL.GLINA@BRACEWELL.COM

C. SEND ACKNOWLEDGMENT TO: (Name and Address)
CAPITOL SERVICES, INC.

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME: FRAC SHACK INTERNATIONAL INC.

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
136, 25901 - 114TH AVENUE	ACHESON		T7X 6E2	CAN

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME: HSBC BANK CANADA, AS AGENT

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
70 YORK STREET, 6TH FLOOR	TORONTO		M5J 1S9	CAN

4. COLLATERAL: This financing statement covers the following collateral:
ALL ASSETS WHETHER TANGIBLE OR INTANGIBLE, WHETHER NOW OWNED OR HEREAFTER ACQUIRED OR COMING INTO EXISTENCE, AND WHEREVER LOCATED, AND ALL PROCEEDS THEREOF.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box.
☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
0035804.000007 - DC - DISTRICT OF COLUMBIA

Doc #: 2019071796
Filed & Recorded
07/08/2019 04:05 PM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$6.50
TOTAL:	$31.50

[redacted]

2019114391-2

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
MEL GLINA

B. E-MAIL CONTACT AT FILER (optional)
MEL.GLINA@BRACEWELL.COM

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

CAPITOL SERVICES

Return Acknowledgement to:

Capitol Services, Inc.
P.O. Box 1831
Austin, TX 78767
800-345-4647

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071796 FILED ON 07/08/2019

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☒ PARTY INFORMATION CHANGE:

Check one of these two boxes: This Change affects ☒ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to: ☒ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c ☐ ADD name: Complete item 7a or 7b, and item 7c ☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME FRAC SHACK INTERNATIONAL INC.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME FRAC SHACK INTERNATIONAL INC.

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 BEVINGTON ROAD	ACHESON		T7X 6C1	CAN

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral

Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
HSBC BANK CANADA, AS AGENT

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
0035804.000007 - FRAC SHACK INTERNATIONAL INC. - DC - DISTRICT OF COLUMBIA

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS

11 INITIAL FINANCING STATEMENT FILE NUMBER Same as item 1a on Amendment form
2019071796

12 NAME OF PARTY AUTHORIZING THIS AMENDMENT Same as item 9 on Amendment form

12a ORGANIZATION'S NAME
HSBC BANK CANADA, AS AGENT

OR

12b INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

13 Name of DEBTOR on related financing statement (Name of a current Debtor of record required for indexing purposes only in some filing offices - see Instruction item 13). Provide only one Debtor name (13a or 13b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name), see Instructions if name does not fit

13a ORGANIZATION'S NAME FRAC SHACK INTERNATIONAL INC.

OR

13b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

14. ADDITIONAL SPACE FOR ITEM 8 (Collateral)

Doc #: 2019114391 Fees: $31.50
10/23/2019 10:13 AM Pages: 2
Filed and Recorded in Official Records of
WASH DC RECORDER OF DEEDS IDA WILLIAMS

RECORDING FEES $25.00
SURCHARGE $6.50

15 This FINANCING STATEMENT AMENDMENT
☐ covers timber to be cut ☐ covers as-extracted collateral ☐ is filed as a fixture filing

16 Name and address of a RECORD OWNER of real estate described in item 17
(if Debtor does not have a record interest)

17 Description of real estate

18. MISCELLANEOUS:

Doc #: 2025029310
03/25/2025 08:48 AM

[redacted]

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071796 (0035804.000007)

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party(y)(ies) authorizing this Termination Statement

3. ☐ ASSIGNMENT. Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9; check ASSIGN Collateral box in item 8 and describe the affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:

This Change affects ☐ Debtor or ☑ Secured Party of record

AND Check one of these three boxes to:

☒ CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c ☐ ADD name. Complete item 7a or 7b, and item 7c ☐ DELETE name. Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
HSBC Bank Canada, as Agent

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
16 York Street, Suite 500 Box 64	Toronto	ON	M5J 0E6	CA

8. COLLATERAL CHANGE: Check only one box: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN* collateral

Indicate collateral:

*Check ASSIGN COLLATERAL only if the assignee's power to amend the record is limited to certain collateral and describe the collateral in Section 8

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the District of Columbia. - Debtor: Energera International Inc.

Doc #: 2025029310
Filed & Recorded
03/25/2025 08:48 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$5.00
TOTAL:	$30.00

Doc #: 2025029313
03/25/2025 08:49 AM

[redacted]

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
2019071796 (0035804.000007)

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party(y)(ies) authorizing this Termination Statement

3. ☐ ASSIGNMENT. Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9; check ASSIGN Collateral box in item 8 and describe the affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:
This Change affects ☑ Debtor or ☐ Secured Party of record

AND Check one of these three boxes to:
☑ CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c ☐ ADD name: Complete item 7a or 7b, and item 7c ☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
Frac Shack International Inc.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME
Energera International Inc.

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 Bevington Road	Acheson	AB	T7X 6C1	CA

8. COLLATERAL CHANGE: Check only one box: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN* collateral

Indicate collateral:

*Check ASSIGN COLLATERAL only if the assignee's power to amend the record is limited to certain collateral and describe the collateral in Section 8

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the District of Columbia.

Doc #: 2025029313
Filed & Recorded
03/25/2025 08:49 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$5.00
TOTAL:	$30.00

Doc #: 2025044961
05/08/2025 11:06 AM

[redacted]

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)

B. E-MAIL CONTACT AT SUBMITTER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Norton Rose Fulbright Canada LLP
3700 - 400 3rd Avenue SW
Calgary, AB T2P 4H2

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME
Energera International Inc.

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11551 Bevington Road	Acheson	AB	T7X 6C1	CA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME
Royal Bank of Canada, as Agent

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
16 York Street, Suite 500 Box 64	Toronto	ON	M5J 0E6	CA

4. COLLATERAL: This financing statement covers the following collateral:

All assets whether tangible or intangible, whether now owned or hereafter acquired or coming into existence, and wherever located, and all proceeds thereof.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: ☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: ☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
To be filed with the Secretary of the District of Columbia

Doc #: 2025044961
Filed & Recorded
05/08/2025 11:06 AM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS

RECORDING FEES	$25.00
SURCHARGE	$5.00
TOTAL:	$30.00

This is **Exhibit 31** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

INTERCREDITOR AGREEMENT

This Agreement is made as of September 29, 2021 among **HSBC BANK CANADA**, as the Senior Agent, **HSBC BANK CANADA**, as the Junior Creditor, and **ENERGERA INC.**, **FRAC SHACK INTERNATIONAL INC.**, **FRAC SHACK AMERICA INC.** and **SAND SEPARATION TECHNOLOGIES INC.**, as Borrowers.

RECITALS

A. Pursuant to an amended and restated credit agreement dated as of December 22, 2020 between, *inter alios*, the Borrowers, HSBC Bank Canada, as agent, HSBC Bank Canada and the other financial institutions from time to time party thereto as lenders (as may be further amended, supplemented, restated or replaced from time to time, the "**Senior Credit Agreement**"), the Senior Lenders have agreed to make available to the Borrowers credit facilities in the aggregate principal amount of Cdn.$100,965,199.

B. Pursuant to an amended and restated facility offer letter dated as of September 29, 2021 between Energera Inc., as borrower, and HSBC Bank Canada, as lender, pertaining to the BDC Participation Program (as may be further amended, supplemented, restated or replaced from time to time, the "**Junior Credit Agreement**"), the Junior Creditor has agreed to make available to the Junior Borrower a non-revolving operating loan facility in the principal amount of Cdn.$6,250,000.00.

C. The Senior Creditors and the Junior Creditor desire to set out their respective rights and obligations with respect to the repayment of the Senior Debt and the Junior Debt.

THEREFORE, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context requires otherwise, the following terms have the meanings set out below and capitalized terms used but not otherwise defined herein have the meanings given to such terms in the Senior Credit Agreement (and all such terms that are defined in the singular have the corresponding meaning in the plural and *vice versa*):

"**BDC**" means Business Development Bank of Canada and its successors and assigns.

"**Borrowers**" means, collectively, Energera Inc., a corporation formed under the laws of the Province of Alberta; Frac Shack International Inc., a corporation formed under the federal laws of Canada; Frac Shack America Inc., a corporation formed under the laws of the State of Delaware; and Sand Separation Technologies Inc., a corporation formed under the laws of the Province of Alberta, and "**Borrower**" means any one of them.

"**Business Day**" means a day on which banks are open for business in Montréal (Québec), Toronto (Ontario) and Calgary (Alberta), excluding Saturday and Sunday.

"**Cash Management Documents**" means, collectively, all agreements, instruments and other documents which evidence, govern or relate to any or all of the Bank Products.

"**Cash Management Lender**" means a Senior Lender or a Bank Product Affiliate which has provided any Bank Products to any Borrower or Subsidiary as contemplated by the Senior Credit Agreement.

"**Collateral**" means the property, assets and undertaking of each Credit Party, whether real (immoveable) or personal (moveable), tangible or intangible, now owned or hereafter acquired, that is subject to the Security including all proceeds therefrom.

"**Commitment**" has the meaning given to it in the Senior Credit Agreement as of the date hereof, which for certainty shall include the aggregate of all of the Commitments.

"**Credit Parties**" means the Borrowers, Sandtinel LLC, as guarantor, as well as any other Person which has provided a guarantee or security to each Creditor in respect of their respective Debt, and each of their respective successors and assigns.

"**Creditors**" means the Senior Creditors and the Junior Creditor, and "**Creditor**" means any of them.

"**Debt**" means, collectively, the Senior Debt and the Junior Debt.

"**Default**" means any Senior Default or Junior Default, as applicable.

"**Enforcement Action**" means, with respect to a Creditor, any of:

(a) the acceleration of the time for payment of any of its Debt (which will include the making of a demand for repayment with respect to any demand obligation);

(b) the enforcement or exercise of any of its Security (whether through court proceeding or otherwise) or any action in furtherance thereof;

(c) the appointment of a receiver or receiver and manager of any Credit Party or any assets of a Credit Party;

(d) the commencement or initiation of any Insolvency Proceeding with respect to any Credit Party;

(e) the commencement or initiation of any action or proceeding to recover or receive payment of any of its Debt;

(f) at any time an Event of Default has occurred and is existing, the exercise of any right of set-off, combination or similar right against any Credit Party; or

(g) at any time an Event of Default has occurred and is existing, the exercise of any put option or the causing of any Credit Party to honor any redemption obligation with respect to its securities.

"**Event of Default**" means an Event of Default (as such term is defined in the Senior Credit Agreement or the Junior Credit Agreement, as applicable).

"**Insolvency Proceeding**" means any proceeding seeking to adjudicate a Credit Party as insolvent, seeking a receiving order against a Credit Party under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or the *Winding-up and*

Restructuring Act (Canada) (or any other bankruptcy, insolvency or similar law), or seeking liquidation, dissolution, winding-up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief or composition of a Credit Party or its debts (including an arrangement or proceeding under the *Canada Business Corporations Act*, the *Business Corporations Act* (Alberta) or similar corporations legislation) or a stay of proceedings of a Credit Party's creditors generally (or any class of creditors) or any other relief, under any federal, provincial or foreign law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, reorganization, receivership, plans of arrangement or relief or protection of debtors (including the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the U.S. Bankruptcy Code and any similar legislation in any jurisdiction or at common law or in equity.

"**Junior Borrower**" means Energera Inc. as borrower under the Junior Credit Agreement and its successors and assigns.

"**Junior Credit Agreement**" has the meaning provided in the recitals hereto.

"**Junior Creditor**" means HSBC Bank Canada as lender under the Junior Credit Agreement and its successors and assigns.

"**Junior Debt**" means, collectively, all present and future indebtedness, liabilities, obligations and commitments of any and every kind, nature and description (whether direct or indirect, absolute or contingent, matured or unmatured) of the Credit Parties to the Junior Creditor, and any unpaid balance thereof under or pursuant to the Junior Credit Agreement or any other Junior Loan Document.

"**Junior Default**" means an Event of Default under or with respect to any Junior Loan Document.

"**Junior Enforcement Notice**" means a written notice from the Junior Creditor to the Senior Creditors pursuant to which the Senior Creditors are notified that the Junior Creditor intends to take an Enforcement Action, which notice incorporates a reasonably detailed description of the proposed Enforcement Action and all existing Junior Defaults.

"**Junior Loan Documents**" means all documents, instruments and agreements (a) under which any Junior Debt is incurred, evidenced or provided for (including for certainty the Junior Credit Agreement), (b) under which any Junior Security is granted or (c) which have otherwise been entered into by any Credit Party with or in favour of the Junior Creditor in connection with the Junior Credit Agreement.

"**Junior Security**" means, collectively, all present and future guarantees, postponement and/or subordination agreements, indemnities and Liens granted by any Credit Party to the Junior Creditor as security for all or any part of the Junior Debt.

"**Junior Security Collateral Exception**" means any circumstance in connection with the Proceeds of Realization from any Collateral where the Senior Security constitutes a valid perfected (opposable) Lien against such Collateral (and the proceeds therefrom) which is enforceable as against the creditors of the applicable Credit Parties and a trustee-in-bankruptcy of such Credit Parties; and

(a) the Junior Security against such Collateral (and the proceeds therefrom) has been adjudged by a final (non-appealable) order of a court of competent jurisdiction to be unenforceable, invalid or unperfected (not opposable), in each case as against creditors of such Credit Parties (other than the Senior Creditors) and a trustee-in-bankruptcy of such Credit Parties; or

(b) the Junior Creditor does not have a Lien against such Collateral (or the proceeds therefrom) pursuant to the Junior Security or otherwise; or

(c) the right of the Junior Creditor to claim payment of the Junior Debt from such Collateral (and the proceeds therefrom) has been adjudged statute barred pursuant to a final (non-appealable) order of a court of competent jurisdiction or barred by a final (non-appealable) order of a court of competent jurisdiction in an Insolvency Proceeding.

"**Lien**" means any mortgage, charge, pledge, hypothec, hypothecation, assignment, encumbrance, conditional sale or other title retention agreement, lease or other security interest of any nature or kind, in each case, in the nature of security.

"**Loan Documents**" means, collectively, the Junior Loan Documents and the Senior Loan Documents, and "**Loan Document**" means any one of them.

"**Paid in Full**" or "**Payment in Full**" means, with respect to the Senior Debt, that the Senior Debt has been indefeasibly repaid in full or otherwise satisfied.

"**Payment Blockage Notice**" has the meaning given to such term in Section 4.2.

"**Payment Blockage Period**" means, in respect of a Payment Blockage Notice, the period from the date on which such Payment Blockage Notice is received by the Junior Creditor until the earliest of the date:

(a) on which the applicable Senior Default has been cured by the Credit Parties;

(b) on which the applicable Senior Default has been waived in writing by the Senior Creditors;

(c) on which such Payment Blockage Notice is revoked in writing by the Senior Creditors;

(d) falling 120 days from the date on which the Payment Blockage Notice is received by the Junior Creditor; or

(e) on which the Senior Debt has been Paid in Full.

"**Permitted Increases to Facilities**" has the meaning given to such term in Section 7.2(b).

"**Permitted Payment**" means, any payment of the Junior Debt which is permitted to be made by the Credit Parties and received by the Junior Creditor pursuant to Section 4.1, 4.2, 4.3 or 6.2.

"**Person**" means any natural person, corporation, company, partnership, joint venture, limited liability company, unincorporated organization, trust or any other entity.

"**Proceeds of Realization**" means all cash and non-cash proceeds derived from any sale, disposition or other realization of any of the property and assets of any Credit Party subject to the Lien of the Security following the taking of, or arising from, Enforcement Action, including pursuant to any Insolvency Proceeding. For certainty, Proceeds of Realization will include insurance proceeds received following the taking of Enforcement Action as a result of the loss of, destruction of or damage to any of the assets of any Credit Party which are not applied to the repair or replacement of such Credit Party's assets in accordance with the terms of the Senior Loan Documents.

"**Regularly Scheduled Payment**" means a payment which is due and payable on a non-accelerated basis in accordance with the terms of the Junior Loan Documents which, for greater certainty, will not include any voluntary pre-payment of the Junior Debt or the payment due on the maturity date or acceleration date of the Junior Debt under the Junior Credit Agreement.

"**Security**" means, collectively, the Senior Security and the Junior Security.

"**Senior Agent**" means HSBC Bank Canada, in its capacity as the administrative agent for the Senior Creditors under the Senior Credit Documents.

"**Senior Credit Agreement**" has the meaning provided in the recitals hereto.

"**Senior Credit Documents**" means the Senior Credit Agreement, the Senior Security and all other documents, instruments and agreements which have otherwise been entered into by any Credit Party with or in favour of the Senior Creditors in connection with the Senior Credit Agreement but excluding, for certainty, all Lender Financial Instruments and Cash Management Documents.

"**Senior Creditors**" means the Senior Agent, the Senior Lenders, the Swap Lenders, the Cash Management Lender and the other secured parties under the Senior Loan Documents from time to time.

"**Senior Debt**" means, collectively, all present and future indebtedness, liabilities, obligations and commitments of any and every kind, nature and description (whether direct or indirect, absolute or contingent, matured or unmatured) of the Credit Parties to the Senior Creditors or any of them, and any unpaid balance thereof under the Senior Credit Agreement or any of the other Senior Loan Documents, and Bank Product Obligations and Swap Obligations.

"**Senior Default**" means an Event of Default under or with respect to any Senior Loan Document.

"**Senior Lenders**" means collectively, the lenders under the Senior Credit Agreement from time to time.

"**Senior Loan Documents**" means all documents, instruments and agreements (a) under which any Senior Debt is incurred, evidenced or provided for, (b) under which any Senior Security is granted or (c) which have otherwise been entered into by any Credit Party in favour of the Senior Creditors in connection with the Senior Credit Agreement.

"**Senior Payment Default**" means any failure of any Credit Party to pay any principal, interest, fees or other amount when due under the Senior Loan Documents, including a failure to (a) pay any Senior Debt on demand where it is a demand obligation, (b) pay any Senior Debt after acceleration thereof, and (c) pay any Senior Debt arising from a Borrowing Base Shortfall or Currency Excess, provided that in such case the Senior Payment Default shall be deemed to have occurred on the issuance of any notice by the Senior Agent to the Borrowers of such Borrowing Base Shortfall notwithstanding any cure or grace period provided for the payment thereof.

"**Senior Security**" means, collectively, all present and future guarantees, postponement and/or subordination agreements, indemnities and Liens granted by any Credit Party to any of the Senior Creditors as security for all or any part of the Senior Debt.

"**Senior Security Collateral Exception**" has the meaning given to such term in Section 4.3.

"**Standstill Period**" has the meaning given to such term in Section 6.1(a)(ii).

"**Swap Obligation**" has the meaning given to it in the Senior Credit Agreement as of the date hereof.

"**Swap Lender**" means a Senior Lender or Hedging Affiliate which has entered into a Lender Financial Instrument with any Borrower or Subsidiary prior to such Swap Lender ceasing to be a Senior Lender under the Senior Credit Agreement. For certainty, any Person who enters into a Lender Financing Instrument after such Person ceases to be a Senior Lender is not a Swap Lender.

1.2 Interpretation

In this Agreement words importing the singular number only include the plural and vice versa. The term "including" means "including without limiting the generality of the foregoing". All definitions of or references to any agreement or document in this Agreement will be construed as referring to such agreement or document, as it may be amended, supplemented, restated or replaced from time to time. Any reference in this Agreement to any Person will be construed to include such Person's successors and permitted assigns. Any reference to any law or regulation in this Agreement will be construed to refer to such law or regulation as amended or supplemented from time to time. Any reference to an article, section, schedule or exhibit shall be construed to refer to an article, section, schedule or exhibit of or to this Agreement.

1.3 Governing Law

This Agreement is governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

ARTICLE 2 CONSENT

2.1 Obligations under Junior Loan Documents

For greater certainty and notwithstanding any terms to the contrary in the Senior Loan Documents, the Senior Agent (on behalf of the Senior Creditors) consents to the Credit Parties incurring the Junior Debt and granting the Junior Security.

2.2 Obligations under Senior Loan Documents

For greater certainty and notwithstanding any terms to the contrary in the Junior Loan Documents, the Junior Creditor consents to the Credit Parties incurring the Senior Debt and granting the Senior Security.

ARTICLE 3 PRIORITIES OF SECURITY

3.1 *Pari Passu* Security

Subject to the other terms and conditions of this Agreement, the Junior Security and the Senior Security, and the Liens in connection therewith, shall rank *pari passu*.

3.2 Contesting Liens

Each of the Junior Creditor and the Senior Agent, for and on behalf of the applicable Creditors, agrees that it will not contest or bring into question the validity, perfection, priority or enforceability of any Loan Document or Liens in connection therewith, so long as such Loan Document or Liens in connection therewith, is permitted by this Agreement or continues as contemplated by this Agreement.

ARTICLE 4 SUBORDINATION

4.1 Subordination

(a) The Junior Creditor hereby irrevocably and unconditionally subordinates and postpones for all purposes the right to, and receipt of, payment of the Junior Debt to the prior Payment in Full of the Senior Debt so that, except for Permitted Payments, the Junior Creditor will not be entitled to receive any payment or satisfaction of the Junior Debt until the Senior Debt has been Paid in Full.

(b) The Junior Creditor will have the right to receive Regularly Scheduled Payments, provided that the Junior Creditor has not received a Payment Blockage Notice from the Senior Agent. So long as the Junior Creditor has not received a Payment Blockage Notice from the Senior Agent, the Credit Parties may also make or tender to the Junior Creditor, and the Junior Creditor may receive from any Credit Party, (i) payments due on the maturity date or acceleration date of the Junior Debt under the Junior Credit Agreement, provided that no Senior Payment Default has occurred and is existing or will result from such payment and that no insolvency related Senior Default has occurred and is existing with respect to the Borrowers or any other material Credit Party; and (ii) any other direct or indirect distributions, all or partial payments, pre-payments (excluding voluntary pre-payments) or repayments in connection with the Junior Debt which will not result in a breach of any covenant under the Senior Loan Documents, provided that no insolvency related Senior Default has occurred and is existing with respect to the Borrowers or any other material Credit Party.

4.2 Payment Restrictions

(a) After the occurrence of a Senior Payment Default, the Senior Agent may give to the Junior Creditor a written notice pursuant to Article 10 stating that such Default

has occurred, which notice incorporates a reasonably detailed description of such existing Default (a "**Payment Blockage Notice**"). Upon receipt by the Junior Creditor of such Payment Blockage Notice, the right of the Junior Creditor to receive and collect payments will be suspended for so long as the related Payment Blockage Period is in effect.

(b) Following the expiration of a Payment Blockage Period, the Junior Creditor will have the right to receive any and all payments (or a portion thereof) which were incurred during such Payment Blockage Period and which were not paid as a result thereof, provided that no Senior Default has occurred and is continuing or would result therefrom, in which case the right of the Junior Creditor to receive and collect such payments (or a portion thereof) will continue to be suspended until such time as no Senior Default exists or would result therefrom.

(c) For certainty, the Senior Agent, for and on behalf of the Senior Creditors, agrees that if a Senior Payment Default has been waived or cured, such Senior Default may not then (or at any time thereafter) be invoked for the purposes of giving a Payment Blockage Notice.

4.3 Payments Received by the Junior Creditor

If, prior to the Senior Debt being Paid in Full, the Junior Creditor or any Person on its behalf receives any payment, other than a Permitted Payment, from, or distribution of, the Collateral or other payment from any Credit Party, on account of the Junior Debt, the Junior Creditor will, or will cause that other Person to:

(a) receive and hold that payment or distribution in trust for the benefit of the Senior Creditors; and

(b) promptly deliver that payment or distribution to the Senior Agent in the form received, except for any necessary endorsement or assignment, for application by the Senior Creditors to the repayment of the Senior Debt;

provided that, the Junior Creditor shall be entitled to retain payments or distributions received from the exercise of their rights and remedies over any Collateral pursuant to the Junior Security in the following circumstances (collectively, the "**Senior Security Collateral Exception**"):

(c) the Junior Security constitutes a valid perfected (opposable) Lien against such Collateral (and the proceeds therefrom) which is enforceable as against the creditors of the applicable Credit Parties and a trustee-in-bankruptcy of such Credit Parties; and

(i) the Senior Security against such Collateral (and the proceeds therefrom) has been adjudged by a final (non-appealable) order of a court of competent jurisdiction to be unenforceable, invalid or unperfected (not opposable), in each case as against creditors of such Credit Parties (other than the Junior Creditor) and a trustee-in-bankruptcy of such Credit Parties; or

(ii) the Senior Creditors do not have a Lien against such Collateral (or the proceeds therefrom) pursuant to the Senior Security or otherwise; or

(iii) the right of the Senior Creditors to claim payment of the Senior Debt from such Collateral (and the proceeds therefrom) has been adjudged statute barred pursuant to a final (non-appealable) order of a court of competent jurisdiction or barred by a final (non-appealable) order of a court of competent jurisdiction in an Insolvency Proceeding).

ARTICLE 5 NO WAIVER OF SUBORDINATION AND POSTPONEMENT

5.1 No Effect on Priority

The subordination and postponement provided for in this Agreement, and all other rights established in, altered by or specified in this Agreement, will be effective irrespective of any facts, matters or circumstances of any kind, including:

(a) the time, date or order of creation, execution, delivery, attachment, registration or perfection of the Security;

(b) the method of perfection of the Security;

(c) the time, date or order of registration or filing of financing statements, real property charges, mortgages or forms, or other filings, registrations or recordings of the Security under any registration regime;

(d) the giving of, or failure to give, notice of the acquisition of any additional Security;

(e) the date or dates of any existing or future advances made to the Borrowers or the Junior Borrower by any Creditor or of any liability of the Borrowers to any Creditor;

(f) the date or dates of any Default or of any demand for payment resulting from any Default;

(g) the date or dates of crystallization of any floating charge contained in the Security;

(h) the date or dates of commencement of any Enforcement Action, or the type or types of any Enforcement Action;

(i) the place or jurisdiction of creation, execution, delivery, attachment, registration or perfection of any of Debt or the Security, or any document or agreement relating to them; or

(j) the priorities otherwise given to the Security by any applicable laws.

