

COLLECTIVE AGREEMENT
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COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDINGS IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY OF MANITOK ENERGY INC.

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF MANITOK ENERGY INC.

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF RAIMOUNT ENERGY CORP.

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF CORINTHIAN OIL CORP.

DOCUMENT **SECOND REPORT OF THE RECEIVER**

JULY 6, 2018

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

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INTRODUCTION

1. Effective February 20, 2018 (the “**Receivership Date**”), pursuant to an order of the Court of Queen’s Bench of Alberta (the “**Court**”) granted in these proceedings (the “**Consent Receivership Order**”), Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed receiver and manager (the “**Receiver**”), without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, including but not limited to real property wherever situate including all proceeds thereof (the “**Property**”) of Manitok Energy Inc. (“**Manitok**”) and its wholly owned subsidiary Raimount Energy Corp. (“**Raimount**”) (together, the “**Company**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (“**BIA**”) and section 13(2) of the *Judicature Act*, RSA 2000, c J-2.
2. Prior to the Receivership Date, Manitok and its wholly owned subsidiaries, Corinthian Oil Corp (“**Corinthian**”) and Raimount had each filed a Notice of Intention to File a Proposal under the BIA (“**NOI**”). The stay was terminated by the Court on February 20, 2018 and each was deemed bankrupt. A&M was appointed as the Bankruptcy Trustee, replacing FTI Consulting Inc. who had been appointed as Proposal Trustee under the NOIs.
3. The Receivership Order empowers and authorizes, but does not obligate, the Receiver to, among other things, manage, operate and carry on the business of the Company and to take possession and control of its Property and of any and all proceeds, receipts and disbursements arising out of or from the Property, and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business.
4. Corinthian is not part of the Receivership and A&M is managing its affairs as Bankruptcy Trustee and through Manitok, who is the operator of the Corinthian properties. The Corinthian assets are not material to the assets of the Company.

5. The most significant stakeholders in the Receivership Proceedings are the National Bank of Canada (“**NBC**”) and Stream Asset Financial Manitoak LP (“**SAF**”). NBC is the applicant in these proceedings and holds a first charge over all of the assets of the Company except for certain facilities that are subject to SAF ownership or security interests (“**NBC Secured Property**” and “**Disputed SAF Facilities**”).
6. The Receiver ultimately intends to conduct a sales and investment solicitation process (“**SISP**”). To date, it has been precluded from doing so because of uncertainty surrounding the rights of Freehold Royalties Partnership (“**Freehold**”) in a production volume royalty over certain core properties of Manitoak. The Court recently determined that Freehold’s royalty was an interest in land. The Receiver has appealed the decision. Notwithstanding the appeal, the Receiver wishes to proceed with a SISP as soon as possible.
7. The Receiver wishes to include all of the Property of Manitoak in the SISP, including but not limited to the NBC Secured Property and the Disputed SAF Facilities.
8. The Receiver is not aware of any dispute between NBC and SAF about who has priority over the NBC Secured Property or the Disputed SAF Facilities. However, SAF contends that Manitoak does not own the Disputed SAF Facilities and, even if they are owned by Manitoak, SAF contends that the Receiver cannot include them in a SISP without SAF’s consent.
9. The Receiver has had ongoing discussions with