5.2 No Waiver or Loss of Subordination

No right of the Senior Creditors to enforce the subordination and other provisions of this Agreement will, at any time or in any way, be impaired, waived or released by:

(a) any act, or failure to act, by the Borrowers, the Junior Borrower or any other Credit Party; or

(b) any non-compliance by any Credit Party with any of the agreements or instruments relating to the Senior Debt or the Junior Debt, regardless of any knowledge of that non-compliance which the Senior Creditors may have or be deemed to have.

5.3 Permitted Actions of the Senior Creditors

The Senior Creditors may at any time, without the consent of the Junior Creditor, and without either relieving the Junior Creditor of any of its obligations under this Agreement or impairing, waiving or releasing the subordination, postponement and other benefits provided in this Agreement or the obligations of the Junior Creditor to the Senior Creditors under this Agreement, do any one or more of the following:

(a) except as expressly provided under Section 7.2, amend, supplement, restate or replace any of the Senior Loan Documents;

(b) except as expressly provided under Section 9.7, sell, exchange, release, surrender, realize upon, enforce or otherwise deal in any manner with any of the Collateral, or any of the Senior Debt or other liability, direct or indirect, of any of the Credit Parties to the Senior Creditors;

(c) settle or compromise any Senior Debt or any other liability of any of the Credit Parties, other than the Junior Debt, or any of the Senior Security or any liability incurred directly or indirectly in respect of it, and apply any sums paid as a result in any manner or order;

(d) exercise, or delay in or refrain from exercising, any other right or remedy against, and elect any remedy or otherwise deal freely with, the Credit Parties or any other Person;

(e) grant time or other indulgences to any of the Credit Parties, and abstain from taking advantage of the Senior Security in whole or in part, and accept any composition, arrangement or realization on, the Senior Security or Senior Debt when and in such manner as the Senior Creditors may deem expedient in their discretion (subject to Section 4.3);

(f) the Senior Creditors shall not be bound to seek or exhaust any recourse against the Credit Parties or any other Person or against the Collateral or against any other security, guarantee or indemnity and the Senior Creditors may enforce the various remedies available to them under the Senior Security and/or applicable law (including Insolvency Proceedings), and may realize upon the Senior Security or any part thereof, held by them, in each case in such order and to such extent, as the Senior Creditors may determine appropriate in their discretion; or

(g) in addition to the Permitted Increases to Facilities and without the consent of the Junior Creditor, for so long as a Senior Default has occurred and is continuing, the Senior Creditors shall be entitled to advance their own money as they see fit in order to preserve or protect the assets of the Credit Parties or any part thereof, and all such sums advanced, to the extent reasonably advanced to preserve and protect the assets of the Credit Parties or any part thereof, shall constitute part of the Senior Debt and shall be secured by the Senior Security.

5.4 Permitted Actions of the Junior Creditor

The Junior Creditor may at any time, without the consent of the Senior Creditors, and without either relieving the Senior Creditors of any of their obligations under this Agreement or impairing, waiving or releasing the subordination, postponement and other benefits provided in this Agreement or the obligations of the Senior Creditors to the Junior Creditor under this Agreement, do any one or more of the following:

(a) except as expressly provided under Section 7.1, amend, supplement, restate or replace any of the Junior Loan Documents;

(b) except as expressly provided under Section 9.7, sell, exchange, release, surrender, realize upon, enforce or otherwise deal in any manner with any of the Collateral, or any of the Junior Debt or other liability, direct or indirect, of any of the Credit Parties to the Junior Creditor;

(c) settle or compromise any Junior Debt or any other liability of any of the Credit Parties, other than the Senior Debt, or any of the Junior Security or any liability incurred directly or indirectly in respect of it, and apply any sums paid as a result in any manner or order;

(d) exercise, or delay in or refrain from exercising, any other right or remedy against, and elect any remedy or otherwise deal freely with, the Credit Parties or any other Person; or

(e) grant time or other indulgences to any of the Credit Parties, and abstain from taking advantage of the Junior Security in whole or in part, and accept any composition, arrangement or realization on, the Junior Security or Junior Debt when and in such manner as the Junior Creditor may deem expedient in their discretion.

5.5 Fixed Charges

Unless the Senior Agent has previously taken action or is concurrently taking action to effect a registration of a fixed charge, the Junior Creditor shall not register any fixed charge against any assets of any Credit Party in respect of or as security for the Junior Debt except to the extent it has provided the Senior Agent with 15 Business Days prior written notice of its intention to register such fixed charge security, together with true copies of the registrable security proposed to be registered by it (including complete copies of the land and lease schedules with all information required for registration of such fixed charge), and the Junior Creditor can only effect such fixed charge after the Senior Agent has effected its registration of fixed charge security on the subject assets or has failed to commence action to effect a registration of such fixed charge within 15 Business Days of receipt of the notice referenced above. Any fixed charge security registered in favour of the Junior Creditor shall nonetheless be subject to the Lien subordinations provided for in Section 4.1 and the other provisions of this Agreement.

5.6 Application of Payments

The Junior Creditor agrees that all payments received by the Senior Creditors may be applied, in whole or in part, to any of the Senior Debt as the Senior Creditors deem appropriate in their sole discretion.

ARTICLE 6 ENFORCEMENT

6.1 Enforcement by Junior Creditor

(a) Subject to Section 6.1(b), the Junior Creditor will only have the right to take any Enforcement Action if:

(i) the Junior Creditor has given a Junior Enforcement Notice to the Senior Agent;

(ii) a period (a "**Standstill Period**") of not less than 120 days has elapsed from the date on which the Senior Agent received such Junior Enforcement Notice; and

(iii) a Junior Default identified in such Junior Enforcement Notice is continuing at the end of such Standstill Period,

provided that in no event will the Junior Creditor be entitled to take an Enforcement Action if, notwithstanding the expiration of the Standstill Period, the Senior Creditors are stayed or otherwise precluded from pursuing an Enforcement Action pursuant to applicable laws or Insolvency Proceedings (including pursuant to any order made in connection therewith).

(b) In any event, the Junior Creditor will have the right to:

(i) accelerate the Junior Debt in accordance with the Junior Loan Documents including if an Insolvency Proceeding is initiated or commenced with respect to any of the Credit Parties;

(ii) file any proof of claim with respect to the Junior Debt in an Insolvency Proceeding (provided that such proof of claim will not include a claim to priority that is in priority to the Senior Debt, other than in respect of principal amounts under the Senior Credit Documents which exceed the Permitted Increases to Facilities);

(iii) take any action in order to perfect the Junior Security or otherwise maintain or protect their rights as creditors under applicable law;

(iv) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Junior Creditor; and

(v) exercise any of their rights or remedies under the Junior Security after the termination of the Standstill Period to the extent permitted herein;

but only to the extent that any of the foregoing is in compliance with and does not contravene the other provisions of this Agreement.

6.2 Application of Proceeds of Realization

Subject to the rights of other creditors and applicable law, as between the Senior Creditors and Junior Creditor, all Proceeds of Realization will be applied and distributed as follows:

(a) first, to payment of all reasonable costs and expenses incurred by the Senior Creditors in the exercise of their rights or powers under the Security, including in connection with the enforcement or realization of the Security;

(b) second, to payment of the Senior Debt in favour of the Senior Creditors in accordance with the Senior Loan Documents (including any Permitted Increases to Facilities) except in the circumstances where the Senior Security Collateral Exception applies to the Collateral (and the proceeds therefrom) from which such payment is to be made;

(c) third, to payment of all reasonable costs and expenses incurred by the Junior Creditor in the exercise of their rights or powers under the Security, including in connection with the enforcement or realization of the Security;

(d) fourth, to the payment of the Junior Debt in favour of the Junior Creditor in accordance with the Junior Loan Documents except in the circumstances where the Junior Security Collateral Exception applies to the Collateral (and the proceeds therefrom) from which such payment is to be made;

(e) fifth, to payment of obligations of the Credit Parties to the Senior Creditors under facilities and indebtedness which are secured by the Security but which are not permitted to rank ahead of the Junior Debt pursuant hereto; and

(f) sixth, to the payment of all other obligations of the Credit Parties to other Persons as required under applicable law.

Each of the Junior Creditor and the Senior Creditors will do such further actions, including remit such amounts as may have been received by such Creditor, to fully give effect to the foregoing.

6.3 Cross-Acceleration

Notwithstanding any provision of the Loan Documents, the Junior Creditor acknowledges that an acceleration of the Senior Debt (and not a Senior Default alone without acceleration of the Senior Debt) will constitute a Junior Default, and the Senior Agent (on behalf of the Senior Creditors) acknowledges that an acceleration of the Junior Debt (and not a Junior Default alone without acceleration of the Junior Debt) will constitute a Senior Default.

6.4 Notice of Default

(a) The Senior Agent agrees to use commercially reasonable efforts to provide to the Junior Creditor a copy of any written notice of a Senior Default issued to the Borrowers as soon as practicable following issuance;

(b) The Junior Creditor agrees to use commercially reasonable efforts to provide to the Senior Agent a copy of any written notice of a Junior Default issued to the Junior Borrower as soon as practicable following issuance; and

(c) None of the Creditors shall incur any liability to any of the other Creditors for failure to comply with the covenants under this 6.4.

ARTICLE 7 AMENDMENT TO LOAN DOCUMENTS

7.1 Junior Loan Document Restrictions

The Junior Creditor will have the right to amend, alter, vary, supplement or revise any of the terms or provisions of, or add new or additional terms or provisions to, the Junior Loan Documents without the prior written consent of the Senior Agent, on behalf of the Senior Creditors, except if any such amendment, alteration, variation, supplement or revision or additional term or provision has the effect of one or more of the following:

(a) contravening any provision of this Agreement;

(b) increasing the principal amount (including any capitalized interest) of the Junior Debt by more than 10% of the original principal amount of the Junior Debt;

(c) changing any scheduled date (including the maturity date) for the repayment of the Junior Debt to any earlier date;

(d) amending, supplementing or otherwise modifying the term “default” or “event of default” (or words of similar import) in any of the Junior Loan Documents in a manner that is adverse to the Senior Creditors;

(e) increasing the interest rates, other rates or margins by more than 2% from those in effect on the date of this Agreement;

(f) changing the prepayment provisions applicable to the Junior Debt in a manner adverse to the Senior Creditors;

(g) making any of the other covenants (financial or otherwise) or events of default under the Junior Loan Documents more onerous or restrictive, materially increasing the obligations of any of the Credit Parties or conferring additional rights on the Junior Creditor that are adverse to the Senior Creditors unless the same amendments or additional covenants or rights are concurrently provided to the Senior Creditors; and

(h) requiring the delivery of any additional security documents or guarantees, unless equivalent security documents or guarantees are contemporaneously provided to the Senior Creditors.

7.2 Senior Loan Document Restrictions

The Senior Creditors will have the right to amend, alter, vary, supplement or revise any of the terms or provisions of, or add new or additional terms or provisions to, the Senior Loan Documents without the prior written consent of the Junior Creditor, except if any such amendment,

alteration, variation, supplement or revision or additional term or provision has the effect of one or more of the following:

(a) contravening any provision of this Agreement;

(b) increasing the total of the Commitment by more than 10% of the Commitment as of the date of this Agreement ("**Permitted Increases to Facilities**");

(c) changing the maturity date for the repayment of any of the credit facilities provided under the Senior Credit Agreement to any earlier date;

(d) amending, supplementing or otherwise modifying the term "default" or "event of default" (or words of similar import) in any of the Senior Credit Documents in a manner that is adverse to the Junior Creditor;

(e) increasing the interest rates, other rates or margins by more than 2% from those in effect on the date of the Agreement;

(f) changing the prepayment provisions in any Senior Credit Document in a manner adverse to the Junior Creditor;

(g) changing the provisions in the Senior Credit Documents that permit the Junior Borrower to make payments on the Junior Debt in a manner that makes them more restrictive than as of the date of this Agreement;

(h) making any of the other covenants (financial or otherwise) or events of default under the Senior Credit Documents more onerous or restrictive, materially increasing the obligations of any of the Credit Parties or conferring additional rights on the Senior Creditors that are adverse to the Junior Creditor, unless the same amendments or additional covenants or rights are concurrently provided to the Junior Creditor; and

(i) requiring the delivery of any additional security documents or guarantees, unless equivalent security documents or guarantees are contemporaneously provided to the Junior Creditor.

ARTICLE 8 INSOLVENCY MATTERS

8.1 Liquidation, Dissolution and Bankruptcy

(a) In the event of a distribution, division or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the Collateral, or the proceeds of the Collateral, to creditors in connection with any Insolvency Proceeding to which a Credit Party is a party, the Senior Creditors will be entitled to:

(i) receive indefeasible payment in full, including interest accruing to the date of receipt of that payment at the applicable rate whether or not allowed as a claim in the Insolvency Proceedings, of the Senior Debt before the Junior Creditor is entitled to receive any direct or indirect payment or distribution

of any of the Collateral, including cash, on account of the Junior Debt save and except in the context of a Senior Security Collateral Exception;

(ii) demand that any proceeds received by the Junior Creditor in connection with any of the Insolvency Proceedings be applied to the payment of the Senior Debt, and the Junior Creditor agrees that those proceeds will be held in trust for, and paid over to, the Senior Agent for the benefit of the Senior Creditors as long as any Senior Debt remains outstanding save and except in the context of a Senior Security Collateral Exception; and

(iii) if any payment (a "**Preferential Payment**") of the Senior Debt is declared to be a fraudulent preference or conveyance or otherwise preferential pursuant to a final (non-appealable) judgement of a court of competent jurisdiction, and is set aside or required to be paid to a trustee, receiver, or similar Person under any applicable bankruptcy, insolvency, receivership or similar law, demand that an amount equivalent to that Preferential Payment be held back from any payment or distribution which would otherwise be made with respect to the Junior Debt, and be paid directly to the Senior Agent, for the benefit of the Senior Creditors, save and except in the context of a Senior Security Collateral Exception.

(b) Nothing in this Agreement will be interpreted:

(i) to compel the Junior Creditor to exercise any voting right or other privilege it may have in any Insolvency Proceedings so as to prejudice the Junior Debt; and

(ii) to limit the right of the Junior Creditor to file a proof of claim or to exercise their voting rights entirely without compromise in any Insolvency Proceedings;

provided that, notwithstanding the foregoing, the Junior Creditor agrees not to exercise any voting right or other privilege that they may have in any Insolvency Proceedings in favour of any plan, proposal, compromise, arrangement or similar transaction or make or join in any claim or other action that would defeat or impair:

(iii) the rights of the Senior Creditors under this Agreement to receive all payments and distributions otherwise payable or deliverable with respect to the Senior Debt so long as the Senior Debt has not been Paid in Full in priority to the Junior Creditor with respect to the Junior Debt;

(iv) the obligation of the Junior Creditor to receive, hold in trust, and pay over to the Senior Creditors certain payments and distributions as contemplated by Section 4.3 or 8.1(a); or

(v) the right of the Senior Creditors to have Senior Security against, and rank *pari passu* with the Junior Creditor against, all property and assets standing as collateral security for the Junior Debt from time to time.

(c) Each of the Senior Creditors and Junior Creditor agree to be classified in different classes of senior and junior secured claims in any Insolvency Proceeding to the

extent such classification is contemplated or proposed in such Insolvency Proceeding.

ARTICLE 9 GENERAL PROVISIONS

9.1 Obligations of the Borrower

(a) The Borrowers hereby agree to be bound by the terms of this Agreement and undertake to abide by all payment restrictions provided for herein. Without limiting the generality of the foregoing, the Borrowers will not make any payment to the Junior Creditor other than Permitted Payments.

(b) The Borrowers acknowledge that nothing in this Agreement will create any rights to the benefit of the Credit Parties.

(c) The Borrowers hereby undertake to deliver to the Junior Creditor and the Senior Agent, a copy of the Senior Credit Agreement or the Junior Credit Agreement, as the case may be, as well as of any amendment, supplement, waiver, tolerance or other similar document entered into in connection therewith.

9.2 Sharing of Information

The Credit Parties agree that the Senior Creditors and the Junior Creditor may provide each other at any time and from time to time with information and documents related to any Credit Party, their respective credits, their operations, their financial situation as well as the occurrence of any Event of Default under the Senior Debt or the Junior Debt and the taking of any Enforcement Action, and hereby consents to any such sharing of information and documents between the Senior Creditors and the Junior Creditor.

9.3 No Waiver

The exercise by any of the Senior Creditors or the Junior Creditor of any of their respective rights under this Agreement does not preclude any of them from exercising any other such right. In addition, any failure to exercise any such right will not constitute a renunciation to the subsequent exercise of such right.

9.4 Further Assurances

The parties hereto undertake to execute all such documents and take all such actions that may from time to time become necessary or desirable to give full effect to this Agreement.

9.5 Entire Agreement

This Agreement, together with the Loan Documents, constitutes the entire agreement between the parties hereto pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties hereto, and there are no representations, warranties or other agreements between the parties hereto, express or implied, in connection with the subject matter of this Agreement except as specifically set out in this Agreement or in the Loan Documents. No party hereto has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of

fact, except to the extent it has been reduced to writing and included as a term in this Agreement or in the Loan Documents to which such party is a party.

9.6 Severability

If any of the provisions of this Agreement shall be held invalid or unenforceable by any court having jurisdiction, this Agreement shall be construed as if not containing those provisions, and the rights and obligations of the parties hereto should be construed and enforced accordingly.

9.7 Assignment

The Junior Creditor will not sell, transfer or otherwise assign any of their rights under the Junior Credit Agreement, in whole or in part, unless the assignee thereof agrees in writing in favour of the Senior Creditors to be bound by the terms and conditions hereof. The Senior Creditors will not sell, transfer or otherwise assign any of their rights under the Senior Credit Agreement, in whole or in part, unless the assignee thereof agrees to be bound by the terms and conditions hereof. For certainty, the foregoing requirement shall be satisfied for the Senior Creditors or Junior Creditor, as the case may be, to the extent an administrative or collateral agent has entered into this Agreement on behalf of all such Creditors from time to time.

9.8 Successors and Assigns

This Agreement will be binding upon and enure to the benefit of the parties hereto, the other Creditors, and their respective successors and permitted assigns.

9.9 Counterparts; Electronic Execution

This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which will be deemed an original, but all of which together will constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart of a signature page to this Agreement will be effective as delivery of an original executed counterpart of this Agreement. The words “execution,” “execute”, “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement will be deemed to include electronic signatures, or the keeping of records in electronic form, each of which will be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transaction Acts* (British Columbia), the *Electronic Transactions Act* (Alberta), *An Act to establish a Legal Framework for Information Technology* (Québec) or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. Any Creditor may, in its discretion, require that any such documents and signatures executed electronically or delivered by electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same will not limit the effectiveness of any document or signature executed electronically or delivered by electronic transmission.

ARTICLE 10 NOTICES

10.1 Sending of Notices

Unless otherwise provided, any notice to be given to a party in connection with this Agreement will be given in writing and will be given by personal delivery, by a reputable delivery service, or by electronic mail or other form of electronic transmission, addressed to the recipient at its address specified in Schedule "A" hereof or at such other address as may be notified by such party to the others pursuant to this Article 10.

10.2 Receipt of Notices

Any notice given by personal delivery or by a delivery service will be conclusively deemed to have been given at the time of such delivery if delivered prior to 3:00 p.m. on a Business Day (otherwise on the following Business Day) and, if given by electronic mail or other form of electronic transmission, on the day of transmittal if before 3:00 p.m. on a Business Day (otherwise on the following Business Day). If the electronic transmission system suffers any interruptions by way of a strike, slow-down, a *force majeure,* or any other cause, a party giving a notice must do so using another means of communication not affected by the disruption.

[Remainder of Page Intentionally Blank - Signature Pages Follow]

IN WITNESS WHEREOF the parties have caused this Agreement to be duly executed as of the date and year first above written.

HSBC BANK CANADA, as Senior Agent

Per: _____

Name: Andrea Khazzam
Title: Authorized Signatory

Per: _____

Name: Alyssa Senwasane
Title: Authorized Signatory

HSBC BANK CANADA, as Junior Creditor

Per: Aaron Pragnell
Name: Aaron Pragnell
Title: Senior Corporate Account Manager

Per: Lon Sokalski
Name: Lon Sokalski
Title: Market Vice President

ENERGERA INC., as Borrower and Junior Borrower

Per: _____

Name: TODD VAN VLIET
Title: CEO

Per: _____

Name: LANCE HOLMSTROM
Title: CFO

FRAC SHACK INTERNATIONAL INC., as Borrower

Per: _____

Name: TODD VAN VLIET
Title: CEO

Per: _____

Name: LANCE HOLMSTROM
Title: CFO

FRAC SHACK AMERICA INC., as Borrower

Per: _____
Name: TODD VAN VLIET
Title: CEO

Per: _____
Name: LANCE HOLMSTROM
Title: CFO

SAND SEPARATION TECHNOLOGIES INC., as Borrower

Per: _____
Name: TODD VAN VLIET
Title: CEO

Per: _____
Name: LANCE HOLMSTROM
Title: CFO

SCHEDULE "A"
ADDRESSES FOR NOTICE PURPOSES

Senior Creditors:

HSBC Bank Canada, as Senior Agent
6th Floor, 70 York Street
Toronto, Ontario M5J 1S9

Attention: Agency Services
Facsimile: (647) 788-2185

Junior Creditor:

HSBC Bank Canada, as Junior Creditor
10250 – 101st Street N.W.
Edmonton, Alberta
T5J 3P4

Attention: Vice President
Facsimile: (780) 426-2660

Borrowers:

Energera Inc.
11551 Bevington Road
Acheson, Alberta
T7X 6C1

Attention: Legal Department
Email: legal@fracshack.com

This is **Exhibit 32** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

RBC Royal Bank

January 31, 2025

Energera Inc.
11551 Bevington Road
Acheson, Alberta
T7X 6C1

Attention: Legal Department

Email: legal@Energera.com

Sent by Email

Dear Sirs/Mesdames:

Re: Credit facilities established in favour of Energera

Reference is made to the third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc., Energera America Inc. and Sand Separation Technologies Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**"). Capitalized terms used in this letter and not otherwise defined herein shall have the meaning specified in the Credit Agreement.

Pursuant to Section 9.1(e)(ii) of the Credit Agreement, the Parent Borrower shall deliver, or cause to be delivered, to the Agent with sufficient copies for each of the Lenders, as soon as available and, in any event, within 120 days after the end of each of its fiscal years (or such earlier date if required by applicable law), copies of the Parent Borrower's audited annual financial statements on a consolidated basis consisting of a balance sheet, statement of operations, statement of comprehensive income, statement of cash flows and statement of changes in equity for each such fiscal year, together with the notes thereto, all prepared in accordance with generally accepted accounting principles consistently applied, together with a report and an audit opinion of the Parent Borrower's auditors thereon, and the accompanying management discussion and analysis of the Parent Borrower (the "**Financial Statements Covenant**"). Pursuant to Section 11.1(d) of the Credit Agreement, the Agent hereby provides notice to the Borrowers that they have failed to comply with the Financial Statements Covenant and that a Default has occurred and is continuing as a result of such failure to comply (the "**Financial Statements Covenant Default**").

Pursuant to Section 9.1(y) of the Credit Agreement, within 90 days of the date of the Credit Agreement (and for a hedge period from the date of the Credit Agreement until the Maturity Date), the Borrowers are required to enter into Interest Hedging Agreements with Lenders or Hedging Affiliates which hedge at least 50% of the total interest rate exposure on the existing and future Loans under the Syndicated Facility (the "**Mandatory Hedging Covenant**"). Pursuant to Section 11.1(d) of the Credit Agreement, the Agent hereby provides notice to the Borrowers that they have failed to comply with the Mandatory Hedging Covenant and that a Default has occurred and is continuing as a result of such failure to comply (the "**Mandatory Hedging Covenant Default**").

Pursuant to Section 9.3 of the Credit Agreement, the Parent Borrower is required to comply with the following financial covenants:

(a) pursuant to Section 9.3(a) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Parent Borrower shall not permit the Consolidated Net Funded Debt to EBITDA Ratio to exceed 3.25:1.00 (the "**Consolidated Net Funded Debt to EBITDA Ratio**");

(b) pursuant to Section 9.3(b) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Fixed Charge Coverage Ratio shall be equal to or greater than 1.15:1.00 (the "**Fixed Charge Coverage Ratio**"); and

(c) pursuant to Section 9.3(c) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Parent Borrower shall not permit the Consolidated Net Senior Debt to EBITDA Ratio to exceed 3.00:1.00 (the "**Consolidated Net Senior Debt to EBITDA Ratio**", and collectively with the Consolidated Net Funded Debt to EBITDA Ratio and the Fixed Charge Coverage Ratio, the "**Financial Covenants**").

On January 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of each of September 30, 2024 and December 31, 2024. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing (the "**Financial Covenants Default**", and collectively with the Financial Statements Covenant Default and the Mandatory Hedging Covenant Default, the "**Specified Defaults**").

In the event that a an extension and/or amendment of the Credit Agreement is requested by the Borrowers, one or more extension and/or amendment fees may be required as a condition to such extension and/or amendment.

Notwithstanding anything to the contrary in this letter, the Agent and the Lenders expressly reserve all of their rights, remedies and recourses granted under the Credit Agreement, the other Documents and Applicable Laws in respect of the Specified Defaults (including, without limitation, the right to exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against any Loan Party).

This letter is written under reserve of, and without prejudice to, all of the rights, remedies and recourses of the Agent and the Lenders under the Documents and nothing herein can or shall be construed to be interpreted as (a) a waiver of the Specified Defaults or any other Default or Event of Default which may have occurred or is continuing as of the date of this letter or which may occur after the date of this letter; or (b) an agreement on the Agent's or the Lenders' part to waive or forbear any of their rights or remedies under the Credit Agreement, or any other Document, concerning the Specified Defaults or concerning any other Default or Event of Default which may have occurred or is continuing as of the date hereof or which may occur after the date hereof.

This letter may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this letter to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page of this letter by facsimile transmittal or other means of electronic communication shall be effective as delivery of a manually executed counterpart of this letter. The words "execution", "execute", "executed", "signed", "signature" and words of like import in this letter, and the transaction contemplated hereby and thereby shall be deemed to include electronic signatures, including by DocuSign, facsimile transmission or by electronic delivery in portable document format (.pdf), the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

Should you have any questions with respect to the foregoing, please feel free to contact us.

[*Remainder of page intentionally left blank*]

Yours truly,

ROYAL BANK OF CANADA, as Agent

By: _____
Name: Sean Ekanayaka
Title: Deal Manager

By: _____
Name:
Title:

This is **Exhibit 33** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

November 19, 2025

Energera Inc.
11551 Bevington Road
Acheson, Alberta
T7X 6C1

Attention: Legal Department

Email: legal@Energera.com

Sent by Email

Dear Sirs/Mesdames:

Re: Credit facilities established in favour of Energera

Reference is made to the third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc., and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**"). Capitalized terms used in this letter and not otherwise defined herein shall have the meaning specified in the Credit Agreement.

Reference is further made to (a) the reservation of rights letter under the Credit Agreement dated January 31, 2025 (the "**January Letter**"), outlining the existence and continuance of the Specified Defaults (as such terms are defined in the January Letter); (b) the letter agreement dated February 5, 2025; and (c) the forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025, a third amending agreement made as of May 22, 2025 and a fourth amending agreement dated July 28, 2025 (as so amended, the "**Forbearance Agreement**"), pursuant to which, among other things, the Borrowers acknowledged they were in Default or Event of Default of their obligations under the Credit Agreement as a result of the Specified Defaults.

In addition to the Specified Defaults, which are continuing, as you are aware and as previously discussed with the Agent, the Borrowers are now in default under Section 3.1(h) of the Forbearance Agreement, for failing to (i) comply with each of the Milestones (as defined therein), and (ii) maintain a certain minimum Liquidity, both of which have resulted in Events of Default pursuant to Section 11.1(d) of the Credit Agreement (the **Forbearance Defaults**).

Further, pursuant to Section 9.3 of the Credit Agreement, the Parent Borrower is required to comply with the following financial covenants:

(a) pursuant to Section 9.3(a) of the Credit Agreement, the Parent Borrower shall not permit the Consolidated Net Funded Debt to EBITDA Ratio to exceed 3.25:1.00 (the **Consolidated Net Funded Debt to EBITDA Ratio**);

(b) pursuant to Section 9.3(b) of the Credit Agreement, the Fixed Charge Coverage Ratio shall be equal to or greater than 1.15:1.00 (the **Fixed Charge Coverage Ratio**); and

(c) pursuant to Section 9.3(c) of the Credit Agreement, the Parent Borrower shall not permit the Consolidated Net Senior Debt to EBITDA Ratio to exceed 3.00:1.00 (the **Consolidated Net Senior Debt to EBITDA Ratio**, and collectively with the Consolidated Net Funded Debt to EBITDA Ratio and the Fixed Charge Coverage Ratio, the **Financial Covenants**).

On July 31, 2025 and October 31, 2025, the Parent Borrower delivered to the Agent Compliance Certificates demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of June 30, 2025 and September 30, 2025, respectively. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, Events of Default have occurred and are continuing (the **Financial Covenants Defaults**, and collectively with the Forbearance Defaults, the **Additional Events of Default**, and, together with the Specified Defaults, the **Existing Events of Default**).

In light of the foregoing and further to discussions had between the Agent and the Borrowers, formal notice is hereby given by the Agent and Lenders to you that, in addition to the Specified Defaults, which have occurred and are continuing, the Additional Events of Default have occurred and are continuing and that as a result of the Existing Events of Default, the Lender has been and continues to be entitled to exercise any and all default-related rights and remedies under the Credit Agreement and the other Documents and under Applicable Laws.

In the event that an extension and/or amendment of the Credit Agreement is requested by the Borrowers, one or more extension and/or amendment fees may be required as a condition to such extension and/or amendment.

Notwithstanding anything to the contrary in this letter, the Agent and the Lenders expressly reserve all of their rights, remedies and recourses granted under the Credit Agreement, the other Documents and Applicable Laws in respect of the Existing Events of Default (including, without limitation, the right to exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against any Loan Party).

This letter is written under reserve of, and without prejudice to, all of the rights, remedies and recourses of the Agent and the Lenders under the Documents and nothing herein can or shall be construed to be interpreted as (a) a waiver of the Existing Events of Default or any other Default or Event of Default which may have occurred or is continuing as of the date of this letter or which may occur after the date of this letter; or (b) an agreement on the Agent's or the Lenders' part to waive or forbear any of their rights or remedies under the Credit Agreement, or any other Document, concerning the Existing Events of Default or concerning any other Default or Event of Default which may have occurred or is continuing as of the date hereof or which may occur after the date hereof.

[Remainder of page intentionally left blank]

Should you have any questions with respect to the foregoing, please feel free to contact us.

Yours truly,

ROYAL BANK OF CANADA, as Agent

By: Sabrina Wang
Name: Sabrina Wang
Title: Deal Manager

This is **Exhibit 34** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

February 5, 2025

Energera Inc.
11551 Bevington Road
Acheson, Alberta
T7X 6C1

Attention: Legal Department

Email: legal@Energera.com

Sent by Email

Re: Third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc., Energera America Inc. and Sand Separation Technologies Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**").

A. The Agent provided notice to the Borrowers of the Specified Defaults in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**").

B. Certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security.

C. In order to provide the Borrowers with liquidity, the Agent and the Lenders have agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event.

D. Pursuant to clause (a) of the definition of "Applicable Pricing Rate" in the Credit Agreement, upon the occurrence and during the continuance of an Event of Default, the rates *per annum* in respect of Loans shall be (a) in respect of amounts due in Canadian Dollars, the rate of interest then payable on Canadian Prime Rate Loans plus 2.0% *per annum* and (b) in respect of amounts due in United States Dollars, the rate of interest then payable on U.S. Base Rate Loans plus 2.0% *per annum*.

ACCESS TO OVERDRAFT LOANS

Notwithstanding the occurrence and continuation of the Specified Defaults, the Agent and the Lenders hereby agree that the Borrowers shall be permitted to make Drawdowns by way of Overdraft Loans under the Operating Facility, and for each such Drawdown the Agent and the Lenders hereby waive the conditions in (i) Sections 3.1(b) and 8.2 of the Credit Agreement, but only to the extent that such Sections would cause Section 8.1(j) of the Credit Agreement to apply to the Specified Defaults and (ii) Section 3.1(c) of the Credit Agreement that no Default or Event of Default shall have occurred and be continuing, but only in respect of the Specified Defaults, until the earlier to occur of the following (each a "**Termination Event**"):

(a) 5:00 p.m. (Calgary time) on February 14, 2025;

(b) the Parent Borrower sells, transfers or otherwise disposes of, or permits any other Borrower or any other Subsidiary to sell, transfer or otherwise dispose of, any of their respective property or assets other than a sale, transfer or other disposition specified in any of paragraphs (a), (c) and (f) of the definition of "Permitted Dispositions" in the Credit Agreement;

(c) the Parent Borrower makes, or permits any other Borrower or any of the other Subsidiaries to make, any Distribution other than a Distribution permitted by Section 9.2(h)(i) of the Credit Agreement;

(d) the Parent Borrower incurs, or permits any other Borrower or any other Subsidiary to have or incur, any Debt that has not been incurred as of the date of this letter other than Debt constituting Obligations;

(e) the Parent Borrower makes, or permits any other Borrower or any other Subsidiary to make, any Investment, including any Investment in any Subsidiary that has not granted in favour of the Agent and the Lenders the Security described in Section 10.1 of the Credit Agreement;

(f) the Parent Borrower creates, incurs, assumes, suffers to exist, or enters into any, or permits any other Borrower or any other Subsidiary to create, incur, assume, suffer to exist, or enter into any, contract, instrument or undertaking pursuant to which any Person may have or be entitled to any additional Security Interest on or in respect of its property and assets or any part thereof;

(g) any Loan Party makes any loan to, or otherwise extends credit to, any Person other than a Loan Party;

(h) any Loan Party creates or acquires any Person that is not a Subsidiary as of the date of this letter; and

(i) the occurrence of any Default or Event of Default other than a Specified Default.

APPLICATION OF DEFAULT INTEREST RATE

The Agent and the Lenders note that, as a result of the occurrence and continuation of those Events of Default that are Specified Defaults, the rate of interest referred to in clause (a) of the definition of "Applicable Pricing Rate" in the Credit Agreement shall be applicable and shall commence accruing on January 31, 2025.

ACKNOWLEDGEMENTS

The Agent and the Lenders acknowledge and agree that they have not accelerated and will not accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults until the occurrence of any Termination Event. Absent this letter, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other liabilities arising under the Documents as a result of the Specified Defaults.

Except as expressly and specifically provided for herein, (a) nothing in this letter constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or any Lender of any rights or remedies which the Agent or such Lender may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this letter constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach of, or default under, the Documents on the part of any Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this letter by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

The occurrence of any Termination Event shall constitute an immediate Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the Obligations under the Documents

and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

DOCUMENT

This letter shall constitute a Document.

SEVERABILITY

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

INTERPRETATION

Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

GOVERNING LAW

This letter shall be governed by and construed in accordance with the laws in force in the Province of Alberta and the laws of Canada applicable therein. The Agent and the Lenders attorn to and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta.

COUNTERPARTS; ELECTRONIC EXECUTION

This letter may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this letter shall be effective as delivery of an original executed counterpart of this letter. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this letter shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Laws, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

[Remainder of Page Intentionally Left Blank]

DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: _____
Name: Sean Ekanayaka
Title: Deal Manager

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By:

Name: Jennifer Guo
Title: Director, Corporate Client Group, Finance

By: _____

Name:
Title:

CANADIAN WESTERN BANK

By: _____

Name:
Title:

By: _____

Name:
Title:

ATB FINANCIAL

By: _____

Name:
Title:

By: _____

Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name: Daniel Prupas
Title: Director, Corporate Banking

By: _____
Name: John Cherian
Title: Managing Director & Head Corporate Banking, Loan Syndications & Agency

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name: Matthew Oliphant
Title: Director

By: _____
Name: Shawn Martel
Title: Managing Director

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name: Geraldine Waffo
Title: Financing Manager

By: _____
Name: Quynh Nguyen
Title: Regional Underwriting Manager

ACKNOWLEDGED AND AGREED TO BY:

ENERGERA INC.

By: Todd Van Vliet (Feb 5, 2025 13:48 MST)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (Feb 5, 2025 14:22 MST)
Name: Lance Holmstrom
Title: CFO

ENERGERA INTERNATIONAL INC.

By: Todd Van Vliet (Feb 5, 2025 13:48 MST)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (Feb 5, 2025 14:22 MST)
Name: Lance Holmstrom
Title: CFO

ENERGERA AMERICA INC.

By: Todd Van Vliet (Feb 5, 2025 13:48 MST)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (Feb 5, 2025 14:22 MST)
Name: Lance Holmstrom
Title: CFO

SAND SEPARATION TECHNOLOGIES INC.

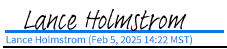
By: Todd Van Vliet (Feb 5, 2025 13:48 MST)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (Feb 5, 2025 14:22 MST)
Name: Lance Holmstrom
Title: CFO

SANDTINEL LLC

By:
Todd Van Vliet (Feb 5, 2025 13:48 MST)

Name: Todd Van Vliet
Title: CEO

By: 
Lance Holmstrom (Feb 5, 2025 14:22 MST)

Name: Lance Holmstrom
Title: CFO

This is **Exhibit 35** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (the "**Agreement**") is made as of February 14, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined below) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which such the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders have agreed to propose a forbearance on the terms herein while they investigate their rights, remedies and next steps;

F. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
SPECIFIED DEFAULTS

1.1 The Borrowers acknowledge that they are currently in Default or Event of Default of their obligations to the Agent and the Lenders under the Credit Agreement in accordance with the following (the "**Specified Defaults**"):

(a) Pursuant to Section 9.1(e)(ii) of the Credit Agreement, the Parent Borrower shall deliver, or cause to be delivered, to the Agent with sufficient copies for each of the Lenders, as soon as available and, in any event, within 120 days after the end of each of its fiscal years (or such earlier date if required by Applicable Laws), copies of the Parent Borrower's audited annual financial statements on a consolidated basis consisting of a balance sheet, statement of operations, statement of comprehensive income, statement of cash flows and statement of changes in equity for each such fiscal year, together with the notes thereto, all prepared in accordance with generally accepted accounting principles consistently applied, together with a report and an audit opinion of the Parent Borrower's auditors thereon, and the accompanying management discussion and analysis of the Parent Borrower (collectively, the "**Financial Statements**"). Pursuant to Section 11.1(d) of the Credit Agreement, the Agent provided notice to the Borrowers in the Reservation of Rights Letter that they have failed to comply with the Financial Statements Covenant and that a Default has occurred and is continuing as a result of such failure to comply.

(b) Pursuant to Section 9.1(y) of the Credit Agreement, within 90 days of the date of the Credit Agreement (and for a hedge period from the date of the Credit Agreement until the Maturity Date), the Borrowers are required to enter into Interest Hedging Agreements with Lenders or Hedging Affiliates which hedge at least 50% of the total interest rate exposure on the existing and future Loans under the Syndicated Facility. Pursuant to Section 11.1(d) of the Credit Agreement, the Agent provided notice to the Borrowers in the Reservation or Rights Letter that they have failed to comply with the Mandatory Hedging Covenant and that a Default has occurred and is continuing as a result of such failure to comply.

(c) Pursuant to Section 9.3 of the Credit Agreement, the Parent Borrower is required to comply with the following financial covenants:

(i) pursuant to Section 9.3(a) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Parent Borrower shall not permit the Consolidated Net Funded Debt to EBITDA Ratio to exceed 3.25:1.00;

(ii) pursuant to Section 9.3(b) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Fixed Charge Coverage Ratio shall be equal to or greater than 1.15:1.00; and

(iii) pursuant to Section 9.3(c) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Parent Borrower shall not permit the Consolidated Net Senior Debt to EBITDA Ratio to exceed 3.00:1.00.

(d) On January 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of each of September 30, 2024 and December 31, 2024. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing).

ARTICLE 2
FORBEARANCE AGREEMENT

2.1 The Lender forbears in relation to the Specified Defaults from the Effective Date until the earlier to occur of the following: (a) March 31, 2025; and (b) the occurrence of a Forbearance Default (as defined below) (the "**Forbearance Period**").

2.2 The Lender confirms and agrees that it has not accelerated and will not accelerate the Obligations or initiate or continue any proceeding or remedy to enforce its rights, including the appointment of a receiver, under the Documents in relation to the Specified Defaults until the expiry of the Forbearance Period.

2.3 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent this Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 3
ADDITIONAL OBLIGATIONS OF THE LOAN PARTIES

3.1 In addition to, and without limitation to or derogation from, (i) any other terms or conditions heretofore agreed between the Agent, the Lender and the Loan Parties and (ii) any rights or remedies available to the Agent and the Lenders under any Document or at law or equity, the Borrowers and the other Loan Parties agree to the following:

(a) during the Forbearance Period:

(i) the Applicable Pricing Rate for any Canadian Prime Rate Loan or U.S. Base Rate Loan shall be 4.00% *per annum*, and standby fees payable in accordance with Section 5.7

of the Credit Agreement shall be 1.05% *per annum* at each Category of the Applicable Pricing Rate;

(ii) on the first Business Day of each week, the Parent Borrower shall deliver to the Agent a 13-week cash flow forecast of the Parent Borrower detailing, among other things, (A) cash receipts and cash disbursements on a weekly basis for the next following 13 weeks; (B) a variance report comparing the actual cash receipts and cash disbursements for the preceding week to the projected cash receipts and cash disbursements for such week and explaining, to the reasonable satisfaction of the Agent, variances of 10% or more; (C) an unaudited consolidated statement of cash flows for the preceding week, the information and calculations contained in which shall be reasonably satisfactory to the Agent; (D) (i) a forecast of Liquidity for each of the next following 13 weeks and (ii) a report demonstrating that, for the preceding week, the Parent Borrower maintained actual Liquidity of not less than Cdn.$6,750,000 (or the Equivalent Amount thereof in United States Dollars), the information and calculations contained in which shall be reasonably satisfactory to the Agent; and (E) such additional information as may be reasonably requested by the Agent;

(iii) the Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, use the proceeds of any Drawdown or Advance to accumulate or maintain cash or cash equivalents in one or more accounts (including, for certainty, any depository, investment or securities account) maintained by the Parent Borrower, any other Borrower or any of the other Subsidiaries, except for cash or cash equivalents accumulated or maintained therein for a specified business purpose in the ordinary course of business; and

(iv) the Parent Borrower shall, and shall cause the other Loan Parties to, maintain all of the Parent Borrower's and the other Loan Parties' deposit accounts with the Agent or with an account bank that has entered into a deposit account control agreement with the Agent and the applicable Loan Party, acceptable to the Agent;

(b) the Borrowers shall cooperate fully with, and bear the reasonable and invoiced costs associated with, a financial advisor engaged by the Lenders on the terms and conditions, and with a scope of engagement, satisfactory to the Agent and the Lenders, acting reasonably, and, for certainty, the Borrowers shall promptly execute any engagement agreement in respect thereof no later than February 28, 2025;

(c) the Parent Borrower shall, and shall cause the other Loan Parties to, pay to the Agent the proceeds of the sale of the property described in the Colorado Deed for the application by the Agent of such proceeds to the repayment and permanent reduction of the Syndicated Facility within five Business Days of the earlier of the date on which such sale occurs and the receipt by the Parent Borrower and the other Loan parties of such proceeds, subject only to prior deductions for (i) repayment in full of the HSBC Mortgage Debt, (ii) realtor commissions and related closing fees and (iii) withholding taxes in the amount of 10% of the greater of the fair market value of the property and the consideration received for the sale of the property; and, for certainty, the Lenders hereby consent to such sale and the release and discharge by the Agent of the Colorado Deed provided that the Parent Borrower and the other applicable Loan Parties comply with this Section 3.1(c); and

(d) as soon as reasonably practical, and in any event no later than February 21, 2025, the Parent Borrower shall deliver to the Agent sufficient copies for each of the Lenders of an appraisal on the assets and properties of the Parent Borrower, the other Borrowers and each other Subsidiary and, in connection with the foregoing, the Parent Borrower permits, and the Parent Borrower on behalf of the other Subsidiaries permits, the Agent or professionals (including consultants, accountants and appraisers) retained by Agent (at the Parent Borrowers' expense) to conduct such appraisal.

ARTICLE 4
FORBEARANCE DEFAULTS

4.1 Without limitation to or derogation from the terms in the Documents, the occurrence of any one or more of the following events shall constitute a "**Forbearance Default**":

(a) the Borrowers fail to deliver to the Agent on or before March 31, 2025 the Financial Statements for the Fiscal Year End of September 30, 2024;

(b) the Parent Borrower makes, or permits any other Borrower or any of the other Subsidiaries to make, any Distribution other than a Distribution permitted by Section 9.2(h)(i) of the Credit Agreement;

(c) the Parent Borrower makes, or permits any other Borrower or any other Subsidiary to make, any Investment, including any Investment in any Subsidiary that has not granted in favour of the Agent and the Lenders the Security described in Section 10.1 of the Credit Agreement;

(d) the Parent Borrower creates or acquires, or permits any other Borrower or any other Subsidiary to create or acquire, any Person that is not a Subsidiary as of the date of this letter;

(e) other than the Disposition referenced in Section 3.1(c), the Parent Borrower sells, transfers or otherwise disposes of, or permits any other Borrower or any other Subsidiary to sell, transfer or otherwise dispose of, any of their respective property or assets other than a sale, transfer or other disposition specified in any of paragraphs (a), (c) and (f) of the definition of "Permitted Dispositions" in the Credit Agreement;

(f) the Parent Borrower incurs, or permits any other Borrower or any other Subsidiary to have or incur, any Debt that has not been incurred as of the date of this letter other than Debt constituting Obligations;

(g) the Parent Borrower creates, incurs, assumes, suffers to exist, or enters into any, or permits any other Borrower or any other Subsidiary to create, incur, assume, suffer to exist, or enter into any, contract, instrument or undertaking pursuant to which any Person may have or be entitled to any additional Security Interest on or in respect of its property and assets or any part thereof;

(h) any Loan Party makes any loan to, or otherwise extends credit (other than industry standard net payment terms to customers) to, any Person other than a Loan Party;

(i) any Loan Party fails to perform or comply with any of its covenants or obligations contained in this Agreement; and

(j) the occurrence of any Default or Event of Default other than a Specified Default.

ARTICLE 5
ACCESS TO LOANS

5.1 Notwithstanding the occurrence and continuation of the Specified Defaults, the Agent and the Lenders hereby agree that the Borrowers shall be permitted to make Drawdowns, Conversions and Rollovers by way of Canadian Prime Rate Loans or U.S. Base Rate Loans under the Operating Facility, and for each such Drawdown, Conversion or Rollover the Agent and the Lenders hereby waive the conditions in (a) Sections 3.1(b) and 8.2 of the Credit Agreement, but only to the extent that such Sections would cause Section 8.1(j) of the Credit Agreement to apply to the Specified Defaults and (b) Section 3.1(c) of the Credit Agreement that no Default or Event of Default shall have occurred and be continuing, but

only in respect of the Specified Defaults, until the end of the Forbearance Period in accordance with Section 2.1.

5.2 Drawdowns, Conversions and Rollovers by way of issuances of CORRA Loans, Overdraft Loans and Letters of Credit shall not be available during the Forbearance Period.

ARTICLE 6
TOLLING

6.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 7
RELEASE

7.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 7.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 8
ACKNOWLEDGEMENTS

8.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or

acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

8.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

8.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

ARTICLE 9
CONDITIONS PRECEDENT TO EFFECTIVENESS

9.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders:

(i) a duly executed copy of this Agreement;

(ii) a certificate of status in respect of each Loan Party to be dated on or about the date of this Agreement; and

(iii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Borrowers shall have paid to the Agent (i) for the account of each Lender, an upfront fee equal to 7.5 bps of the Commitments of each such Lender under the Credit Agreement, such fee to be earned, due and payable on the Effective Date; (ii) all fees and expenses set out in the fee letter dated as of the date hereof among the Parent Borrower and the Agent (the "**Fee Agreement**"); and (iii) all other fees and expenses agreed to in writing between the Agent and the Borrowers, including all legal fees of Lenders' Counsel; and

(d) each of the representations and warranties in Section 10.1 shall be true and correct as of the date hereof.

9.2 The conditions set forth in Section 9.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

ARTICLE 10
REPRESENTATIONS AND WARRANTIES

10.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature

of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement when executed and delivered will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been

made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 10.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

10.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 11
GENERAL

11.1 **Documents**. This Agreement and the Fee Agreement shall each constitute a Document.

11.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

11.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

11.4 **Damages**. The Loan Parties agree that the increases in the interest rates described in this Agreement and the Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

11.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

11.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

11.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

11.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

11.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

11.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

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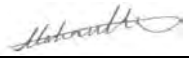
DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: 

Name: Sean Ekanayaka
Title: Deal Manager

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By:

Name: Jennifer Guo
Title: Director, Corporate Client Group, Finance

By: _____

Name:
Title:

CANADIAN WESTERN BANK

By: _____

Name:
Title:

By: _____

Name:
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ATB FINANCIAL

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EXPORT DEVELOPMENT CANADA

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LENDERS:

ROYAL BANK OF CANADA

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CANADIAN WESTERN BANK

By: _____
Name: Craig Preiksaitis
Title: Director, Corporate Banking

By: _____
Name: Stan Seto
Title: Director, Corporate Banking

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CANADIAN WESTERN BANK

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ATB FINANCIAL

By: DocuSigned by: Brian Spilchen _____
Name: Brian Spilchen
Title: Director, Corporate RAM

By: DocuSigned by: _____
Name: Muhammad Ashraf
Title: Managing Director

EXPORT DEVELOPMENT CANADA

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LENDERS:

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CANADIAN WESTERN BANK

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By: _____
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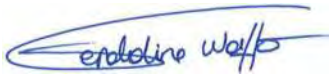
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By:  _____
Name: Geraldine Waffo
Title: Financing Manager

By: _____
Name: Quynh Nguyen
Title: Regional Underwriting Manager

LOAN PARTIES:

ENERGERA INC.

By: _____
Todd Van Vliet (Feb 13, 2025 13:37 MST)
Name: Todd Van Vliet
Title: CEO

By: _____
Lance Holmstrom (Feb 13, 2025 13:49 MST)
Name: Lance Holmstrom
Title: CFO

ENERGERA INTERNATIONAL INC.

By: _____
Todd Van Vliet (Feb 13, 2025 13:37 MST)
Name: Todd Van Vliet
Title: CEO

By: _____
Lance Holmstrom (Feb 13, 2025 13:45 MST)
Name: Lance Holmstrom
Title: CFO

ENERGERA AMERICA INC.

By: _____
Todd Van Vliet (Feb 13, 2025 13:37 MST)
Name: Todd Van Vliet
Title: CEO

By: _____
Lance Holmstrom (Feb 13, 2025 13:49 MST)
Name: Lance Holmstrom
Title: CFO

SANDTINEL LLC

By:
Todd Van Vliet (Feb 13, 2025 13:37 MST)

Name: Todd Van Vliet
Title: CEO

By:
Lance Holmstrom (Feb 13, 2025 13:49 MST)

Name: Lance Holmstrom
Title: CFO

This is **Exhibit 36** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

FIRST AMENDING AGREEMENT TO FORBEARANCE AGREEMENT

THIS FIRST AMENDING AGREEMENT (the "**Agreement**") is made as of March 31, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined below) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders entered into a forbearance agreement made as of February 14, 2025 with the Loan Parties (the "**Forbearance Agreement**", and, as amended by this Agreement, the "**Amended Forbearance Agreement**");

F. **AND WHEREAS** the Agent and the Lenders have agreed to amend the Forbearance Agreement on the terms herein;

G. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

1.1 Section 2.1(a) of the Forbearance Agreement is hereby amended by deleting the reference therein to "March 31, 2025" and replacing it with "May 15, 2025".

1.2 Section 3.1(a) of the Forbearance Agreement is hereby amended by (a) deleting the reference to "and" from the end of subparagraph (iii) thereof; (b) adding "and" to the end of subparagraph (iv) thereof; and (c) adding the following new subparagraph (v) to the end thereof:

> "(v) the Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, accumulate or maintain cash or cash equivalents in one or more accounts (including, for certainty, any depository, investment or securities account) maintained, located or domiciled in the United States of America by the Parent Borrower, any other Borrower or any of their respective Subsidiaries (each a "**US Account**"), in an aggregate amount exceeding U.S.$1,200,000 (or the equivalent amount thereof).".

1.3 Section 3.1 of the Forbearance Agreement is hereby amended by (a) deleting the reference to "and" from the end of subparagraph (c) thereof; (b) deleting "." from the end of subparagraph (d) thereof and replacing it with "; and"; and (c) adding the following new subparagraph (e) to the end thereof:

> "(e) the Parent Borrower shall, and shall cause each other Borrower and each of their respective Subsidiaries to, on the first Banking Day of each calendar month, deliver to the Agent copies of bank statements for the immediately preceding calendar month in respect of each US Account".

1.4 Sections 3.1(a)(ii) and (c) of the Forbearance Agreement are each hereby amended by deleting each reference therein to "Business Day" and "Business Days" and replacing each such reference with "Banking Day" or "Banking Days", as applicable.

1.5 Schedule A to the Credit Agreement is hereby deleted and replaced with the form of Schedule A attached at Exhibit A hereto.

ARTICLE 2
FORBEARANCE AGREEMENT

2.1 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent this Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 3
TOLLING

3.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 4
RELEASE

4.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on

representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 4.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 5
ACKNOWLEDGEMENTS

5.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

5.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

5.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

ARTICLE 6
CONDITIONS PRECEDENT TO EFFECTIVENESS

6.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders:

(i) a duly executed copy of this Agreement;

(ii) a certificate of status in respect of each Loan Party to be dated on or about the date of this Agreement; and

(iii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Borrowers shall have paid to the Agent (i) for the account of each Lender, a work fee equal to $20,000 (being $5,000 per Lender as of the Effective Date), such fee to be earned, due and payable on the Effective Date and (iii) all other fees and expenses agreed to in writing between the Agent and the Borrowers, including all legal fees of Lenders' Counsel; and

(d) each of the representations and warranties in Section 7.1 shall be true and correct as of the date hereof.

6.2 The conditions set forth in Section 6.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement, the Amended Forbearance Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement, the Amended Forbearance Agreement and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement, the Amended Forbearance Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement, the Amended Forbearance Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement and the Amended Forbearance Agreement, when this Agreement is executed and delivered, will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement or the Amended Forbearance Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 7.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

7.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 8
GENERAL

8.1 **Documents**. This Agreement and the Amended Forbearance Agreement shall each constitute a Document.

8.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

8.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then

such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

8.4 **Damages**. The Loan Parties agree that the fees and increases in the interest rates described in this Agreement and the Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

8.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

8.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

8.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

8.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

8.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

8.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

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DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: _____
Name: Sean Ekanayaka
Title: Deal Manager

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By:

Name:
Title: Cameron Bailey
Senior Director - SLAS

By: _____

Name:
Title:

CANADIAN WESTERN BANK

By: _____

Name:
Title:

By: _____

Name:
Title:

ATB FINANCIAL

By: _____

Name:
Title:

By: _____

Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: Aleksandar Nakevski
_____
Name:
Title: Aleksandar Nakevski, AVP SAMU

By: Bhupendra Malviya
_____
Name:
Title: Bhupendra Malviya, Manager SAMU

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

Docusign Envelope ID: B7131422-2311-478A-B301-ABF8C839BE86

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: DocuSigned by: Brian Spilchen 2023AB1781ED444...
Name: Brian Spilchen
Title: Director, Corporate Risk Advisory & Management

By: DocuSigned by: B1382CC0D1D14E9...
Name: Jacky Cheung
Title: Associate Director

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: Stephano Carrera
Name:
Title: Stephano Carrera
Principal Special Risks

By: _____
Name: Michelle Flynn
Title: Special Risks Manager

LOAN PARTIES:

ENERGERA INC.

By: Todd Van Vliet (Mar 27, 2025 14:13 MDT)
Name: Todd Van Vliet
Title: President & CEO

By: Lance Holmstrom (Mar 27, 2025 13:43 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA INTERNATIONAL INC.

By: Todd Van Vliet (Mar 27, 2025 14:13 MDT)
Name: Todd Van Vliet
Title: President & CEO

By: Lance Holmstrom (Mar 27, 2025 13:43 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA AMERICA INC.

By: Todd Van Vliet (Mar 27, 2025 14:13 MDT)
Name: Todd Van Vliet
Title: President & CEO

By: Lance Holmstrom (Mar 27, 2025 13:43 MDT)
Name: Lance Holmstrom
Title: CFO

SANDTINEL LLC

By: Todd Van Vliet (Mar 27, 2025 14:13 MDT)
Name: Todd Van Vliet
Title: President & CEO

By: Lance Holmstrom (Mar 27, 2025 13:43 MDT)
Name: Lance Holmstrom
Title: CFO

EXHIBIT A

SCHEDULE A
LENDERS AND COMMITMENTS

Lender	Operating Facility Commitment (Cdn.$)	Syndicated Facility Commitment (Cdn.$)	Total Commitment (Cdn.$)
Royal Bank of Canada	$7,500,000	$8,539,800.94	$16,039,800.94
Canadian Western Bank	N/A	$11,690,579.31	$11,690,579.31
ATB Financial	N/A	$11,690,579.31	$11,690,579.31
Export Development Canada	N/A	$11,690,579.31	$11,690,579.31
Total:	$7,500,000	$43,611,538.87	$51,111,538.87

This is **Exhibit 37** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

SECOND AMENDING AGREEMENT TO FORBEARANCE AGREEMENT

THIS SECOND AMENDING AGREEMENT (the "**Agreement**") is made as of May 15, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined below) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders entered into a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025 (as so amended, the "**Forbearance Agreement**", and, as amended by this Agreement, the "**Amended Forbearance Agreement**");

F. **AND WHEREAS** the Agent and the Lenders have agreed to amend the Forbearance Agreement on the terms herein;

G. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

1.1 Section 2.1(a) of the Forbearance Agreement is hereby amended by deleting the reference therein to "May 15, 2025" and replacing it with "May 22, 2025".

ARTICLE 2
FORBEARANCE AGREEMENT

2.1 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent this Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 3
TOLLING

3.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 4
RELEASE

4.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 4.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 5
ACKNOWLEDGEMENTS

5.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any

Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

5.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

5.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

ARTICLE 6
CONDITIONS PRECEDENT TO EFFECTIVENESS

6.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders:

(i) a duly executed copy of this Agreement;

(ii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Borrowers shall have paid to the Agent all fees and expenses agreed to in writing between the Agent and the Borrowers, including all legal fees of Lenders' Counsel; and

(d) each of the representations and warranties in Section 7.1 shall be true and correct as of the date hereof.

6.2 The conditions set forth in Section 6.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement, the Amended Forbearance Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement, the Amended Forbearance Agreement

and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement, the Amended Forbearance Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement, the Amended Forbearance Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement and the Amended Forbearance Agreement, when this Agreement is executed and delivered, will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement or the Amended Forbearance Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any

jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 7.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

7.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 8
GENERAL

8.1 **Documents**. This Agreement and the Amended Forbearance Agreement shall each constitute a Document.

8.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

8.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

8.4 **Damages**. The Loan Parties agree that the fees and increases in the interest rates described in this Agreement and the Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

8.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

8.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

8.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

8.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of

any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

8.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

8.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

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DATED EFFECTIVE as of the date first written above.

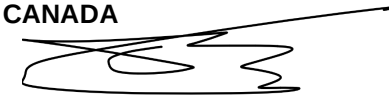
ROYAL BANK OF CANADA, as Agent

By: _____
Name: Sean Ekanayaka
Title: Deal Manager

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA



By: _____
Name:
Title: Cameron Bailey
Senior Director - SLAS

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: Aleksandar Nakevski
Name:
Title: Aleksandar Nakevski, AVP SAMU

By: Bhupendra Malviya
Name: Bhupendra Malviya
Title: Manager, Special Asset Management Unit

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

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LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: DocuSigned by: Brian Spilchen _____
Name: Brian Spilchen
Title: Director, Corporate Risk Advisory & Management

By: DocuSigned by: _____
Name: Jacky Cheung
Title: Associate Director

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: Stephano Carrera
Name: Stephano Carrera
Title: Principal Special Risks

By: _____
Name: Michelle Flynn
Title: Special Risks Manager

LOAN PARTIES:

ENERGERA INC.

By: _____
Name: IVAN VLIET
Title: CEO

By: _____
Name: LANCE HOLMSTROM
Title: CFO

ENERGERA INTERNATIONAL INC.

By: _____
Name: IVAN VLIET
Title: CEO

By: _____
Name: LANCE HOLMSTROM
Title: CFO

ENERGERA AMERICA INC.

By: _____
Name: IVAN VLIET
Title: CEO

By: _____
Name: LANCE HOLMSTROM
Title: CFO

SANDTINEL LLC

By: _____
Name: IVAN VLIET
Title: CEO

By: _____
Name: LANCE HOLMSTROM
Title: CFO

This is **Exhibit 38** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

THIRD AMENDING AGREEMENT TO FORBEARANCE AGREEMENT

THIS THIRD AMENDING AGREEMENT (the "**Agreement**") is made as of May 22, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined below) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders entered into a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025 and a second amending agreement made as of May 15, 2025 (the "**Forbearance Agreement**", and, as amended by this Agreement, the "**Amended Forbearance Agreement**");

F. **AND WHEREAS** the Agent and the Lenders have agreed to amend the Forbearance Agreement on the terms herein;

G. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

1.1 Section 1.1(c) is hereby amended by adding "(collectively, the "**Financial Covenants**")" immediately following the words "financial covenants".

1.2 Section 2.1(a) of the Forbearance Agreement is hereby amended by deleting the reference therein to "May 22, 2025" and replacing it with "September 30, 2025".

1.3 Section 3.1(a)(ii) of the Forbearance Agreement is hereby amended by:

(a) including the words "(x) a current list of all accounts receivable and accounts payable of the Loan Parties and their Subsidiaries identifying, without limitation, key suppliers and the status of payments proposed in any cash flow forecasts (each an "**AP/AR Report**"), and each AP/AR Report, and any payment proposed therein, shall be subject to the prior overview and acknowledgement of Alvarez & Marsal Canada ULC and (y)" immediately following the words "shall deliver to the Agent"; and

(b) deleting the reference therein to "not less than Cdn.$6,750,000" and replacing it with "not less than, subject to Section 3.1(m) below, Cdn.$6,250,000 or Cdn.$5,750,000, applicable".

1.4 Section 3.1 of the Forbearance Agreement is hereby amended by (i) deleting the reference to "and" from the end of subparagraph (d) thereof; (ii) deleting "." from the end of subparagraph (e) thereof and replacing it with "; and"; and (iii) adding the following new subparagraphs to the end thereof:

"(f) the Parent Borrower shall, and shall cause the other Loan Parties to, pay to the Agent the proceeds of the sale of the property described in the North Dakota Deed for the application by the Agent of such proceeds to the repayment and permanent reduction of the Syndicated Facility within five Banking Days of the earlier of the date on which such sale occurs and the receipt by the Parent Borrower and the other Loan parties of such proceeds, subject only to prior deductions for (i) realtor commissions and related closing fees (as approved by the Lenders in their sole and unfettered discretion) and (ii) applicable withholding taxes in the amount of 10% of the greater of the fair market value of the property and the consideration received for the sale of the property; and, for certainty, the Lenders hereby consent to such sale and the release and discharge by the Agent of the North Dakota Deed provided that the Parent Borrower and the other applicable Loan Parties comply with this Section 3.1(f);

(g) the Borrower shall provide the Agent with immediate notice of (i) any additional Security Interest on or in respect of its property and assets or any part thereof or (ii) actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries, their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary;

(h) the Borrower shall, and shall cause each of the other applicable Loan Parties to, comply with the following milestones (collectively, the "**Milestones**") in connection with the sale or refinancing of the Loan Parties, the satisfaction of which will be determined, in each case, by the Lenders in their sole and unfettered discretion:

(i) commencement of a sale and investor solicitation process that will contemplate the sale of the shares or assets of the Borrowers (the "**Sales Transaction**"), and in connection therewith:

(A) on or prior to June 5, 2025, the Parent Borrower shall engage a financial advisor acceptable to the Agent and the Lenders on terms and conditions, and with a scope of engagement, satisfactory to the Agent and the Lenders, acting reasonably, as provided in an engagement agreement in respect thereof (a "**SISP Financial Advisor**") for the Sales Transaction;

(B) satisfaction of the following conditions by June 12, 2025 (collectively, the "**Sales Process Requirements**"):

(I) the Agent and the Agent's financial advisor (the "**Agent's Financial Advisor**") shall have been provided with access to a virtual data room containing all information required in connection with the Sales Transaction;

(II) delivery to the Agent of a summary 'teaser', prepared by the SISP Financial Advisor, with the support of the Borrowers, outlining the particulars of any Sales Transaction and key contacts; and

(III) delivery to the Agent of (I) the identities of all potential third-party purchasers with respect to any Sales Transaction, (II) the form of non-disclosure agreement to be distributed to any such potential third-party purchasers, and (III) copies of any letters of intent, term sheets (in either case, if any and whether binding or nonbinding) or proposals (if any) relating to any Transaction, in each case redacted to the extent necessary to comply with confidentiality obligations to such potential third-party purchasers; and

(C) delivery to the Agent of a confidential information memorandum regarding a Sales Transaction and the commencement of the sales process to complete a Sales Transaction as contemplated by the Sales Process Requirements by July 3, 2025, satisfactory evidence of which shall have been provided to the Agent (the "**Sales Process**");

(ii) execution by all applicable parties and delivery to the Agent by September 11, 2025, on terms satisfactory to the Lenders in their sole and unfettered discretion, of either:

(A) a true and complete copy of a non-binding letter of intent, memorandum of understanding or term sheet for a Sales Transaction (including a declaration as to whether any management or current shareholders of any Loan Party will be providing a bid in the Sales Transaction), definitive closing of such Sales Transaction to occur by October 22, 2025; or

(B) executed commitment letters entered into between the Borrowers and lenders or investors satisfactory to the Lenders in their sole and unfettered discretion, which provide debt and/or equity commitments sufficient to fully satisfy all Obligations and BCAP Indebtedness on or before October 22, 2025, each in form and substance satisfactory to the Lenders in their sole discretion (collectively, the "**Refinancing Commitment Letters**");

provided that, if subparagraphs (A) or (B) above have been satisfied (which will be determined, in each case, by the Lenders in their sole and unfettered discretion, pursuant to which the Agent shall provide notice to the Parent Borrower on or about September 22, 2025), Section 2.1(a) shall be deemed to amended by deleting the reference therein to "September 30, 2025" and replacing it with "October 22, 2025", in which case the Borrower shall, and shall cause each of the other applicable Loan Parties to, comply with the following Milestones, the satisfaction of which will be determined, in each case, by the Lenders in their sole and unfettered discretion:

(iii) if a Refinancing Commitment Letter is delivered in accordance with the foregoing, closing of the transactions contemplated in such Refinancing Commitment Letter shall occur by October 22, 2025, or such other date as may be agreed to by the Agent and Lenders in their sole and unfettered discretion, in a manner satisfactory to the Lenders in their sole and unfettered discretion;

(iv) if a Refinancing Commitment Letter was not delivered in accordance with the foregoing, delivery to the Agent and the Lenders of a true and complete copy of a binding letter of intent, memorandum of understanding or term sheet in respect of the Sales Transaction by October 1, 2025, on terms satisfactory to the Lenders in their respective sole and unfettered discretion; and

(v) if either (x) a Refinancing Commitment Letter was not delivered in accordance with the foregoing or (y) a Refinancing Commitment Letter was delivered in accordance with the foregoing but the closing of the transactions contemplated in the Refinancing Commitment Letter does not occur by October 22, 2025 pursuant to subparagraph (I) above, in either case, definitive closing of the definitive Sales Transaction shall occur by October 22, 2025 in a manner satisfactory to the Lenders in their sole and unfettered discretion;

(i) if and when requested by the Agent, the Borrower shall, and shall cause each applicable Loan Party to, participate in update conference calls with the Agent, the Lenders, the Agent's Financial Advisor, the SISP Financial Advisor and any other applicable non-legal advisors (or any of them), to discuss the Milestones, any Borrowing Base Certificate or Compliance Certificate, the Borrowers' current and projected operational performance and any other matters relating to any of the foregoing. The Agent anticipates that such update meetings will occur on a bi-weekly basis;

(j) commencing on the first Friday following the effective date of the third amending agreement to this Agreement dated May 22, 2025 (the "**Third Amendment Date**"), the Parent Borrower shall provide to the Agent, in writing on a bi-weekly basis, (i) a report of the SISP Financial Advisor regarding the status of the Milestones, and, in each case, the transactions contemplated thereby, including, *inter alia*, the status of the Sales Process being undertaken by advisors on behalf of the Loan Parties, negotiation of any Refinancing Commitment Letter(s), including updates in a timely manner with respect to prospective parties interested in a potential Transaction involving the Loan Parties or any of their assets (each, a "**Potential Transaction Counterparty**") identified by the Borrowers or such advisors, material developments with respect to any transaction with any such Potential Transaction Counterparty, and a summary of the material terms of any written proposal received; and (ii) an update of any redundant property or asset sales or prospects in respect thereof;

(k) no Loan Party shall, except with prior written notice to the Agent and the Lenders, institute any proceeding under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other corporate, bankruptcy, insolvency or any other analogous laws, or apply for any receiver, interim receiver, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; provided that the Loan Parties shall

not, in any such proceeding or application, seek to obtain third-party interim financing in priority to any claim relating to the Obligations or the BCAP Indebtedness;

(l) no Loan Party shall, except with the consent of the Lenders in their sole and unfettered discretion, consent to the institution by any secured third party (excluding the Agent and Lenders) of any proceeding under the *Companies' Creditors Arrangement Act (Canada)*, the *Bankruptcy and Insolvency Act (Canada)*, the *Winding-up and Restructuring Act (Canada)* or any other corporate, bankruptcy, insolvency or any other analogous laws, or consent to the appointment of any receiver, interim receiver, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer by any secured third party (excluding the Agent and Lenders) for it or for all or any material part of its property; nor shall any order or decree approving or ordering any of the foregoing be entered, or any order for relief be entered in any such proceeding or any Loan Party file for protection under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada);

(m) notwithstanding Section 9.2(h)(ii)(B)(z) and Section 9.3(d) of the Credit Agreement, Liquidity shall at all times be at least:

(i) following the Third Amendment Date, Cdn.$6,250,000 (or the Equivalent Amount thereof in United States Dollars); provided that, on the Third Amendment Date, the Parent Borrower shall settle all outstanding professional fee accounts owing to each of Norton Rose Fulbright LLP and Alvarez & Marsal Canada ULC in respect of the Loan Parties (subject to such accounts not exceeding Cdn.$500,000, including all applicable tax and disbursements, in the aggregate), and the Loan Parties hereby authorize the Agent to debit the Operating Facility to pay such professional fees; and

(ii) on and following June 30, 2025, Cdn.$5,750,000 (or the Equivalent Amount thereof in United States Dollars); provided that, (A) the Parent Borrower has complied with subparagraph (i) above and (B) no Forbearance Default has occurred; and

(n) no Loan Party shall oppose the Agent and the Lenders from obtaining court approval and filing the consent receivership order attached hereto as Schedule "A" following the expiry of the Forbearance Period unless the Forbearance Period is further extended by agreement of the parties hereto in writing; provided that the Agent shall, unless emergent circumstances exist, use best commercial efforts to provide the Parent Borrower with two (2) Banking Days' notice prior to any such filing.".

1.5 Section 4.1 of the Forbearance Agreement is hereby amended by (i) deleting the reference to "and" from the end of subparagraph (i) thereof; (ii) deleting "." from the end of subparagraph (j) thereof and replacing it with "; and"; and (iii) adding the following new subparagraph (k) to the end thereof:

"(k) the Lenders consider that they are insecure, or that the prospect of payment or performance by the Loan Parties of the Obligations is or is about to be impaired, or that the collateral under the Security is or is about to be placed in jeopardy.".

ARTICLE 2
ACKNOWLEDGEMENTS

2.1 The Agent, the Lenders and the Loan Parties acknowledge that:

(a) on April 30, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of March 31, 2025. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing. Such Event of Default shall constitute a Specified Default;

(b) the Parent Borrower has delivered, in accordance with Section 1.1(a) of the Forbearance Agreement for the Fiscal Year End of September 30, 2024, to the to the Agent with sufficient copies for each of the Lenders, copies of the Parent Borrower's audited annual financial statements on a consolidated basis consisting of a balance sheet, statement of operations, statement of comprehensive income, statement of cash flows and statement of changes in equity for each such fiscal year, together with the notes thereto, all prepared in accordance with generally accepted accounting principles consistently applied, together with a report and an audit opinion of the Parent Borrower's auditors thereon, and the accompanying management discussion and analysis of the Parent Borrower;

(c) in accordance with Section 3.1(b) of the Forbearance Agreement, the Borrowers have cooperated, and shall continue to fully cooperate, with, and bear the reasonable and invoiced costs associated with, a financial advisor engaged by the Lenders on the terms and conditions, and with a scope of engagement, satisfactory to the Agent and the Lenders, acting reasonably, and, for certainty, the Borrowers executed an engagement letter dated February 20, 2025 in respect thereof (which engagement letter remains in force and may be amended in scope from time to time);

(d) the Parent Borrower has paid to the Agent the proceeds of the sale of the property described in the Colorado Deed in accordance with Section 3.1(c) of the Forbearance Agreement;

(e) subject to the satisfaction of Section 8.1(a)(iii), the Parent Borrower has delivered to the Agent sufficient copies for each of the Lenders of an appraisal on the assets and properties of the Parent Borrower, the other Borrowers and each other Subsidiary in accordance with Section 3.1(d) of the Forbearance Agreement; and

(f) notwithstanding Section 9.1(y) of the Credit Agreement, the Borrowers are no longer required to enter into Interest Hedging Agreements with Lenders or Hedging Affiliates which hedge at least 50% of the total interest rate exposure on the existing and future Loans under the Syndicated Facility.

ARTICLE 3
FORBEARANCE AGREEMENT

3.1 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent this Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 4
TOLLING

4.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 5
RELEASE

5.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 4.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 6
ACKNOWLEDGEMENTS

6.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any

rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

6.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

6.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

ARTICLE 7
FEES

7.1 The Borrowers shall pay to the Agent, for the rateable account of each Lender, a work fee equal to $250,000 (the "**Work Fee**"), which Work Fee shall be fully earned and due and payable on the Effective Date, and the Loan Parties hereby authorize the Agent to debit the Operating Facility to pay the Work Fee; provided that, $100,000 of the Work Fee shall be refundable upon the successful closing of a Transaction or a refinancing pursuant to a Refinancing Commitment Letter which results in the satisfaction of all Obligations and BCAP Indebtedness (including, without limitation, all principal, interest, fees, legal and other costs, charges and expenses, and other amounts payable under the Documents and the BCAP Credit Documents) on or before October 22, 2025.

ARTICLE 8
CONDITIONS PRECEDENT TO EFFECTIVENESS

8.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders in their sole and unfettered discretion:

(i) a duly executed copy of this Agreement;

(ii) a certificate of status in respect of each Loan Party to be dated on or about the date of this Agreement; and

(iii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Borrowers shall have paid to the Agent (i) the Work Fee; (ii) all fees of Lenders' Counsel and Alvarez & Marsal Canada ULC in respect of which invoices have been submitted to the Parent Borrower, and (iii) all other fees and expenses agreed to in writing between the Agent and the Borrowers; and

(d) each of the representations and warranties in Section 10.1 shall be true and correct as of the date hereof.

8.2 The conditions set forth in Section 8.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

8.3 The conditions set out in Article 9 of the Forbearance Agreement are of no further force and effect and are superseded and replaced in their entirety by the conditions set forth in Section 8.1 hereof.

ARTICLE 9
CONDITIONS SUBSEQUENT

9.1 This Agreement is subject to the condition subsequent that the Parent Borrower deliver to the Agent an updated asset appraisal from Ernst & Young in respect of the Loan Parties including forced liquidation value. If such condition subsequent is not satisfied on or prior to June 11, 2025 (or such later date to which the Lenders consent, which consent the Lenders will not unreasonably withhold, provided the Parent Borrower has provided evidence that Ernst & Young is not able to deliver the updated asset appraisal by June 11, 2025), an immediate Forbearance Default shall be deemed to exist under this Agreement.

ARTICLE 10
REPRESENTATIONS AND WARRANTIES

10.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement, the Amended Forbearance Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement, the Amended Forbearance Agreement and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement, the Amended Forbearance Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement, the Amended Forbearance Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the

other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement and the Amended Forbearance Agreement, when this Agreement is executed and delivered, will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement or the Amended Forbearance Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 10.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

10.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 11
GENERAL

11.1 **Documents**. This Agreement and the Amended Forbearance Agreement shall each constitute a Document.

11.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

11.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

11.4 **Damages**. The Loan Parties agree that the fees and increases in the interest rates described in this Agreement and the Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

11.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

11.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

11.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement or the Amended Forbearance Agreement, as applicable.

11.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

11.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

11.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution", "execute", "signed", "signature", and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may

be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

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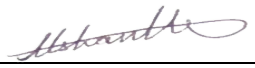
DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: 

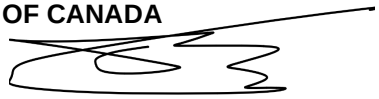
Name: Sean Ekanayaka
Title: Deal Manager

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA



By: _____

Name: Cameron Bailey
Title: Senior Director - SLAS

By: _____

Name:
Title:

NATIONAL BANK OF CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

ATB FINANCIAL

By: _____

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EXPORT DEVELOPMENT CANADA

By: _____

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By: _____

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LENDERS:

ROYAL BANK OF CANADA

By: _____
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By: _____
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Title:

NATIONAL BANK OF CANADA

By: Aleksandar Nakevski
Name:
Title: Aleksandar Nakevski, AVP SAMU

By: Bhupendra Malviya
Name: Bhupendra Malviya
Title: Manager, SAMU

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
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EXPORT DEVELOPMENT CANADA

By: _____
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By: _____
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LENDERS:

ROYAL BANK OF CANADA

By: _____
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NATIONAL BANK OF CANADA

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By: _____
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Title:

ATB FINANCIAL

By: DocuSigned by: Brian Spilchen 2623AB1784ED444... _____
Name: Brian Spilchen
Title: Director, Corporate Risk Advisory & Management

By: DocuSigned by: 84382C6B4D14E9... _____
Name: Jacky Cheung
Title: Associate Director

EXPORT DEVELOPMENT CANADA

By: _____
Name:
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LENDERS:

ROYAL BANK OF CANADA

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ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: Stephano Carrera
Name: Stephano Carrera
Title: Principal Special Risks

By: _____
Name: Michelle Flynn
Title: Special Risks Manager

LOAN PARTIES:

ENERGERA INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:22 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA INTERNATIONAL INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:22 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA AMERICA INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:22 MDT)
Name: Lance Holmstrom
Title: CFO

SANDTINEL LLC

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:22 MDT)
Name: Lance Holmstrom
Title: CFO

Schedule “A”

Consent Receivership Order

[See attached.]

COURT FILE NUMBER	
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA, as Agent
DEFENDANT	ENERGERA INC. (formerly known as FRAC SHACK INC.), ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.), ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and SANDTINEL LLC
DOCUMENT	**CONSENT RECEIVERSHIP ORDER**

Clerk's stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Norton Rose Fulbright Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 Canada Howard A. Gorman, K.C. / Meghan L. Parker howard.gorman@nortonrosefulbright.com meghan.parker@nortonrosefulbright.com Tel: +1 403.267.8144 / 9564 Fax: +1 403.264.5973 Lawyers for the Applicant, Royal Bank of Canada File no.: 1001247662

DATE ON WHICH ORDER WAS PRONOUNCED:
NAME OF JUDGE WHO MADE THIS ORDER:
LOCATION OF HEARING: Calgary, Alberta

UPON the application of Royal Bank of Canada, as Agent, in respect of Energera Inc. (formerly known as Frac Shack Inc.), Energera International Inc. (formerly known as Frac Shack International Inc.), Energera America Inc. (formerly known as Frac Shack America Inc.) and Sandtinel LLC (the **Debtors**); **AND UPON** having read the Application, the Affidavit of ●; and the Affidavit of Service of ●, filed; **AND UPON** reading the consent of Alvarez & Marsal Canada Inc. to act as receiver and manager (the **Receiver**) of the Debtor, filed; **AND UPON** noting the consent endorsed hereon of the Debtor; **AND UPON** hearing counsel for the Applicant, counsel for the proposed Receiver and any other counsel or other interested parties present;

IT IS HEREBY ORDERED THAT:

SERVICE AND NOTICE

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient and this application is properly returnable today.

2. The notice period under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (***BIA***), is hereby waived.

APPOINTMENT

3. Pursuant to section 243(1) of the *BIA*, and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, Alvarez & Marsal Canada Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the **Property**).

RECEIVER'S POWERS

4. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability:

(i) to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immoveable; and

(ii) upon further order of the Court, to abandon, dispose of, or otherwise release any license or authorization issued by the Alberta Energy Regulator, or any other similar government authority;

(b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to or by the Debtor;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

(j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this

Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court.

(k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $500,000, provided that the aggregate consideration for all such transactions does not exceed $3,000,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

(m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any

other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

6. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the **Records**) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 9; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OR REMEDIES

10. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court including, without limitation, any rights or remedies or provisions in any agreement, construction, ownership and operating agreement, joint venture agreement or any such similar agreement or agreements to which the Debtors, or any of them, are a party that purport to effect or cause a cessation of operatorship as a result of the occurrence of any default or non-performance by or the insolvency of the Debtors, the making or filing of these proceedings or any allegation, admission or evidence in these proceedings and under no circumstances shall the Debtors be replaced as operator pursuant to any such agreements without further order of this Court provided, however, that this stay and suspension does not apply in respect of any "eligible financial contract" (as defined in the BIA), and further provided that nothing in this Order shall:

(a) empower the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on;

(b) prevent the filing of any registration to preserve or perfect a security interest;

(c) prevent the registration of a claim for lien; or

(d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

11. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

13. All persons having:

(a) statutory or regulatory mandates for the supply of goods and/or services; or

(b) oral or written agreements or arrangements with the Debtor, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in

accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, and clause 20(e) of the Alberta *Personal Information Protection Act*, SA 2003, c P-6.5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a **Sale**). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy

all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17.

(a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:

(i) before the Receiver's appointment; or

(ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

(b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.

(c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

(i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

(A) complies with the order, or

(B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;

(ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

(A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or

(B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

(iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

19. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the **Receiver's Charge**) on the Property, which charge shall not exceed an aggregate amount of $1,000,000, as security for their professional fees and disbursements incurred at the normal

rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4), 81.6(2) and 88 of the BIA.

20. The Receiver and its legal counsel shall pass their accounts from time to time.

21. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $5,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **Receiver's Borrowings Charge**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4), 81.6(2) and 88 of the BIA.

23. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

25. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

26. The Receiver shall be allowed to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

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

GENERAL

28. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.

30. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

31. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

32. The Receiver is at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

34. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.[1]

FILING

35. The Receiver shall establish and maintain a website in respect of these proceedings at https://www.alvarezandmarsal.com/Energera (the **Receiver's Website**) and shall post there as soon as practicable:

(a) all materials prescribed by statute or regulation to be made publicly available; and

(b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

[1] To the extent it is not possible or practical in the circumstances, the affected parties can rely on the comeback clause to seek to modify the receivership order, subject to the protection of lenders, receivers, or other parties that have relied on the order between the date the receivership order is granted and the date it is varied.

36. 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 or otherwise served with notice of 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; and

(b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

37. 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.

Justice of the Court of King's Bench of Alberta

CONSENTED TO:

ENERGERA INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:23 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA INTERNATIONAL INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
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SANDTINEL LLC

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Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:23 MDT)
Name: Lance Holmstrom
Title: CFO

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the receiver and manager (the **Receiver**) of all of the assets, undertakings and properties of Energera Inc. (formerly known as Frac Shack Inc.), Energera International Inc. (formerly known as Frac Shack International Inc.), Energera America Inc. (formerly known as Frac Shack America Inc.) and Sandtinel LLC appointed by Order of the Court of King's Bench of Alberta (the **Court**) dated the **[day]** day of **[month]**, **[year]** (the **Order**) made in action number **[●]**, has received as such Receiver from the holder of this certificate (the **Lender**) the principal sum of **[$]**, being part of the total principal sum of **[$]** that the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily] [monthly not in advance on the ● day of each month]** after the date hereof at a notional rate per annum equal to the rate of **[●]** per cent above the prime commercial lending rate of Bank of **[●]** from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at **[●]**.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the _____ day of _____, 20__.

Alvarez & Marsal Canada Inc., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

This is **Exhibit 39** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

EXECUTION VERSION

FOURTH AMENDING AGREEMENT TO FORBEARANCE AGREEMENT

THIS FOURTH AMENDING AGREEMENT (the "**Agreement**") is made as of July 28, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024, as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined below) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders entered into a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025 and a third amending agreement made as of May 22, 2025 (the "**Forbearance Agreement**", and, as amended by this Agreement, the "**Amended Forbearance Agreement**");

F. **AND WHEREAS** the Parent Borrower wishes to establish a cash-secured credit card facility with HSBC Bank USA, N.A. not to exceed U.S.$175,000 in the aggregate and grant a Security Interest to HSBC Bank USA, N.A. in respect thereof;

G. **AND WHEREAS** the Agent and the Lenders have agreed to amend the Forbearance Agreement on the terms herein;

H. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

1.1 Section 3.1 of the Forbearance Agreement is hereby amended by deleting subparagraph (a)(iv) thereof in its entirety and replacing it with the following:

> "(iv) the Parent Borrower shall, and shall cause the other Loan Parties to, maintain all of the Parent Borrower's and the other Loan Parties' deposit accounts with the Agent or with an account bank that has entered into a deposit account control agreement with the Agent and the applicable Loan Party, in form and substance acceptable to the Agent, except for a cash collateral account established in respect of the Parent Borrower's cash-secured credit card facility with HSBC Bank USA, N.A. not to exceed U.S.$175,000 in the aggregate (the "**HSBC US Credit Card Facility**"); and".

1.2 Section 4.1 of the Forbearance Agreement is hereby amended by deleting subparagraphs (f) and (g) thereof in their entirety and replacing them with the following:

> "(f) the Parent Borrower incurs, or permits any other Borrower or any other Subsidiary to have or incur, any Debt that has not been incurred as of the date of this letter other than (i) Debt constituting Obligations and (ii) Debt not to exceed U.S.$175,000 owing to HSBC Bank USA, N.A. pursuant to the HSBC US Credit Card Facility;
>
> (g) the Parent Borrower creates, incurs, assumes, suffers to exist, or enters into any, or permits any other Borrower or any other Subsidiary to create, incur, assume, suffer to exist, or enter into any, contract, instrument or undertaking pursuant to which any Person may have or be entitled to any Security Interest not in existence as of the date of this Agreement on or in respect of its property and assets or any part thereof, except in respect of a Security Interest granted by the Parent Borrower to HSBC Bank USA, N.A. to secure the HSBC US Credit Card Facility, which Security Interest shall be created in a security agreement in form and substance acceptable to the Lenders;".

1.3 Section 4.1 of the Forbearance Agreement is hereby amended by (i) deleting the reference to "and" from the end of subparagraph (m)(ii) thereof and (ii) adding the following paragraph to the end thereof:

> "provided that, for certainty, any cash collateral deposited with HSBC Bank USA, N.A. to secure the HSBC US Credit Card Facility shall not be used in the calculation of Liquidity, including any determination of Unencumbered Cash; and".

ARTICLE 2
FORBEARANCE AGREEMENT

2.1 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent the Amended Forbearance Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 3
TOLLING

3.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 4
RELEASE

4.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 4.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 5
ACKNOWLEDGEMENTS

5.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

5.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

5.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

ARTICLE 6
CONDITIONS PRECEDENT TO EFFECTIVENESS

6.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders in their sole and unfettered discretion:

(i) a duly executed copy of this Agreement;

(ii) a certificate of status in respect of each Loan Party to be dated on or about the date of this Agreement; and

(iii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Borrowers shall have paid to the Agent all fees and expenses agreed to in writing between the Agent and the Borrowers; and

(d) each of the representations and warranties in Section 10.1 shall be true and correct as of the date hereof.

6.2 The conditions set forth in Section 8.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

6.3 The conditions set out in Article 9 of the Forbearance Agreement are of no further force and effect and are superseded and replaced in their entirety by the conditions set forth in Section 8.1 hereof.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement, the Amended Forbearance Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement, the Amended Forbearance Agreement and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement, the Amended Forbearance Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement, the Amended Forbearance Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust

indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement and the Amended Forbearance Agreement, when this Agreement is executed and delivered, will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement or the Amended Forbearance Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 10.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

7.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 8
GENERAL

8.1 **Documents**. This Agreement and the Amended Forbearance Agreement shall each constitute a Document.

8.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

8.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

8.4 **Damages**. The Loan Parties agree that the fees and increases in the interest rates described in this Agreement and the Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

8.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

8.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

8.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement or the Amended Forbearance Agreement, as applicable.

8.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

8.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

8.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original,

but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

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DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: _____
Name: Sean Ekanayaka
Title: Deal Manager

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By:

Name:
Title: Cameron Bailey
Senior Director - SLAS

By: _____

Name:
Title:

NATIONAL BANK OF CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

ATB FINANCIAL

By: _____

Name:
Title:

By: _____

Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: Aleksandar Nakevski
Name: Aleksandar Nakevski, AVP SAMU
Title:

By: Bhupendra Malviya
Name: Bhupendra Malviya, Manager SAMU
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

Docusign Envelope ID: 98D74DDE-268A-44CB-91C4-5AE9F2B5A535

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: DocuSigned by: Brian Spilchen 2025AB1781ED444... _____
Name: Brian Spilchen
Title: Director, Corporate RAM

By: DocuSigned by: B1382CC8D1D14E9... _____
Name: Jacky Cheung
Title: Associate Director

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: Stephano Carrera
Name: Stephano Carrera
Title: Principal Special Risks

By: _____
Name:
Title: Special Risk Manager

LOAN PARTIES:

ENERGERA INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

ENERGERA INTERNATIONAL INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

ENERGERA AMERICA INC.

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

SANDTINEL LLC

By: _____
Name: Todd Van Vliet
Title: Chief Executive Officer

By: _____
Name: Lance Holmstrom
Title: Chief Financial Officer

This is **Exhibit 40** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

FIFTH AMENDING AGREEMENT TO FORBEARANCE AGREEMENT

THIS FIFTH AMENDING AGREEMENT (the "**Agreement**") is made as of November 19, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024, as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined in the Forbearance Agreement) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement and the other Documents, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans,

in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders entered into a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025, a third amending agreement made as of May 22, 2025 and a fourth amending agreement dated July 28, 2025 (as so amended, the "**Forbearance Agreement**", and, as amended by this Agreement, the "**Amended Forbearance Agreement**");

F. **AND WHEREAS** in a reservation of rights letter dated as of the date hereof (the "**Second Reservation of Rights Letter**") the Agent provided notice to the Borrowers of the Additional Event of Default (as defined in the Second Reservation of Rights Letter);

G. **AND WHEREAS** the Agent and the Lenders have agreed to amend the Forbearance Agreement on the terms herein;

H. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
AMENDMENTS

1.1 The reference to "(the "**Agreement**")" on the first page of the Forbearance Agreement is hereby amended by replacing it with "(as amended, supplemented or otherwise modified from time to time, the "**Agreement**")".

1.2 Section 1.1 of the Forbearance Agreement is hereby amended as follows:

(a) by deleting the lead-in paragraph in its entirety and replacing it with the following:

"The Borrowers acknowledge that they are currently in Default or Event of Default of their obligations to the Agent and the Lenders under the Credit Agreement and the other Documents in accordance with the following (the "**Specified Defaults**"):"; and

(b) by adding new subparagraphs (e) through (g) thereto as follows:

"(e) On July 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of June 30, 2025. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing).

(f) Pursuant to Section 3.1(h) of this Agreement (as in effect prior to the effectiveness of the fifth amending agreement to forbearance agreement dated November 19, 2025), the Loan Parties are required to (i) comply with each of the Milestones (as defined therein) (the "**Milestone Covenant**") and (ii) maintain a certain minimum Liquidity (the "**Minimum Liquidity Covenant**"). Pursuant to Section 11.1(d) of the Credit Agreement, the Agent provided notice to the Borrowers in a reservation of rights letter dated November 19, 2025 that they have failed to comply with the Milestone Covenant and the Minimum Liquidity Covenant, and that a Default has occurred as a result of such failure to comply.

(g) On October 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each

of the Financial Covenants as of September 30, 2025. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing).".

1.3 Section 2.1 of the Forbearance Agreement is hereby deleted in its entirety and replaced with the following:

"The Lenders forbear in relation to the Specified Defaults from the Effective Date until the earlier to occur of the following: (a) January 31, 2026; and (b) the occurrence of a Forbearance Default (as defined below) (the "**Forbearance Period**").".

1.4 Section 2.2 of the Forbearance Agreement is hereby deleted in its entirety and replaced with the following:

"The Lenders confirm and agree that they have not accelerated and will not accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights, including the appointment of a receiver, under the Documents in relation to the Specified Defaults until the expiry of the Forbearance Period.".

1.5 Section 3.1 of the Forbearance Agreement is hereby amended as follows:

(a) by deleting clause (D) in subparagraph (a)(ii) thereof in its entirety and replacing it with the following:

"(D) a forecast of Liquidity for each of the next following 13 weeks; and";

(b) by deleting subparagraph (h) in its entirety and replacing it with the following:

"(h) the Parent Borrower shall, and shall cause each of the other applicable Loan Parties to, (i) diligently pursue a Transaction to the satisfaction of the Agent and the Lenders in their sole and absolute discretion, (ii) cooperate fully with the Agent, Alvarez & Marsal Canada ULC, each party or potential party to any Transaction, and each of their respective advisors and counsel, in a manner that is satisfactory to the Agent and the Lenders in their sole and absolute discretion; and (iii) provide weekly reporting to the Lenders with respect to the status of any Transaction or the status of any negotiations in respect of any potential Transaction, which reporting shall be in form and substance satisfactory to the Agent and the Lenders in their sole and absolute discretion; provided that, the Agent and the Lenders have the sole and absolute right, at any time, to determine that this Section 3.1(h) has not been complied with, including by reason of a Transaction or potential Transaction failing to meet the criteria set forth in subclauses (i) and (ii) of the definition thereof. For the purposes of this subparagraph (h), "**Transaction**" means any (a) sale of any or all of the equity interests or assets of the Borrowers, or (b) debt and/or equity financing (or any combination thereof) sufficient to satisfy fully all Obligations and discharge the obligations the Borrowers in respect of the BCAP Indebtedness, in each case which is (i) on terms satisfactory to the Agent and the Lenders in their sole and absolute discretion and (ii) reasonably likely to be consummated, as determined by the Agent and the Lenders in their sole and absolute discretion."

(c) by deleting subparagraph (m) in its entirety and replacing it with the following;

"(m) notwithstanding Section 2.16(4) of the Credit Agreement, but without limiting the provisions of Sections 2.16(1), 2.16(2) and 2.16(3) of the Credit Agreement, on the first Banking Day of each week, commencing with the first Banking Day following

the week ending on November 21, 2025, the Parent Borrower shall pay, or shall cause to be paid, to the Agent, on behalf of the Syndicated Facility Lenders, a repayment of a portion the Obligations under the Syndicated Facility (the "**Weekly Excess Cash Flow Sweep**") in an amount equal to the cash and cash equivalents of the Loan Parties (excluding Excluded Deposits/Amounts (as defined below)) (the "**Weekly Excess Cash**") for the then completed prior week, and as determined as of the close of business (Mountain time) on the last Business Day of the then immediately preceding week, that is in excess of $1,500,000; *provided*, that Royal Bank of Canada in its capacity as Syndicated Facility Lender may, at its option and upon written notice to the Parent Borrower, deem that any amount of the Weekly Excess Cash Flow received by it shall be applied to the Obligations in respect of the Operating Facility, and that amounts owing to Royal Bank of Canada in respect of the Syndicated Facility shall be unaffected by the receipt of such amount. The Weekly Excess Cash shall be withdrawn from Account No. 04065-1008697 held in the name of Energera Inc. with the Agent. The Borrowers shall ensure all Weekly Excess Cash is transferred to or deposited into such account. For the purposes of this subparagraph (m), "**Excluded Deposits/Amounts**" means cash or cash equivalents (a) held by the Agent as collateral pursuant to the Credit Agreement and the other Documents, (b) cash collateral held by HSBC Bank USA, N.A. in respect of the Parent Borrower's cash-secured credit card facility with HSBC Bank USA, N.A., (c) held by arm's length third parties representing deposits, trust funds or other amounts payable by one or more arm's length third parties to the Loan Parties which are not then releasable to such Loan Party and which cannot be paid or transferred on the direction of such Loan Party, or (d) which the Required Lenders have agreed in writing shall constitute Excluded Deposits/Amounts for purposes of the Weekly Excess Cash Flow Sweep;"; and

(d) by deleting the period at the end of subparagraph (n) and replacing it with "; and", and adding the following new subparagraphs (o) and (p) thereto as follows:

"(o) without limiting any other provision in the Credit Agreement, the Parent Borrower shall, and shall cause each other Borrower to:

(i) at the request of Alvarez & Marsal Canada ULC, deliver all information, reports, certificates, projections of income and cash flow or other matters affecting the business, affairs, financial condition, property or assets of the Parent Borrower, the other Borrowers or any of the other Subsidiaries, or the business, affairs, financial condition, property or assets of any of them, as Alvarez & Marsal Canada ULC may request; and

(ii) permit Alvarez & Marsal Canada ULC or any representative thereof (at the expense of the Parent Borrower) to, at any reasonable time and from time to time upon reasonable prior notice, (A) examine and make copies of and abstracts from the records and books of account of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries, (B) visit and inspect the premises and properties of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries (in each case at the risk of the Parent Borrower, the other Borrowers and the other Material Subsidiaries except for the gross negligence or wilful misconduct of the inspecting party or the failure of any such inspecting party to comply with Applicable Law and the Parent Borrower's, the other Borrower's or any such other Material Subsidiary's health and safety requirements, as advised to such inspecting party), and (C) discuss the affairs, operations, finances and accounts of the Parent Borrower, any of the other Borrowers or any of the other Material

Subsidiaries with any of the officers of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries; and

(p) notwithstanding Section 9.1(z) of the Credit Agreement, the Agent shall have the right, in its sole and absolute discretion, to (or shall have the right to cause Alvarez & Marsal Canada ULC to) appoint one or more professionals (including consultants, accountants and appraisers) of its choosing (each a "**Lender Appraiser**") to conduct one or more appraisals and valuations on the assets and property of the Parent Borrower, other Borrowers and each Subsidiary, in each case, at the sole cost and expense of the Parent Borrower and such cost and expense will be paid by the Parent Borrower to the Agent or Alvarez & Marsal Canada ULC directly, and upon such engagement terms as may be reasonably acceptable to the Agent and/or Alvarez & Marsal Canada ULC, as applicable, and each of the Parent Borrower shall, and shall cause each other Borrower and each Subsidiary to, cooperate fully with the Agent, Alvarez & Marsal Canada ULC and each Lender Appraiser.

1.6 A new Section 3.2 is hereby added to Article 3 of the Forbearance Agreement as follows:

"3.2 The parties hereto acknowledge and agree that for the period commencing on November 19, 2025 and ending on January 31, 2026, the covenants in Section 9.2(h)(ii)(B)(z) and Section 9.3(d) of the Credit Agreement shall be suspended and cease to apply during such period, and (b) any calculation of Excess Cash Flow shall be determined without regard to clause (iii) of the definition thereof.".

1.7 Article 5 of the Forbearance Agreement is hereby amended as follows:

(a) by deleting Section 5.1 it in its entirety and replacing it with the following:

"5.1 Notwithstanding anything to the contrary in the Credit Agreement or any other Document:

(a) no Borrower shall be permitted to make any Drawdowns, Conversions and Rollovers under the Operating Facility., and any Outstanding Principal under the Operating Facility that has been repaid shall not be re-drawn; and

(b) no Borrower shall be required to pay any standby fees payable pursuant to section 5.7 of the Credit Agreement."

(b) by deleting Section 5.2 in its entirety.

1.8 Article 8 of the Forbearance Agreement is hereby amended by adding a new paragraph 8.4 thereto as follows:

"8.4 The covenants and agreements set out in Article 3 shall survive the termination of the Forbearance Period."

ARTICLE 2
WAIVER OF PRINCIPAL REPAYMENT

2.1 The Agent and the Lenders hereby waive the requirement for any Borrower to make any repayment of principal that is due and payable by such Borrower in the month of December 2025 under any Credit Facility.

ARTICLE 3
FORBEARANCE AGREEMENT

3.1 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent the Amended Forbearance Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 4
TOLLING

4.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 5
RELEASE

5.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 5.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 6
ACKNOWLEDGEMENTS

6.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

6.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

6.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

6.4 Exhibit A hereto sets forth the Outstanding Principal under the Syndicated Facility and the Operating Facility as of the date hereof and after giving effect to the repayment of the Syndicated Facility referred to in Section 7.1(c).

ARTICLE 7
CONDITIONS PRECEDENT TO EFFECTIVENESS

7.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders in their sole and unfettered discretion:

(i) a duly executed copy of this Agreement;

(ii) a certificate of status in respect of each Loan Party to be dated on or about the date of this Agreement; and

(iii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Loan Parties shall have made a permanent repayment of the Obligations under the Syndicated Facility in the amount of $3,000,000; *provided*, that Royal Bank of Canada in its capacity as Syndicated Facility Lender may, at its option and upon written notice to the Parent Borrower, deem that any amount of such repayment received by it shall be applied to the Obligations in respect of the Operating Facility, and that amounts owing to Royal Bank of Canada in respect of the Syndicated Facility shall be unaffected by the receipt of such amount;

(d) the Borrowers shall have paid to the Agent all fees and expenses agreed to in writing between the Agent and the Borrowers; and

(e) each of the representations and warranties in Section 8.1 shall be true and correct as of the date hereof.

7.2 The conditions set forth in Section 7.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

7.3 The conditions set out in Article 9 of the Forbearance Agreement are of no further force and effect and are superseded and replaced in their entirety by the conditions set forth in Section 7.1 hereof.

7.4 The Loan Parties hereby authorize and instructs the Agent to debit the accounts of the Loan Parties in order to make the repayment of the Syndicated Facility and the Operating Facility as referred to

in Section 7.1(c), such amount to be allocated as between the Syndicated Facility or the Operating Facility as the Lender shall determine in their sole discretion.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement, the Amended Forbearance Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement, the Amended Forbearance Agreement and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement, the Amended Forbearance Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement, the Amended Forbearance Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement and the Amended Forbearance Agreement, when this Agreement is executed and delivered, will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement or the Amended Forbearance Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 8.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

8.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 9
GENERAL

9.1 **Documents**. This Agreement and the Amended Forbearance Agreement shall each constitute a Document.

9.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of

the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

9.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

9.4 **Damages**. The Loan Parties agree that the fees and increases in the interest rates described in this Agreement, the Reservation of Rights Letter and the Second Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

9.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

9.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

9.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement or the Amended Forbearance Agreement, as applicable.

9.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

9.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

9.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based

recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; *provided* that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

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DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: Sabrina Wang
Name: Sabrina Wang
Title: Deal Manager

By:
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By:

Name: Cameron Bailey
Title: Senior Director - SLAS

By: _____

Name:
Title:

NATIONAL BANK OF CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

ATB FINANCIAL

By: _____

Name:
Title:

By: _____

Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____

Name:
Title:

By: _____

Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: Aleksandar Nakevski
Name:
Title: Senior Director, Special Loans

By: Bhupendra Malviya
Name: Bhupendra Malviya
Title: Manager, SAMU

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

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LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: DocuSigned by: Brian Spilchen 2623AB178TED444 _____
Name: Brian Spilchen
Title: Director, Corporate Risk Advisory & Management

By: DocuSigned by: B1382CC8D1D14EB... _____
Name: Jacky Cheung
Title: Associate Director

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: Stephano Carrera
Name: Stephano Carrera
Title: Principal

By: Trevor Kuhn
Name: Trevor Kuhn
Title: Sr. Special Risks Manager

LOAN PARTIES:

ENERGERA INC.

By: _____
Name: TODD VAN VLIET
Title: CEO & PRESIDENT

By: _____
Name: LANCE HOLMSTROM
Title: CHIEF FINANCIAL OFFICER

ENERGERA INTERNATIONAL INC.

By: _____
Name: TODD VAN VLIET
Title: CEO & PRESIDENT

By: _____
Name: LANCE HOLMSTROM
Title: CHIEF FINANCIAL OFFICER

ENERGERA AMERICA, INC.

By: _____
Name: TODD VAN VLIET
Title: CEO & PRESIDENT

By: _____
Name: LANCE HOLMSTROM
Title: CHIEF FINANCIAL OFFICER

SANDTINEL LLC

By: _____
Name: TODD VAN VLIET
Title: CEO & PRESIDENT

By: _____
Name: LANCE HOLMSTROM
Title: CHIEF FINANCIAL OFFICER

Exhibit A Fifth Amendment to Forbearance Agreement

Outstanding Principal

Syndicated Facility	OUTSTANDING PRINCIPAL (CDN.$)
Royal Bank of Canada	$7,717,377.22
National Bank of Canada	$10,564,720.56
ATB Financial	$10,564,720.56
Export Development Canada	$10,564,720.56
TOTAL:	$ 39,411,538.90

OPERATING FACILITY	OUTSTANDING PRINCIPAL (CDN.$)
Royal Bank of Canada:	$3,000,000

This is **Exhibit 41** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

*** This Conformed Forbearance Agreement is for informational purposes only and has no effect among the parties. Reference must be made to the Forbearance Agreement, and all amendments thereto. ***

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (as amended, supplemented or otherwise modified from time to time, the "**Agreement**")[1] is made as of
February 14, 2025

AMONG:

ENERGERA INC. (formerly known as FRAC SHACK INC.),
ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.),
ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and
SANDTINEL LLC
as Loan Parties

- and -

ROYAL BANK OF CANADA
and such other persons as are parties hereto as lenders
as Lenders

- and -

ROYAL BANK OF CANADA
as Agent of the Lenders

PREAMBLES

A. **WHEREAS** the parties hereto entered into a third amended and restated credit agreement dated as of June 28, 2024 as amended by the first amending agreement dated as of September 27, 2024 (as so amended, the "**Credit Agreement**") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "**Borrowers**"), Royal Bank of Canada and such other persons party thereto as lenders (the "**Lenders**"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "**Agent**");

B. **AND WHEREAS** the Agent provided notice to the Borrowers of the Specified Defaults (as defined below) in a reservation of rights letter dated as of January 31, 2025 (the "**Reservation of Rights Letter**");

C. **AND WHEREAS** certain Events of Default and Defaults have occurred and are continuing under the terms of the Credit Agreement, each as more particularly described in the Reservation of Rights Letter, which prohibit the Borrowers from obtaining further Drawdowns under the Credit Agreement and permit the Agent and the Lenders to accelerate the Obligations and enforce the Security;

[1] Amended pursuant to the Fifth Amending Agreement.

D. **AND WHEREAS** in order to provide the Borrowers with liquidity, the Agent, the Lenders and the Borrowers entered into a letter agreement dated February 5, 2025 (the "**Interim Letter Agreement**"), pursuant to which such the Agent and the Lenders agreed, notwithstanding the occurrence and continuation of the Specified Defaults, (a) not to accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights under the Documents in relation to the Specified Defaults, and (b) to permit the Borrowers to make Drawdowns of Overdraft Loans, in each case, until the occurrence of a Termination Event (as defined in the Interim Letter Agreement);

E. **AND WHEREAS** the Agent and the Lenders have agreed to propose a forbearance on the terms herein while they investigate their rights, remedies and next steps;

F. **NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
SPECIFIED DEFAULTS

1.1 The Borrowers acknowledge that they are currently in Default or Event of Default of their obligations to the Agent and the Lenders under the Credit Agreement and the other Documents in accordance with the following (the "**Specified Defaults**"):

(a) Pursuant to Section 9.1(e)(ii) of the Credit Agreement, the Parent Borrower shall deliver, or cause to be delivered, to the Agent with sufficient copies for each of the Lenders, as soon as available and, in any event, within 120 days after the end of each of its fiscal years (or such earlier date if required by Applicable Laws), copies of the Parent Borrower's audited annual financial statements on a consolidated basis consisting of a balance sheet, statement of operations, statement of comprehensive income, statement of cash flows and statement of changes in equity for each such fiscal year, together with the notes thereto, all prepared in accordance with generally accepted accounting principles consistently applied, together with a report and an audit opinion of the Parent Borrower's auditors thereon, and the accompanying management discussion and analysis of the Parent Borrower (collectively, the "**Financial Statements**"). Pursuant to Section 11.1(d) of the Credit Agreement, the Agent provided notice to the Borrowers in the Reservation of Rights Letter that they have failed to comply with the Financial Statements Covenant and that a Default has occurred and is continuing as a result of such failure to comply.

(b) Pursuant to Section 9.1(y) of the Credit Agreement, within 90 days of the date of the Credit Agreement (and for a hedge period from the date of the Credit Agreement until the Maturity Date), the Borrowers are required to enter into Interest Hedging Agreements with Lenders or Hedging Affiliates which hedge at least 50% of the total interest rate exposure on the existing and future Loans under the Syndicated Facility. Pursuant to Section 11.1(d) of the Credit Agreement, the Agent provided notice to the Borrowers in the Reservation or Rights Letter that they have failed to comply with the Mandatory Hedging Covenant and that a Default has occurred and is continuing as a result of such failure to comply.

(c) Pursuant to Section 9.3 of the Credit Agreement, the Parent Borrower is required to comply with the following financial covenants (collectively, the "**Financial Covenants**"):[2]

(i) pursuant to Section 9.3(a) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Parent Borrower shall not permit the Consolidated Net Funded Debt to EBITDA Ratio to exceed 3.25:1.00;

[2] Amended pursuant to Third Amending Agreement.

(ii) pursuant to Section 9.3(b) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Fixed Charge Coverage Ratio shall be equal to or greater than 1.15:1.00; and

(iii) pursuant to Section 9.3(c) of the Credit Agreement, as of and at all times following September 30, 2024 up to and including March 31, 2025, the Parent Borrower shall not permit the Consolidated Net Senior Debt to EBITDA Ratio to exceed 3.00:1.00.

(d) On January 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of each of September 30, 2024 and December 31, 2024. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing).

(e) On July 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of June 30, 2025. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing).

(f) Pursuant to Section 3.1(h) of this Agreement (as in effect prior to the effectiveness of the fifth amending agreement to forbearance agreement dated November 19, 2025), the Loan Parties are required to (i) comply with each of the Milestones (as defined therein) (the "**Milestone Covenant**") and (ii) maintain a certain minimum Liquidity (the "**Minimum Liquidity Covenant**"). Pursuant to Section 11.1(d) of the Credit Agreement, the Agent provided notice to the Borrowers in a reservation of rights letter dated November 19, 2025 that they have failed to comply with the Milestone Covenant and the Minimum Liquidity Covenant, and that a Default has occurred as a result of such failure to comply.

(g) On October 31, 2025, the Parent Borrower delivered to the Agent a Compliance Certificate demonstrating that the Parent Borrower has failed to comply with each of the Financial Covenants as of September 30, 2025. Accordingly, pursuant to Section 11.1(c) of the Credit Agreement, an Event of Default has occurred and is continuing).[3]

ARTICLE 2
FORBEARANCE AGREEMENT

2.1 The Lenders forbear in relation to the Specified Defaults from the Effective Date until the earlier to occur of the following: (a) January 31, 2026; and (b) the occurrence of a Forbearance Default (as defined below) (the "**Forbearance Period**").[4,5,6,7]

2.2 The Lenders confirm and agree that they have not accelerated and will not accelerate the Obligations or initiate or continue any proceeding or remedy to enforce their rights, including the appointment of a receiver, under the Documents in relation to the Specified Defaults until the expiry of the Forbearance Period.[8]

2.3 The Borrowers and the other Loan Parties acknowledge and agree that:

(a) the facts as set out in the recitals to this Agreement are true and accurate;

(b) the Credit Agreement and the other Documents are hereby ratified and confirmed, continue in full force and effect and are valid and enforceable in accordance with their terms;

[3] Amended pursuant to the Fifth Amending Agreement.
[4] Amended pursuant to First Amending Agreement.
[5] Amended pursuant to Second Amending Agreement.
[6] Amended pursuant to Third Amending Agreement.
[7] Amended pursuant to the Fifth Amending Agreement.
[8] Amended pursuant to the Fifth Amending Agreement.

(c) the Security is hereby ratified and confirmed and continue in full force and effect, without in any way impairing or derogating from any of the Security Interests and covenants therein contained or thereby constituted, as continuing security for the Obligations;

(d) the Forbearance Period shall terminate upon the occurrence of a Forbearance Default;

(e) except as provided in this Agreement, neither the Agent nor the Lenders (either by their or through their employees or agents) has made any promises, nor have they taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Credit Agreement or the other Documents or that would stop them from doing so;

(f) neither the Agent nor the Lenders have waived the Specified Defaults and nothing contained in this Agreement or the transactions contemplated by the Agreement is or will be deemed to constitute any such waiver;

(g) absent this Agreement, the Agent and the Lenders are otherwise entitled to immediately accelerate and demand full payment of the Obligations and all other obligations arising under the Documents as a result of the Specified Defaults; and

(h) further interest, fees, costs, expenses and other charges shall continue to accrue and be incurred on and in respect of the Obligations in accordance with the Credit Agreement and the other Documents in the applicable amounts and at the applicable rates set forth therein.

ARTICLE 3
ADDITIONAL OBLIGATIONS OF THE LOAN PARTIES

3.1 In addition to, and without limitation to or derogation from, (i) any other terms or conditions heretofore agreed between the Agent, the Lender and the Loan Parties and (ii) any rights or remedies available to the Agent and the Lenders under any Document or at law or equity, the Borrowers and the other Loan Parties agree to the following:[9]

(a) during the Forbearance Period:

(i) the Applicable Pricing Rate for any Canadian Prime Rate Loan or U.S. Base Rate Loan shall be 4.00% *per annum*, and standby fees payable in accordance with Section 5.7 of the Credit Agreement shall be 1.05% *per annum* at each Category of the Applicable Pricing Rate;

(ii) on the first Banking Day[10] of each week, the Parent Borrower shall deliver to the Agent (x) a current list of all accounts receivable and accounts payable of the Loan Parties and their Subsidiaries identifying, without limitation, key suppliers and the status of payments proposed in any cash flow forecasts (each an "**AP/AR Report**"), and each AP/AR Report, and any payment proposed therein, shall be subject to the prior overview and acknowledgement of Alvarez & Marsal Canada ULC and (y) a 13-week cash flow forecast of the Parent Borrower detailing, among other things, (A) cash receipts and cash disbursements on a weekly basis for the next following 13 weeks; (B) a variance report comparing the actual cash receipts and cash disbursements for the preceding week to the projected cash receipts and cash disbursements for such week and explaining, to the reasonable satisfaction of the Agent, variances of 10% or more; (C) an unaudited consolidated statement of cash flows for the preceding week, the information and calculations contained in which shall be reasonably satisfactory to

[9] Amended pursuant to Third Amending Agreement.
[10] Amended pursuant to First Amending Agreement.

the Agent; (D) a forecast of Liquidity for each of the next following 13 weeks;[11] and (E) such additional information as may be reasonably requested by the Agent;[12]

(iii) the Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, use the proceeds of any Drawdown or Advance to accumulate or maintain cash or cash equivalents in one or more accounts (including, for certainty, any depository, investment or securities account) maintained by the Parent Borrower, any other Borrower or any of the other Subsidiaries, except for cash or cash equivalents accumulated or maintained therein for a specified business purpose in the ordinary course of business;

(iv) the Parent Borrower shall, and shall cause the other Loan Parties to, maintain all of the Parent Borrower's and the other Loan Parties' deposit accounts with the Agent or with an account bank that has entered into a deposit account control agreement with the Agent and the applicable Loan Party, in form and substance acceptable to the Agent, except for a cash collateral account established in respect of the Parent Borrower's cash-secured credit card facility with HSBC Bank USA, N.A. not to exceed U.S.$175,000 in the aggregate (the "**HSBC US Credit Card Facility**"); and[13]

(v) the Parent Borrower shall not, nor shall it permit any other Borrower or any other Subsidiary to, accumulate or maintain cash or cash equivalents in one or more accounts (including, for certainty, any depository, investment or securities account) maintained, located or domiciled in the United States of America by the Parent Borrower, any other Borrower or any of their respective Subsidiaries (each a "**US Account**"), in an aggregate amount exceeding U.S.$1,200,000 (or the equivalent amount thereof).[14]

(b) the Borrowers shall cooperate fully with, and bear the reasonable and invoiced costs associated with, a financial advisor engaged by the Lenders on the terms and conditions, and with a scope of engagement, satisfactory to the Agent and the Lenders, acting reasonably, and, for certainty, the Borrowers shall promptly execute any engagement agreement in respect thereof no later than February 28, 2025;

(c) the Parent Borrower shall, and shall cause the other Loan Parties to, pay to the Agent the proceeds of the sale of the property described in the Colorado Deed for the application by the Agent of such proceeds to the repayment and permanent reduction of the Syndicated Facility within five Banking Days[15] of the earlier of the date on which such sale occurs and the receipt by the Parent Borrower and the other Loan parties of such proceeds, subject only to prior deductions for (i) repayment in full of the HSBC Mortgage Debt, (ii) realtor commissions and related closing fees and (iii) withholding taxes in the amount of 10% of the greater of the fair market value of the property and the consideration received for the sale of the property; and, for certainty, the Lenders hereby consent to such sale and the release and discharge by the Agent of the Colorado Deed provided that the Parent Borrower and the other applicable Loan Parties comply with this Section 3.1(c);

(d) as soon as reasonably practical, and in any event no later than February 21, 2025, the Parent Borrower shall deliver to the Agent sufficient copies for each of the Lenders of an appraisal on the assets and properties of the Parent Borrower, the other Borrowers and each other Subsidiary and, in connection with the foregoing, the Parent Borrower permits, and the Parent Borrower on behalf of the other Subsidiaries permits, the Agent or professionals (including

[11] Amended pursuant to the Fifth Amending Agreement.
[12] Amended pursuant to Third Amending Agreement.
[13] Amended pursuant to Fourth Amending Agreement.
[14] Amended pursuant to First Amending Agreement.
[15] Amended pursuant to First Amending Agreement.

consultants, accountants and appraisers) retained by Agent (at the Parent Borrowers' expense) to conduct such appraisal;

(e) the Parent Borrower shall, and shall cause each other Borrower and each of their respective Subsidiaries to, on the first Banking Day of each calendar month, deliver to the Agent copies of bank statements for the immediately preceding calendar month in respect of each US Account; and[16]

(f) the Parent Borrower shall, and shall cause the other Loan Parties to, pay to the Agent the proceeds of the sale of the property described in the North Dakota Deed for the application by the Agent of such proceeds to the repayment and permanent reduction of the Syndicated Facility within five Banking Days of the earlier of the date on which such sale occurs and the receipt by the Parent Borrower and the other Loan parties of such proceeds, subject only to prior deductions for (i) realtor commissions and related closing fees (as approved by the Lenders in their sole and unfettered discretion) and (ii) applicable withholding taxes in the amount of 10% of the greater of the fair market value of the property and the consideration received for the sale of the property; and, for certainty, the Lenders hereby consent to such sale and the release and discharge by the Agent of the North Dakota Deed provided that the Parent Borrower and the other applicable Loan Parties comply with this Section 3.1(f);

(g) the Borrower shall provide the Agent with immediate notice of (i) any additional Security Interest on or in respect of its property and assets or any part thereof or (ii) actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries, their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary;

(h) the Parent Borrower shall, and shall cause each of the other applicable Loan Parties to, (i) diligently pursue a Transaction to the satisfaction of the Agent and the Lenders in their sole and absolute discretion, (ii) cooperate fully with the Agent, Alvarez & Marsal Canada ULC, each party or potential party to any Transaction, and each of their respective advisors and counsel, in a manner that is satisfactory to the Agent and the Lenders in their sole and absolute discretion; and (iii) provide weekly reporting to the Lenders with respect to the status of any Transaction or the status of any negotiations in respect of any potential Transaction, which reporting shall be in form and substance satisfactory to the Agent and the Lenders in their sole and absolute discretion; provided that, the Agent and the Lenders have the sole and absolute right, at any time, to determine that this Section 3.1(h) has not been complied with, including by reason of a Transaction or potential Transaction failing to meet the criteria set forth in subclauses (i) and (ii) of the definition thereof. For the purposes of this subparagraph (h), "**Transaction**" means any (a) sale of any or all of the equity interests or assets of the Borrowers, or (b) debt and/or equity financing (or any combination thereof) sufficient to satisfy fully all Obligations and discharge the obligations the Borrowers in respect of the BCAP Indebtedness, in each case which is (i) on terms satisfactory to the Agent and the Lenders in their sole and absolute discretion and (ii) reasonably likely to be consummated, as determined by the Agent and the Lenders in their sole and absolute discretion;[17]

(i) if and when requested by the Agent, the Borrower shall, and shall cause each applicable Loan Party to, participate in update conference calls with the Agent, the Lenders, the Agent's Financial Advisor, the SISP Financial Advisor and any other applicable non-legal advisors (or any of them), to discuss the Milestones, any Borrowing Base Certificate or Compliance Certificate, the Borrowers' current and projected operational performance and any other

[16] Amended pursuant to First Amending Agreement.
[17] Amended pursuant to the Fifth Amending Agreement.

matters relating to any of the foregoing. The Agent anticipates that such update meetings will occur on a bi-weekly basis;

(j) commencing on the first Friday following the effective date of the third amending agreement to this Agreement dated May 22, 2025 (the "**Third Amendment Date**"), the Parent Borrower shall provide to the Agent, in writing on a bi-weekly basis, (i) a report of the SISP Financial Advisor regarding the status of the Milestones, and, in each case, the transactions contemplated thereby, including, inter alia, the status of the Sales Process being undertaken by advisors on behalf of the Loan Parties, negotiation of any Refinancing Commitment Letter(s), including updates in a timely manner with respect to prospective parties interested in a potential Transaction involving the Loan Parties or any of their assets (each, a "**Potential Transaction Counterparty**") identified by the Borrowers or such advisors, material developments with respect to any transaction with any such Potential Transaction Counterparty, and a summary of the material terms of any written proposal received; and (ii) an update of any redundant property or asset sales or prospects in respect thereof;

(k) no Loan Party shall, except with prior written notice to the Agent and the Lenders, institute any proceeding under the Companies' Creditors Arrangement Act (Canada), the Bankruptcy and Insolvency Act (Canada), the Winding-up and Restructuring Act (Canada) or any other corporate, bankruptcy, insolvency or any other analogous laws, or apply for any receiver, interim receiver, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; provided that the Loan Parties shall not, in any such proceeding or application, seek to obtain third-party interim financing in priority to any claim relating to the Obligations or the BCAP Indebtedness;

(l) no Loan Party shall, except with the consent of the Lenders in their sole and unfettered discretion, consent to the institution by any secured third party (excluding the Agent and Lenders) of any proceeding under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other corporate, bankruptcy, insolvency or any other analogous laws, or consent to the appointment of any receiver, interim receiver, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer by any secured third party (excluding the Agent and Lenders) for it or for all or any material part of its property; nor shall any order or decree approving or ordering any of the foregoing be entered, or any order for relief be entered in any such proceeding or any Loan Party file for protection under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada);

(m) notwithstanding Section 2.16(4) of the Credit Agreement, but without limiting the provisions of Sections 2.16(1), 2.16(2) and 2.16(3) of the Credit Agreement, on the first Banking Day of each week, commencing with the first Banking Day following the week ending on November 21, 2025, the Parent Borrower shall pay, or shall cause to be paid, to the Agent, on behalf of the Syndicated Facility Lenders, a repayment of a portion the Obligations under the Syndicated Facility (the "**Weekly Excess Cash Flow Sweep**") in an amount equal to the cash and cash equivalents of the Loan Parties (excluding Excluded Deposits/Amounts (as defined below)) (the "**Weekly Excess Cash**") for the then completed prior week, and as determined as of the close of business (Mountain time) on the last Business Day of the then immediately preceding week, that is in excess of $1,500,000; *provided*, that Royal Bank of Canada in its capacity as Syndicated Facility Lender may, at its option and upon written notice to the Parent Borrower, deem that any amount of the Weekly Excess Cash Flow received by it shall be applied to the Obligations in respect of the Operating Facility, and that amounts owing to Royal Bank of Canada in respect of the Syndicated Facility shall be unaffected by the receipt of such amount. The Weekly Excess Cash shall be withdrawn from Account No. 04065-1008697 held in the name of Energera Inc. with the Agent. The Borrowers shall ensure all Weekly Excess Cash is transferred to or deposited into such account. For the purposes of this subparagraph (m), "**Excluded Deposits/Amounts**" means cash or cash equivalents (a) held by the Agent as collateral pursuant to the Credit Agreement and the other Documents, (b) cash collateral held by HSBC Bank USA, N.A. in respect of the Parent Borrower's cash-secured credit card facility

with HSBC Bank USA, N.A., (c) held by arm's length third parties representing deposits, trust funds or other amounts payable by one or more arm's length third parties to the Loan Parties which are not then releasable to such Loan Party and which cannot be paid or transferred on the direction of such Loan Party, or (d) which the Required Lenders have agreed in writing shall constitute Excluded Deposits/Amounts for purposes of the Weekly Excess Cash Flow Sweep; and[18],[19]

(n) no Loan Party shall oppose the Agent and the Lenders from obtaining court approval and filing the consent receivership order attached hereto as Schedule "A" following the expiry of the Forbearance Period unless the Forbearance Period is further extended by agreement of the parties hereto in writing; provided that the Agent shall, unless emergent circumstances exist, use best commercial efforts to provide the Parent Borrower with two (2) Banking Days' notice prior to any such filing; and

(o) without limiting any other provision in the Credit Agreement, the Parent Borrower shall, and shall cause each other Borrower to:

(i) at the request of Alvarez & Marsal Canada ULC, deliver all information, reports, certificates, projections of income and cash flow or other matters affecting the business, affairs, financial condition, property or assets of the Parent Borrower, the other Borrowers or any of the other Subsidiaries, or the business, affairs, financial condition, property or assets of any of them, as Alvarez & Marsal Canada ULC may request; and

(ii) permit Alvarez & Marsal Canada ULC or any representative thereof (at the expense of the Parent Borrower) to, at any reasonable time and from time to time upon reasonable prior notice, (A) examine and make copies of and abstracts from the records and books of account of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries, (B) visit and inspect the premises and properties of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries (in each case at the risk of the Parent Borrower, the other Borrowers and the other Material Subsidiaries except for the gross negligence or wilful misconduct of the inspecting party or the failure of any such inspecting party to comply with Applicable Law and the Parent Borrower's, the other Borrower's or any such other Material Subsidiary's health and safety requirements, as advised to such inspecting party), and (C) discuss the affairs, operations, finances and accounts of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries with any of the officers of the Parent Borrower, any of the other Borrowers or any of the other Material Subsidiaries; and

(p) notwithstanding Section 9.1(z) of the Credit Agreement, the Agent shall have the right, in its sole and absolute discretion, to (or shall have the right to cause Alvarez & Marsal Canada ULC to) appoint one or more professionals (including consultants, accountants and appraisers) of its choosing (each a "**Lender Appraiser**") to conduct one or more appraisals and valuations on the assets and property of the Parent Borrower, other Borrowers and each Subsidiary, in each case, at the sole cost and expense of the Parent Borrower and such cost and expense will be paid by the Parent Borrower to the Agent or Alvarez & Marsal Canada ULC directly, and upon such engagement terms as may be reasonably acceptable to the Agent and/or Alvarez & Marsal Canada ULC, as applicable, and each of the Parent Borrower shall, and shall cause each other Borrower and each Subsidiary to, cooperate fully with the Agent, Alvarez & Marsal Canada ULC and each Lender Appraiser.[20]

3.2 The parties hereto acknowledge and agree that for the period commencing on November 19, 2025 and ending on January 31, 2026, the covenants in Section 9.2(h)(ii)(B)(z) and Section 9.3(d) of the Credit Agreement shall

[18] Amended pursuant to Fourth Amending Agreement.
[19] Amended pursuant to the Fifth Amending Agreement.
[20] Amended pursuant to the Fifth Amending Agreement.

be suspended and cease to apply during such period, and (b) any calculation of Excess Cash Flow shall be determined without regard to clause (iii) of the definition thereof.[21]

ARTICLE 4
FORBEARANCE DEFAULTS

4.1 Without limitation to or derogation from the terms in the Documents, the occurrence of any one or more of the following events shall constitute a "**Forbearance Default**":

(a) the Borrowers fail to deliver to the Agent on or before March 31, 2025 the Financial Statements for the Fiscal Year End of September 30, 2024;

(b) the Parent Borrower makes, or permits any other Borrower or any of the other Subsidiaries to make, any Distribution other than a Distribution permitted by Section 9.2(h)(i) of the Credit Agreement;

(c) the Parent Borrower makes, or permits any other Borrower or any other Subsidiary to make, any Investment, including any Investment in any Subsidiary that has not granted in favour of the Agent and the Lenders the Security described in Section 10.1 of the Credit Agreement;

(d) the Parent Borrower creates or acquires, or permits any other Borrower or any other Subsidiary to create or acquire, any Person that is not a Subsidiary as of the date of this letter;

(e) other than the Disposition referenced in Section 3.1(c), the Parent Borrower sells, transfers or otherwise disposes of, or permits any other Borrower or any other Subsidiary to sell, transfer or otherwise dispose of, any of their respective property or assets other than a sale, transfer or other disposition specified in any of paragraphs (a), (c) and (f) of the definition of "Permitted Dispositions" in the Credit Agreement;

(f) the Parent Borrower incurs, or permits any other Borrower or any other Subsidiary to have or incur, any Debt that has not been incurred as of the date of this letter other than (i) Debt constituting Obligations and (ii) Debt not to exceed U.S.$175,000 owing to HSBC Bank USA, N.A. pursuant to the HSBC US Credit Card Facility;[22]

(g) the Parent Borrower creates, incurs, assumes, suffers to exist, or enters into any, or permits any other Borrower or any other Subsidiary to create, incur, assume, suffer to exist, or enter into any, contract, instrument or undertaking pursuant to which any Person may have or be entitled to any Security Interest not in existence as of the date of this Agreement on or in respect of its property and assets or any part thereof, except in respect of a Security Interest granted by the Parent Borrower to HSBC Bank USA, N.A. to secure the HSBC US Credit Card Facility, which Security Interest shall be created in a security agreement in form and substance acceptable to the Lenders;[23]

(h) any Loan Party makes any loan to, or otherwise extends credit (other than industry standard net payment terms to customers) to, any Person other than a Loan Party;

(i) any Loan Party fails to perform or comply with any of its covenants or obligations contained in this Agreement;

(j) the occurrence of any Default or Event of Default other than a Specified Default; and

[21] Amended pursuant to the Fifth Amending Agreement.
[22] Amended pursuant to Fourth Amending Agreement.
[23] Amended pursuant to Fourth Amending Agreement.

(k) the Lenders consider that they are insecure, or that the prospect of payment or performance by the Loan Parties of the Obligations is or is about to be impaired, or that the collateral under the Security is or is about to be placed in jeopardy.[24]

ARTICLE 5
ACCESS TO LOANS

5.1 Notwithstanding anything to the contrary in the Credit Agreement or any other Document:

(a) no Borrower shall be permitted to make any Drawdowns, Conversions and Rollovers under the Operating Facility., and any Outstanding Principal under the Operating Facility that has been repaid shall not be re-drawn; and

(b) no Borrower shall be required to pay any standby fees payable pursuant to section 5.7 of the Credit Agreement.[25]

ARTICLE 6
TOLLING

6.1 Each Loan Party agrees that:

(a) the Agent's and the Lenders' rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending at the end of the Forbearance Period (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods and periods governing delay provided under the *Limitations Act*, RSA 2000 c L-12 (the "**Limitations Act**") and the limitation periods and periods governing delay provided under the Alberta Rules of Court, Alta Reg124/2010 (all of the foregoing limitation periods being collectively the "**Limitation Period**");

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Agent or the Lenders against any Loan Party, the Loan Party shall not rely in any way, to the detriment of the Agent or the Lenders, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period; and

(c) the Agent, the Lenders and the Loan Parties agree that this Agreement is an agreement within the meaning of Sections 7 and 9 of the Limitations Act.

ARTICLE 7
RELEASE

7.1 In consideration of, among other things, the Agent's and the Lenders' execution and delivery of this Agreement, each of the Loan Parties hereby forever waives, releases and discharges, to the fullest extent permitted by Applicable Laws, the Agent and the Lenders from any and all claims that each Loan Party now has of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent or the Lenders, based in whole or in part on facts, whether known or not known, existing on or before the date of this Agreement that relate to, arise out of or otherwise are in connection with: (a) any or all of this Agreement and the other Documents or the transactions contemplated thereby, (b) this Agreement or any actions or omissions in connection therewith, (c) any aspect of the dealings or relationships between or among the Loan Parties, on the one hand, and the Agent and the Lenders, on the other hand, relating to any of all of the documents, transactions, actions or omissions referenced in clause (a) hereof. In entering into this Agreement, each Loan Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on representations, acts or omissions by the Agent or the Lenders and hereby agrees and acknowledges

[24] Amended pursuant to Third Amending Agreement.
[25] Amended pursuant to the Fifth Amending Agreement

that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts or omissions or the accuracy, completeness or validity hereof. The provisions of this Section 7.1 shall survive the expiration or termination of this Agreement and the other Documents and payment in full of the liabilities, indebtedness and obligations under this Agreement and the other Documents.

ARTICLE 8
ACKNOWLEDGEMENTS

8.1 Except as expressly and specifically provided for herein, (a) nothing in this Agreement constitutes an amendment, alteration, modification, novation or waiver on the part of the Agent or the Lenders of any rights or remedies which the Agent or the Lenders may have in relation to the Loan Parties pursuant to the Documents or any Applicable Laws; (b) nothing in this Agreement constitutes a waiver or acquiescence on the part of the Agent or the Lenders to any breach or default on the part of any Borrower or any other Loan Party (including, for certainty, the Specified Defaults); and (c) the execution of this Agreement by the Agent and the Lenders does not in any way limit, release or discharge any Loan Party from any obligations and liabilities of such Loan Party to the Agent or the Lenders under any of the Documents.

8.2 The occurrence of a Forbearance Default shall constitute an Event of Default under each Document and shall permit the Agent and the Lenders to immediately accelerate the obligations under the Documents and exercise any and all rights and remedies available to the Agent and the Lenders under the Documents and Applicable Laws.

8.3 Any cure period expressed to be available under any Document to remedy a Default shall no longer be available to the Loan Parties.

8.4 The covenants and agreements set out in Article 3 shall survive the termination of the Forbearance Period.[26]

ARTICLE 9
CONDITIONS PRECEDENT TO EFFECTIVENESS

9.1 The terms contained herein shall be effective upon satisfaction of the following (the "**Effective Date**"):

(a) the Agent shall have received, each in form and substance satisfactory to the Agent and the Lenders:

(i) a duly executed copy of this Agreement;

(ii) a certificate of status in respect of each Loan Party to be dated on or about the date of this Agreement; and

(iii) such other diligence materials, documents, agreements, instruments, certificates or other confirmations as the Agent may request;

(b) the Agent shall be satisfied with its review of any encumbrances over or in respect of the Collateral;

(c) the Borrowers shall have paid to the Agent (i) for the account of each Lender, an upfront fee equal to 7.5 bps of the Commitments of each such Lender under the Credit Agreement, such fee to be earned, due and payable on the Effective Date; (ii) all fees and expenses set out in the fee letter dated as of the date hereof among the Parent Borrower and the Agent (the "**Fee**

[26] Amended pursuant to the Fifth Amending Agreement.

Agreement"); and (iii) all other fees and expenses agreed to in writing between the Agent and the Borrowers, including all legal fees of Lenders' Counsel; and

(d) each of the representations and warranties in Section 10.1 shall be true and correct as of the date hereof.

9.2 The conditions set forth in Section 9.1 are inserted for the sole benefit of the Lenders and may be waived with the approval of the Lenders, in whole or in part (with or without terms or conditions).

ARTICLE 10
REPRESENTATIONS AND WARRANTIES

10.1 Each Loan Party hereby represents and warrants to the Lender, and each Loan Party acknowledges and confirms that the Lender is relying upon such representations and warranties, as follows:

(a) **Existence and Good Standing**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of its jurisdiction of organization; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power, capacity and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement and the other Documents.

(b) **Authority**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has full power, legal right and authority to enter into this Agreement and do all such acts and things as are required by this Agreement and the other Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution**. The Parent Borrower, each other Borrower and each of the other Material Subsidiaries has taken all necessary corporate, partnership, trust and other action (as applicable) of its directors, shareholders, partners, trustees and other persons (as applicable) to authorize the execution and delivery of this Agreement and the performance of this Agreement and the other Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict**. None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant to this Agreement or the other Documents requires or will require, pursuant to Applicable Laws now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Parent Borrower's, another Borrower's or any of the other Material Subsidiaries' articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which any of the Parent Borrower, the other Borrowers or any of the other Material Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. This Agreement when executed and delivered will constitute valid and legally binding obligations of each of the Parent Borrower, the other Borrowers and each of the other Material Subsidiaries enforceable against each such party in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) **No Default**. Other than the Specified Defaults, no Default or Event of Default has occurred or is continuing or would occur or result from the consummation by the Loan Parties of the transactions contemplated by this Agreement.

(f) **No Material Adverse Effect**. Other than the Specified Defaults, no Material Adverse Change has occurred since September 30, 2023.

(g) **Litigation**. There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened against or affecting the Parent Borrower, any other Borrower or any of the other Subsidiaries their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Parent Borrower, any other Borrower or any other Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(h) **Taxes**. The Parent Borrower, the other Borrowers and each of the other Subsidiaries have duly filed on a timely basis all tax returns required to be filed and have paid all material Taxes that are due and payable, and have paid all material assessments and reassessments, and all other material Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those that are being contested by a Permitted Contest (in accordance with generally accepted accounting principles); for which they have made adequate provision, and with respect to which all required installment payments have been made in respect of, and Taxes payable for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by them or the payment of any Taxes; there are no actions or proceedings being taken by any Governmental Authority in any jurisdictions where the Parent Borrower, any other Borrower or any other Subsidiary carries on business or is otherwise subject to Tax in order to enforce the payment of any Taxes by the Parent Borrower or such other Borrower or Subsidiary other than those which are being contested by a Permitted Contest as set forth in this Section 10.1(h).

(i) **Document Representations and Warranties**. Each of the representations and warranties in the other Documents, to the extent not set out in subparagraphs (a) to (h) above, are true and correct on the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date.

10.2 The representations and warranties set out herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent and the Lenders or their counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

ARTICLE 11
GENERAL

11.1 **Documents**. This Agreement and the Fee Agreement shall each constitute a Document.

11.2 **Further Assurances**. The Borrowers and the other Loan Parties, at their expense, shall promptly execute and deliver to the Agent, upon request by the Agent (acting reasonably), all such other and further deeds, agreements, opinions, certificates, instruments, affidavits, registration materials and other documents reasonably necessary for the Borrowers' compliance with, or accomplishment of the covenants and agreements of the Borrowers hereunder or more fully to state the obligations of the Borrowers as set out herein or to make any registration, recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

11.3 **Criminal Code**. Notwithstanding any other provisions of the Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Document would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada), or any other successor or similar legislation, or would exceed the amounts which the Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene

such provision; and to the extent that any excess has been charged or received, the Agent shall apply such excess against the Obligations and refund any further excess amount.

11.4 **Damages**. The Loan Parties agree that the increases in the interest rates described in this Agreement and the Reservation of Rights Letter have, in each case when they were agreed to by the parties, represented a genuine pre-estimate of damages and costs to the Agent and the Lenders.

11.5 **Severability**. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.6 **Obligations**. Any amounts arising under this Agreement (including any costs and fees associated with any appraiser or financial advisor) shall form part of the Obligations.

11.7 **Time**. Time shall be of the essence in all provisions of this Agreement.

11.8 **Interpretation**. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

11.9 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of any Borrower may be found.

11.10 **Attornment**. The parties hereto each hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to the this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

11.11 **Counterparts; Electronic Execution**. This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by facsimile or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by facsimile or other electronic transmission.

[Remainder of Page Intentionally Left Blank]

DATED EFFECTIVE as of the date first written above.

ROYAL BANK OF CANADA, as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

LENDERS:

ROYAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

CANADIAN WESTERN BANK

By: _____
Name:
Title:

By: _____
Name:
Title:

ATB FINANCIAL

By: _____
Name:
Title:

By: _____
Name:
Title:

EXPORT DEVELOPMENT CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

LOAN PARTIES:

ENERGERA INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

ENERGERA INTERNATIONAL INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

ENERGERA AMERICA INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

SANDTINEL LLC

By: _____
Name:
Title:

By: _____
Name:
Title:

Schedule “A”

Consent Receivership Order

[See attached.]

This is **Exhibit 42** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

February 6, 2026

Norton Rose Fulbright Canada LLP
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Your reference

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Energera America Inc.
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Dover, DE 19901

Sandtinel LLC
c/o United Corporate Services, Inc.
800 North State Street, Suite 304
Dover, DE 19901

legal@fracshack.com
lholmstrom@energera.com
tvanvliet@energera.com

Additional Recipient Information at Appendix "A"

Dear Sirs/Madams:

Re: Third Amended and Restated Credit Agreement, dated June 28, 2024, as amended by a first amending agreement, dated September 27, 2024 (as so amended, the "Credit Agreement") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "Borrowers"), Royal Bank of Canada and such other persons party thereto as lenders (the "Lenders"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "Agent")

We are counsel for the Agent under the Credit Agreement and write to you in connection with the Borrowers' indebtedness thereunder. Capitalized terms used in this letter without definition have the meanings given to them in the Credit Agreement.

Reference is made to the loans and advances that have been made by the Lenders to the Borrowers pursuant to the Credit Agreement and other loan agreements and security between the Lenders and the Borrowers, including the following:

1. a general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

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Norton Rose Fulbright Canada LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are at nortonrosefulbright.com/legal-notices.

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2. a general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. a pledge and security agreement, dated July 8, 2019, among the Borrowers and Sandtinel LLC (together, the **Loan Parties**), as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. a debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. a debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. a mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

Reference is also made to the various guarantees granted in favour of the Lenders, including the following:

9. a guarantee, dated December 4, 2020, granted by Sandtinel LLC, as guarantor, in favour of the Secured Parties;

10. a guarantee, dated July 8, 2019, granted by Energera Inc., as guarantor, in favour of the Secured Parties;

11. a guarantee, dated July 8, 2019, granted by Energera America Inc., as guarantor, in favour of the Secured Parties;

12. a guarantee, dated July 8, 2019, granted by Energera International Inc., as guarantor, in favour of the Secured Parties.

Reference is further made to a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025, a third amending agreement made as of May 22, 2025, a fourth amending agreement dated July 28, 2025, and a fifth amending agreement dated November 19, 2025 (as so amended, the **Forbearance Agreement**). The Credit Agreement, Forbearance Agreement, the documents listed above, and related documents are collectively referred to as the **Loan Documents** and individually as a **Loan Document**.

Pursuant to the Forbearance Agreement, the Loan Parties acknowledged that they were in default of their obligations under the Credit Agreement and other security documents, and the Lenders agreed to forbear in relation to such defaults until the earlier of the expiry of the Forbearance Period on January 31, 2026, or the occurrence of a Forbearance Default (both defined in the Forbearance Agreement). Such defaults include, without limitation:

- failing to comply with certain financial covenants in the Credit Agreement as at the periods ending September 30, 2024, December 31, 2024, July 31, 2025, and September 30, 2025;

- failing to provide financial statements within 120 days of the end of the 2024 fiscal year;

NORTON ROSE FULBRIGHT

- failing to enter required agreements to hedge interest rate exposure;
- failing to comply with each of the milestones prescribed in the Forbearance Agreement (defined below);
- failing to maintain a certain minimum liquidity as prescribed in the fourth amendment to the Forbearance Agreement (defined below);
- disposing of certain assets without the consent of the Lenders;
- failing to perform and comply with certain covenants and obligations contained in Forbearance Agreement (defined below); and
- failing to deliver the required officer's certificate to the Agent in respect of each default.

(collectively, the **Events of Default**).

Notice is given that the Forbearance Period is now expired. Therefore, and as a consequence of the expiry of the Forbearance Period and the Events of Default having occurred, the Agent hereby gives notice that all obligations of the Loan Parties, together with accrued interest, fees and other obligations under the Credit Agreement and other Loan Documents, are immediately due and payable.

As of February 2, 2026, the amount outstanding and owing to the Lenders under the Credit Agreement, inclusive of accrued interest and expenses, was Cdn $39,061,058.27, plus interest and expenses that shall continue to accrue thereon (the **Outstanding Indebtedness**).[1]

Pursuant to the Credit Agreement and on behalf of the Lenders, demand is hereby made upon the Loan Parties for payment in full of the Outstanding Indebtedness, together with interest thereon, which interest shall continue to accrue from the date hereof until the date the Outstanding Indebtedness has been repaid in full.

All reasonable legal fees and all other costs and expenses which may be incurred by the Lenders in enforcement of the Loan Documents up to and including the date of repayment in full of the Outstanding Indebtedness shall also be added to the Outstanding Indebtedness.

If payment of the Outstanding Indebtedness (including any accrued and unpaid interest thereon) is not received by the Lenders immediately, the Lenders expressly reserve the right to take all steps or legal proceedings they consider necessary or appropriate to enforce their security and recover the payment thereof. These steps may include exercising all rights and remedies granted to the Lenders pursuant to the Loan Documents or otherwise at law, including the right to commence foreclosure proceedings and/or appoint a receiver and manager.

Enclosed with this demand is a Notice of Intention to Enforce Security (the **Notice**) issued in accordance with subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada). The Lenders expressly reserve their right to proceed with the enforcement of their security at any time prior to the date specified in the Notice if they become aware of any circumstances which might affect their position.

If you consent to the Lenders taking earlier enforcement, please return the consent to earlier enforcement (a copy of which is enclosed with the Notice), executed by a duly authorized representative of the Borrowers.

We advise you that no failure on the part of the Lenders to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Loan Document shall operate as a waiver thereof,

[1] This calculation of the Outstanding Indebtedness is exclusive of amounts owing pursuant to the amended and restated facility offer letter, dated as of September 29, 2021, between Energera Inc., as borrower, and RBC, as lender, pertaining to the BDC Participation Program.

nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The Lenders reserve all rights against the Loan Parties under the Loan Documents and at law.

Sincerely,

Norton Rose Fulbright Canada LLP
Per:

Aaron Stephenson
Partner

Enclosure

Copies to: Derek Pontin (Dentons)
derek.pontin@dentons.com

NORTON ROSE FULBRIGHT

Additional Recipient Contact Information

Energera Inc.

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Energera International Inc.

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Energera America Inc.

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Sandtinel LLC

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

To: Energera Inc. (the **Insolvent Person**)

Take notice that:

1. Royal Bank of Canada acts as administrative agent (the **Agent**) on behalf of Royal Bank of Canada, National Bank of Canada, ATB Financial, and Export Development Canada (collectively, the **Lenders**), secured creditors, intends to enforce the Lenders' security on the property of the above Insolvent Person which encompasses all or substantially all of its property and assets;

2. The security that is to be enforced includes security granted by the Insolvent Person in favour of the Lenders as set out in Schedule "A" attached hereto;

3. As of February 2, 2026, the principal amount of the indebtedness secured by the security is Cdn. $39,061,058.27 plus accrued and accruing interest and other costs and expenses; and

4. The Agent will not have the right to enforce the security until after February 16, 2026 (10 days after sending this notice) unless the Insolvent Person consents to earlier enforcement.

Dated at Calgary, Alberta, this 6th day of February, 2026.

Norton Rose Fulbright Canada LLP, counsel to the Agent

Per: _____
D. Aaron Stephenson

Energera Inc. hereby:

(a) consents to the immediate enforcement by the Agent, on behalf of the secured parties of the security described in paragraph 2 above, pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada);

(b) consents to the Agent's disposition of any or all collateral subject to the Lenders' security immediately or otherwise as the Agent may determine in its sole discretion, without notice as required by the *Personal Property Security Act* (Alberta);

Energera Inc. by its duly authorized officer

Per: _____
Authorized Signatory

Schedule "A"

1. general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

2. general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. pledge and security agreement, dated July 8, 2019, among Energera Inc., Energera International Inc., Energera America Inc., and Sandtinel LLC, as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

February 6, 2026

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Our reference
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Your reference

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Energera International Inc.
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Energera America Inc.
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Sandtinel LLC
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800 North State Street, Suite 304
Dover, DE 19901

legal@fracshack.com
lholmstrom@energera.com
tvanvliet@energera.com

Additional Recipient Information at Appendix "A"

Dear Sirs/Madams:

Re: Third Amended and Restated Credit Agreement, dated June 28, 2024, as amended by a first amending agreement, dated September 27, 2024 (as so amended, the "Credit Agreement") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "Borrowers"), Royal Bank of Canada and such other persons party thereto as lenders (the "Lenders"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "Agent")

We are counsel for the Agent under the Credit Agreement and write to you in connection with the Borrowers' indebtedness thereunder. Capitalized terms used in this letter without definition have the meanings given to them in the Credit Agreement.

Reference is made to the loans and advances that have been made by the Lenders to the Borrowers pursuant to the Credit Agreement and other loan agreements and security between the Lenders and the Borrowers, including the following:

1. a general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

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2. a general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. a pledge and security agreement, dated July 8, 2019, among the Borrowers and Sandtinel LLC (together, the **Loan Parties**), as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. a debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. a debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. a mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

Reference is also made to the various guarantees granted in favour of the Lenders, including the following:

9. a guarantee, dated December 4, 2020, granted by Sandtinel LLC, as guarantor, in favour of the Secured Parties;

10. a guarantee, dated July 8, 2019, granted by Energera Inc., as guarantor, in favour of the Secured Parties;

11. a guarantee, dated July 8, 2019, granted by Energera America Inc., as guarantor, in favour of the Secured Parties;

12. a guarantee, dated July 8, 2019, granted by Energera International Inc., as guarantor, in favour of the Secured Parties.

Reference is further made to a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025, a third amending agreement made as of May 22, 2025, a fourth amending agreement dated July 28, 2025, and a fifth amending agreement dated November 19, 2025 (as so amended, the **Forbearance Agreement**). The Credit Agreement, Forbearance Agreement, the documents listed above, and related documents are collectively referred to as the **Loan Documents** and individually as a **Loan Document**.

Pursuant to the Forbearance Agreement, the Loan Parties acknowledged that they were in default of their obligations under the Credit Agreement and other security documents, and the Lenders agreed to forbear in relation to such defaults until the earlier of the expiry of the Forbearance Period on January 31, 2026, or the occurrence of a Forbearance Default (both defined in the Forbearance Agreement). Such defaults include, without limitation:

- failing to comply with certain financial covenants in the Credit Agreement as at the periods ending September 30, 2024, December 31, 2024, July 31, 2025, and September 30, 2025;

- failing to provide financial statements within 120 days of the end of the 2024 fiscal year;

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- failing to enter required agreements to hedge interest rate exposure;
- failing to comply with each of the milestones prescribed in the Forbearance Agreement (defined below);
- failing to maintain a certain minimum liquidity as prescribed in the fourth amendment to the Forbearance Agreement (defined below);
- disposing of certain assets without the consent of the Lenders;
- failing to perform and comply with certain covenants and obligations contained in Forbearance Agreement (defined below); and
- failing to deliver the required officer's certificate to the Agent in respect of each default.

(collectively, the **Events of Default**).

Notice is given that the Forbearance Period is now expired. Therefore, and as a consequence of the expiry of the Forbearance Period and the Events of Default having occurred, the Agent hereby gives notice that all obligations of the Loan Parties, together with accrued interest, fees and other obligations under the Credit Agreement and other Loan Documents, are immediately due and payable.

As of February 2, 2026, the amount outstanding and owing to the Lenders under the Credit Agreement, inclusive of accrued interest and expenses, was Cdn $39,061,058.27, plus interest and expenses that shall continue to accrue thereon (the **Outstanding Indebtedness**).[1]

Pursuant to the Credit Agreement and on behalf of the Lenders, demand is hereby made upon the Loan Parties for payment in full of the Outstanding Indebtedness, together with interest thereon, which interest shall continue to accrue from the date hereof until the date the Outstanding Indebtedness has been repaid in full.

All reasonable legal fees and all other costs and expenses which may be incurred by the Lenders in enforcement of the Loan Documents up to and including the date of repayment in full of the Outstanding Indebtedness shall also be added to the Outstanding Indebtedness.

If payment of the Outstanding Indebtedness (including any accrued and unpaid interest thereon) is not received by the Lenders immediately, the Lenders expressly reserve the right to take all steps or legal proceedings they consider necessary or appropriate to enforce their security and recover the payment thereof. These steps may include exercising all rights and remedies granted to the Lenders pursuant to the Loan Documents or otherwise at law, including the right to commence foreclosure proceedings and/or appoint a receiver and manager.

Enclosed with this demand is a Notice of Intention to Enforce Security (the **Notice**) issued in accordance with subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada). The Lenders expressly reserve their right to proceed with the enforcement of their security at any time prior to the date specified in the Notice if they become aware of any circumstances which might affect their position.

If you consent to the Lenders taking earlier enforcement, please return the consent to earlier enforcement (a copy of which is enclosed with the Notice), executed by a duly authorized representative of the Borrowers.

We advise you that no failure on the part of the Lenders to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Loan Document shall operate as a waiver thereof,

[1] This calculation of the Outstanding Indebtedness is exclusive of amounts owing pursuant to the amended and restated facility offer letter, dated as of September 29, 2021, between Energera Inc., as borrower, and RBC, as lender, pertaining to the BDC Participation Program.

nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The Lenders reserve all rights against the Loan Parties under the Loan Documents and at law.

Sincerely,

Norton Rose Fulbright Canada LLP
Per:

Aaron Stephenson
Partner

Enclosure

Copies to: Derek Pontin (Dentons)
derek.pontin@dentons.com

NORTON ROSE FULBRIGHT

Additional Recipient Contact Information

Energera Inc.

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T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
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Energera International Inc.

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Energera America Inc.

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Sandtinel LLC

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#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

To: Energera International Inc. (the **Insolvent Person**)

Take notice that:

1. Royal Bank of Canada acts as administrative agent (the **Agent**) on behalf of Royal Bank of Canada, National Bank of Canada, ATB Financial, and Export Development Canada (collectively, the **Lenders**), secured creditors, intends to enforce the Lenders' security on the property of the above Insolvent Person which encompasses all or substantially all of its property and assets;

2. The security that is to be enforced includes security granted by the Insolvent Person in favour of the Lenders as set out in Schedule "A" attached hereto;

3. As of February 2, 2026, the principal amount of the indebtedness secured by the security is Cdn. $39,061,058.27 plus accrued and accruing interest and other costs and expenses;

4. The Agent will not have the right to enforce the security until after February 16, 2026 (10 days after sending this notice) unless the Insolvent Person consents to earlier enforcement.

Dated at Calgary, Alberta, this 6th day of February, 2026.

Norton Rose Fulbright Canada LLP, counsel to the Agent

Per: _____
D. Aaron Stephenson

Energera International Inc. hereby:

(a) consents to the immediate enforcement by the Agent, on behalf of the secured parties of the security described in paragraph 2 above, pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada);

(b) consents to the Agent's disposition of any or all collateral subject to the Lenders' security immediately or otherwise as the Agent may determine in its sole discretion, without notice as required by the *Personal Property Security Act* (Alberta);

Energera International Inc. by its duly authorized officer

Per: _____
Authorized Signatory

Schedule "A"

1. general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

2. general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. pledge and security agreement, dated July 8, 2019, among Energera Inc., Energera International Inc., Energera America Inc., and Sandtinel LLC, as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

February 6, 2026

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800 North State Street, Suite 304
Dover, DE 19901

Sandtinel LLC
c/o United Corporate Services, Inc.
800 North State Street, Suite 304
Dover, DE 19901

legal@fracshack.com
lholmstrom@energera.com
tvanvliet@energera.com

Additional Recipient Information at Appendix "A"

Dear Sirs/Madams:

Re: Third Amended and Restated Credit Agreement, dated June 28, 2024, as amended by a first amending agreement, dated September 27, 2024 (as so amended, the "Credit Agreement") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "Borrowers"), Royal Bank of Canada and such other persons party thereto as lenders (the "Lenders"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "Agent")

We are counsel for the Agent under the Credit Agreement and write to you in connection with the Borrowers' indebtedness thereunder. Capitalized terms used in this letter without definition have the meanings given to them in the Credit Agreement.

Reference is made to the loans and advances that have been made by the Lenders to the Borrowers pursuant to the Credit Agreement and other loan agreements and security between the Lenders and the Borrowers, including the following:

1. a general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

Norton Rose Fulbright Canada LLP is a limited liability partnership established in Canada.

Norton Rose Fulbright Canada LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are at nortonrosefulbright.com/legal-notices.

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2. a general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. a pledge and security agreement, dated July 8, 2019, among the Borrowers and Sandtinel LLC (together, the **Loan Parties**), as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. a debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. a debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. a mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

Reference is also made to the various guarantees granted in favour of the Lenders, including the following:

9. a guarantee, dated December 4, 2020, granted by Sandtinel LLC, as guarantor, in favour of the Secured Parties;

10. a guarantee, dated July 8, 2019, granted by Energera Inc., as guarantor, in favour of the Secured Parties;

11. a guarantee, dated July 8, 2019, granted by Energera America Inc., as guarantor, in favour of the Secured Parties;

12. a guarantee, dated July 8, 2019, granted by Energera International Inc., as guarantor, in favour of the Secured Parties.

Reference is further made to a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025, a third amending agreement made as of May 22, 2025, a fourth amending agreement dated July 28, 2025, and a fifth amending agreement dated November 19, 2025 (as so amended, the **Forbearance Agreement**). The Credit Agreement, Forbearance Agreement, the documents listed above, and related documents are collectively referred to as the **Loan Documents** and individually as a **Loan Document**.

Pursuant to the Forbearance Agreement, the Loan Parties acknowledged that they were in default of their obligations under the Credit Agreement and other security documents, and the Lenders agreed to forbear in relation to such defaults until the earlier of the expiry of the Forbearance Period on January 31, 2026, or the occurrence of a Forbearance Default (both defined in the Forbearance Agreement). Such defaults include, without limitation:

- failing to comply with certain financial covenants in the Credit Agreement as at the periods ending September 30, 2024, December 31, 2024, July 31, 2025, and September 30, 2025;

- failing to provide financial statements within 120 days of the end of the 2024 fiscal year;

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- failing to enter required agreements to hedge interest rate exposure;
- failing to comply with each of the milestones prescribed in the Forbearance Agreement (defined below);
- failing to maintain a certain minimum liquidity as prescribed in the fourth amendment to the Forbearance Agreement (defined below);
- disposing of certain assets without the consent of the Lenders;
- failing to perform and comply with certain covenants and obligations contained in Forbearance Agreement (defined below); and
- failing to deliver the required officer's certificate to the Agent in respect of each default.

(collectively, the **Events of Default**).

Notice is given that the Forbearance Period is now expired. Therefore, and as a consequence of the expiry of the Forbearance Period and the Events of Default having occurred, the Agent hereby gives notice that all obligations of the Loan Parties, together with accrued interest, fees and other obligations under the Credit Agreement and other Loan Documents, are immediately due and payable.

As of February 2, 2026, the amount outstanding and owing to the Lenders under the Credit Agreement, inclusive of accrued interest and expenses, was Cdn $39,061,058.27, plus interest and expenses that shall continue to accrue thereon (the **Outstanding Indebtedness**).[1]

Pursuant to the Credit Agreement and on behalf of the Lenders, demand is hereby made upon the Loan Parties for payment in full of the Outstanding Indebtedness, together with interest thereon, which interest shall continue to accrue from the date hereof until the date the Outstanding Indebtedness has been repaid in full.

All reasonable legal fees and all other costs and expenses which may be incurred by the Lenders in enforcement of the Loan Documents up to and including the date of repayment in full of the Outstanding Indebtedness shall also be added to the Outstanding Indebtedness.

If payment of the Outstanding Indebtedness (including any accrued and unpaid interest thereon) is not received by the Lenders immediately, the Lenders expressly reserve the right to take all steps or legal proceedings they consider necessary or appropriate to enforce their security and recover the payment thereof. These steps may include exercising all rights and remedies granted to the Lenders pursuant to the Loan Documents or otherwise at law, including the right to commence foreclosure proceedings and/or appoint a receiver and manager.

Enclosed with this demand is a Notice of Intention to Enforce Security (the **Notice**) issued in accordance with subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada). The Lenders expressly reserve their right to proceed with the enforcement of their security at any time prior to the date specified in the Notice if they become aware of any circumstances which might affect their position.

If you consent to the Lenders taking earlier enforcement, please return the consent to earlier enforcement (a copy of which is enclosed with the Notice), executed by a duly authorized representative of the Borrowers.

We advise you that no failure on the part of the Lenders to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Loan Document shall operate as a waiver thereof,

[1] This calculation of the Outstanding Indebtedness is exclusive of amounts owing pursuant to the amended and restated facility offer letter, dated as of September 29, 2021, between Energera Inc., as borrower, and RBC, as lender, pertaining to the BDC Participation Program.

nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The Lenders reserve all rights against the Loan Parties under the Loan Documents and at law.

Sincerely,

Norton Rose Fulbright Canada LLP
Per:

Aaron Stephenson
Partner

Enclosure

Copies to: Derek Pontin (Dentons)
derek.pontin@dentons.com

NORTON ROSE FULBRIGHT

Additional Recipient Contact Information

Energera Inc.

11551 Bevington Road
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T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Energera International Inc.

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Energera America Inc.

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Sandtinel LLC

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T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

To: Energera America Inc. (the **Insolvent Person**)

Take notice that:

1. Royal Bank of Canada acts as administrative agent (the **Agent**) on behalf of Royal Bank of Canada, National Bank of Canada, ATB Financial, and Export Development Canada (collectively, the **Lenders**), secured creditors, intends to enforce the Lenders' security on the property of the above Insolvent Person which encompasses all or substantially all of its property and assets;

2. The security that is to be enforced includes security granted by the Insolvent Person in favour of the Lenders as set out in Schedule "A" attached hereto;

3. As of February 2, 2026, the principal amount of the indebtedness secured by the security is Cdn. $39,061,058.27 plus accrued and accruing interest and other costs and expenses; and

4. The Agent will not have the right to enforce the security until after February 16, 2026 (10 days after sending this notice) unless the Insolvent Person consents to earlier enforcement.

Dated at Calgary, Alberta, this 6th day of February, 2026.

Norton Rose Fulbright Canada LLP, counsel to the Agent

Per: _____
D. Aaron Stephenson

Energera America Inc. hereby:

(a) consents to the immediate enforcement by the Agent, on behalf of the secured parties of the security described in paragraph 2 above, pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada);

(b) consents to the Agent's disposition of any or all collateral subject to the Lenders' security immediately or otherwise as the Agent may determine in its sole discretion, without notice as required by the *Personal Property Security Act* (Alberta);

Energera America Inc. by its duly authorized officer

Per: _____
Authorized Signatory

Schedule "A"

1. general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

2. general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. pledge and security agreement, dated July 8, 2019, among Energera Inc., Energera International Inc., Energera America Inc., and Sandtinel LLC, as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

February 6, 2026

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Our reference
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Your reference

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Sandtinel LLC
c/o United Corporate Services, Inc.
800 North State Street, Suite 304
Dover, DE 19901

legal@fracshack.com
lholmstrom@energera.com
tvanvliet@energera.com

Additional Recipient Information at Appendix "A"

Dear Sirs/Madams:

Re: Third Amended and Restated Credit Agreement, dated June 28, 2024, as amended by a first amending agreement, dated September 27, 2024 (as so amended, the "Credit Agreement") among Energera Inc., Energera International Inc. and Energera America Inc., as borrowers (collectively, the "Borrowers"), Royal Bank of Canada and such other persons party thereto as lenders (the "Lenders"), and Royal Bank of Canada as agent for the Lenders (in such capacity, the "Agent")

We are counsel for the Agent under the Credit Agreement and write to you in connection with the Borrowers' indebtedness thereunder. Capitalized terms used in this letter without definition have the meanings given to them in the Credit Agreement.

Reference is made to the loans and advances that have been made by the Lenders to the Borrowers pursuant to the Credit Agreement and other loan agreements and security between the Lenders and the Borrowers, including the following:

1. a general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

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Norton Rose Fulbright Canada LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are at nortonrosefulbright.com/legal-notices.

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2. a general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. a pledge and security agreement, dated July 8, 2019, among the Borrowers and Sandtinel LLC (together, the **Loan Parties**), as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. a fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

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8. a mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

Reference is also made to the various guarantees granted in favour of the Lenders, including the following:

9. a guarantee, dated December 4, 2020, granted by Sandtinel LLC, as guarantor, in favour of the Secured Parties;

10. a guarantee, dated July 8, 2019, granted by Energera Inc., as guarantor, in favour of the Secured Parties;

11. a guarantee, dated July 8, 2019, granted by Energera America Inc., as guarantor, in favour of the Secured Parties;

12. a guarantee, dated July 8, 2019, granted by Energera International Inc., as guarantor, in favour of the Secured Parties.

Reference is further made to a forbearance agreement made as of February 14, 2025 with the Loan Parties, as amended by a first amending agreement made as of March 31, 2025, a second amending agreement made as of May 15, 2025, a third amending agreement made as of May 22, 2025, a fourth amending agreement dated July 28, 2025, and a fifth amending agreement dated November 19, 2025 (as so amended, the **Forbearance Agreement**). The Credit Agreement, Forbearance Agreement, the documents listed above, and related documents are collectively referred to as the **Loan Documents** and individually as a **Loan Document**.

Pursuant to the Forbearance Agreement, the Loan Parties acknowledged that they were in default of their obligations under the Credit Agreement and other security documents, and the Lenders agreed to forbear in relation to such defaults until the earlier of the expiry of the Forbearance Period on January 31, 2026, or the occurrence of a Forbearance Default (both defined in the Forbearance Agreement). Such defaults include, without limitation:

- failing to comply with certain financial covenants in the Credit Agreement as at the periods ending September 30, 2024, December 31, 2024, July 31, 2025, and September 30, 2025;

- failing to provide financial statements within 120 days of the end of the 2024 fiscal year;

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- failing to enter required agreements to hedge interest rate exposure;
- failing to comply with each of the milestones prescribed in the Forbearance Agreement (defined below);
- failing to maintain a certain minimum liquidity as prescribed in the fourth amendment to the Forbearance Agreement (defined below);
- disposing of certain assets without the consent of the Lenders;
- failing to perform and comply with certain covenants and obligations contained in Forbearance Agreement (defined below); and
- failing to deliver the required officer's certificate to the Agent in respect of each default.

(collectively, the **Events of Default**).

Notice is given that the Forbearance Period is now expired. Therefore, and as a consequence of the expiry of the Forbearance Period and the Events of Default having occurred, the Agent hereby gives notice that all obligations of the Loan Parties, together with accrued interest, fees and other obligations under the Credit Agreement and other Loan Documents, are immediately due and payable.

As of February 2, 2026, the amount outstanding and owing to the Lenders under the Credit Agreement, inclusive of accrued interest and expenses, was Cdn $39,061,058.27, plus interest and expenses that shall continue to accrue thereon (the **Outstanding Indebtedness**).[1]

Pursuant to the Credit Agreement and on behalf of the Lenders, demand is hereby made upon the Loan Parties for payment in full of the Outstanding Indebtedness, together with interest thereon, which interest shall continue to accrue from the date hereof until the date the Outstanding Indebtedness has been repaid in full.

All reasonable legal fees and all other costs and expenses which may be incurred by the Lenders in enforcement of the Loan Documents up to and including the date of repayment in full of the Outstanding Indebtedness shall also be added to the Outstanding Indebtedness.

If payment of the Outstanding Indebtedness (including any accrued and unpaid interest thereon) is not received by the Lenders immediately, the Lenders expressly reserve the right to take all steps or legal proceedings they consider necessary or appropriate to enforce their security and recover the payment thereof. These steps may include exercising all rights and remedies granted to the Lenders pursuant to the Loan Documents or otherwise at law, including the right to commence foreclosure proceedings and/or appoint a receiver and manager.

Enclosed with this demand is a Notice of Intention to Enforce Security (the **Notice**) issued in accordance with subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada). The Lenders expressly reserve their right to proceed with the enforcement of their security at any time prior to the date specified in the Notice if they become aware of any circumstances which might affect their position.

If you consent to the Lenders taking earlier enforcement, please return the consent to earlier enforcement (a copy of which is enclosed with the Notice), executed by a duly authorized representative of the Borrowers.

We advise you that no failure on the part of the Lenders to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Loan Document shall operate as a waiver thereof,

[1] This calculation of the Outstanding Indebtedness is exclusive of amounts owing pursuant to the amended and restated facility offer letter, dated as of September 29, 2021, between Energera Inc., as borrower, and RBC, as lender, pertaining to the BDC Participation Program.

nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The Lenders reserve all rights against the Loan Parties under the Loan Documents and at law.

Sincerely,

Norton Rose Fulbright Canada LLP
Per:

Aaron Stephenson
Partner

Enclosure

Copies to: Derek Pontin (Dentons)
derek.pontin@dentons.com

NORTON ROSE FULBRIGHT

Additional Recipient Contact Information

Energera Inc.

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Energera International Inc.

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Energera America Inc.

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

Sandtinel LLC

11551 Bevington Road
Acheson, Alberta
T7X 6C1

#110, 368 Saskatchewan Avenue
Spruce Grove, Alberta
T7X 0G6

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

To: Sandtinel LLC (the **Insolvent Person**)

Take notice that:

1. Royal Bank of Canada acts as administrative agent (the **Agent**) on behalf of Royal Bank of Canada, National Bank of Canada, ATB Financial, and Export Development Canada (collectively, the **Lenders**), secured creditors, intends to enforce the Lenders' security on the property of the above Insolvent Person which encompasses all or substantially all of its property and assets;

2. The security that is to be enforced includes security granted by the Insolvent Person in favour of the Lenders as set out in Schedule "A" attached hereto;

3. As of February 2, 2026, the principal amount of the indebtedness secured by the security is Cdn. $39,061,058.27 plus accrued and accruing interest and other costs and expenses; and

4. The Agent will not have the right to enforce the security until after February 16, 2026 (10 days after sending this notice) unless the Insolvent Person consents to earlier enforcement.

Dated at Calgary, Alberta, this 6th day of February, 2026.

Norton Rose Fulbright Canada LLP, counsel to the Agent

Per: _____
D. Aaron Stephenson

Sandtinel LLC hereby:

(a) consents to the immediate enforcement by the Agent, on behalf of the secured parties of the security described in paragraph 2 above, pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada);

(b) consents to the Agent's disposition of any or all collateral subject to the Lenders' security immediately or otherwise as the Agent may determine in its sole discretion, without notice as required by the *Personal Property Security Act* (Alberta);

Sandtinel LLC by its duly authorized officer

Per: _____
Authorized Signatory

Schedule "A"

1. general security agreement, dated July 8, 2019, between Energera Inc., as debtor, and the Agent, as secured party;

2. general security agreement, dated July 8, 2019, between Energera International Inc., as debtor, and the Agent, as secured party;

3. pledge and security agreement, dated July 8, 2019, among Energera Inc., Energera International Inc., Energera America Inc., and Sandtinel LLC, as grantors, and the Agent, as amended by supplement no. 1, dated January 22, 2020, and supplement no. 2, dated December 4, 2020;

4. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

5. debenture pledge agreement, dated July 8, 2019, granted by Energera Inc. in favour of the Agent for the benefit of the Beneficiaries;

6. fixed and floating charge demand debenture, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries;

7. debenture pledge agreement, dated July 8, 2019, granted by Energera International Inc. in favour of the Agent for the benefit of the Beneficiaries; and

8. mortgage, assignment of leases and rents, security agreement, financing statement and fixture filing, dated August 10, 2022, between Energera America Inc., as mortgagor, and the Agent, as mortgagee.

This is **Exhibit 43** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

COURT FILE NUMBER	
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA, as Agent
DEFENDANT	ENERGERA INC. (formerly known as FRAC SHACK INC.), ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.), ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and SANDTINEL LLC
DOCUMENT	**CONSENT RECEIVERSHIP ORDER**

Clerk's stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Norton Rose Fulbright Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 Canada Howard A. Gorman, K.C. / Meghan L. Parker howard.gorman@nortonrosefulbright.com meghan.parker@nortonrosefulbright.com Tel: +1 403.267.8144 / 9564 Fax: +1 403.264.5973 Lawyers for the Applicant, Royal Bank of Canada File no.: 1001247662

DATE ON WHICH ORDER WAS PRONOUNCED:
NAME OF JUDGE WHO MADE THIS ORDER:
LOCATION OF HEARING: Calgary, Alberta

UPON the application of Royal Bank of Canada, as Agent, in respect of Energera Inc. (formerly known as Frac Shack Inc.), Energera International Inc. (formerly known as Frac Shack International Inc.), Energera America Inc. (formerly known as Frac Shack America Inc.) and Sandtinel LLC (the **Debtors**); **AND UPON** having read the Application, the Affidavit of ●; and the Affidavit of Service of ●, filed; **AND UPON** reading the consent of Alvarez & Marsal Canada Inc. to act as receiver and manager (the **Receiver**) of the Debtor, filed; **AND UPON** noting the consent endorsed hereon of the Debtor; **AND UPON** hearing counsel for the Applicant, counsel for the proposed Receiver and any other counsel or other interested parties present;

IT IS HEREBY ORDERED THAT:

SERVICE AND NOTICE

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient and this application is properly returnable today.

2. The notice period under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (***BIA***), is hereby waived.

APPOINTMENT

3. Pursuant to section 243(1) of the *BIA*, and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, Alvarez & Marsal Canada Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the **Property**).

RECEIVER'S POWERS

4. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability:

(i) to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immoveable; and

(ii) upon further order of the Court, to abandon, dispose of, or otherwise release any license or authorization issued by the Alberta Energy Regulator, or any other similar government authority;

(b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to or by the Debtor;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

(j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this

Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court.

(k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $500,000, provided that the aggregate consideration for all such transactions does not exceed $3,000,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

(m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any

other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

6. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the **Records**) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 9; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OR REMEDIES

10. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court including, without limitation, any rights or remedies or provisions in any agreement, construction, ownership and operating agreement, joint venture agreement or any such similar agreement or agreements to which the Debtors, or any of them, are a party that purport to effect or cause a cessation of operatorship as a result of the occurrence of any default or non-performance by or the insolvency of the Debtors, the making or filing of these proceedings or any allegation, admission or evidence in these proceedings and under no circumstances shall the Debtors be replaced as operator pursuant to any such agreements without further order of this Court provided, however, that this stay and suspension does not apply in respect of any "eligible financial contract" (as defined in the BIA), and further provided that nothing in this Order shall:

(a) empower the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on;

(b) prevent the filing of any registration to preserve or perfect a security interest;

(c) prevent the registration of a claim for lien; or

(d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

11. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

13. All persons having:

(a) statutory or regulatory mandates for the supply of goods and/or services; or

(b) oral or written agreements or arrangements with the Debtor, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in

accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, and clause 20(e) of the Alberta *Personal Information Protection Act*, SA 2003, c P-6.5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a **Sale**). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy

all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17.

(a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:

(i) before the Receiver's appointment; or

(ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

(b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.

(c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

(i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

(A) complies with the order, or

(B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;

(ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

(A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or

(B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

(iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

19. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the **Receiver's Charge**) on the Property, which charge shall not exceed an aggregate amount of $1,000,000, as security for their professional fees and disbursements incurred at the normal

rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4), 81.6(2) and 88 of the BIA.

20. The Receiver and its legal counsel shall pass their accounts from time to time.

21. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $5,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **Receiver's Borrowings Charge**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4), 81.6(2) and 88 of the BIA.

23. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

25. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

26. The Receiver shall be allowed to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

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

GENERAL

28. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.

30. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

31. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

32. The Receiver is at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

34. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.[1]

FILING

35. The Receiver shall establish and maintain a website in respect of these proceedings at https://www.alvarezandmarsal.com/Energera (the **Receiver's Website**) and shall post there as soon as practicable:

(a) all materials prescribed by statute or regulation to be made publicly available; and

(b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

[1] To the extent it is not possible or practical in the circumstances, the affected parties can rely on the comeback clause to seek to modify the receivership order, subject to the protection of lenders, receivers, or other parties that have relied on the order between the date the receivership order is granted and the date it is varied.

36. 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 or otherwise served with notice of 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; and

(b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

37. 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.

Justice of the Court of King's Bench of Alberta

CONSENTED TO:

ENERGERA INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:23 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA INTERNATIONAL INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:23 MDT)
Name: Lance Holmstrom
Title: CFO

ENERGERA AMERICA INC.

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:23 MDT)
Name: Lance Holmstrom
Title: CFO

SANDTINEL LLC

By: Todd Van Vliet (May 22, 2025 13:20 MDT)
Name: Todd Van Vliet
Title: CEO

By: Lance Holmstrom (May 22, 2025 13:23 MDT)
Name: Lance Holmstrom
Title: CFO

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the receiver and manager (the **Receiver**) of all of the assets, undertakings and properties of Energera Inc. (formerly known as Frac Shack Inc.), Energera International Inc. (formerly known as Frac Shack International Inc.), Energera America Inc. (formerly known as Frac Shack America Inc.) and Sandtinel LLC appointed by Order of the Court of King's Bench of Alberta (the **Court**) dated the **[day]** day of **[month]**, **[year]** (the **Order**) made in action number **[●]**, has received as such Receiver from the holder of this certificate (the **Lender**) the principal sum of **[$]**, being part of the total principal sum of **[$]** that the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily] [monthly not in advance on the ● day of each month]** after the date hereof at a notional rate per annum equal to the rate of **[●]** per cent above the prime commercial lending rate of Bank of **[●]** from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at **[●]**.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the _____ day of _____, 20__.

Alvarez & Marsal Canada Inc., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

This is **Exhibit 44** referred to in the Affidavit of Cameron Bailey

Sworn before me at the City of Calgary, in the Province of Alberta this 12th day of February, 2026

A Commissioner for Oaths in and for the Province of Alberta

Armaan Dhillon
Barrister & Solicitor

COURT FILE NUMBER	
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA, as Agent
DEFENDANT	ENERGERA INC. (formerly known as FRAC SHACK INC.), ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.), ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and SANDTINEL LLC
DOCUMENT	**CONSENT TO ACT AS RECEIVER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**Norton Rose Fulbright Canada LLP** 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 CANADA Aaron Stephenson, and Meghan L. Parker aaron.stephenson@nortonrosefulbright.com meghan.parker@nortonrosefulbright.com Tel: +1 403.267.8222 Fax: +1 403.264.5973 Lawyers for the Plaintiff, Royal Bank of Canada File no.: 1001247662

Clerk's Stamp

Alvarez & Marsal Canada Inc. does hereby consent to act as Receiver in these proceedings if so appointed by this Honourable Court.

DATED at the City of Calgary, in the Province of Alberta, this 9th day of February 2026.

ALVAREZ & MARSAL CANADA INC.

Per:_____

Orest Konowalchuk, CA, CPA, CIRP, LIT
Senior Vice President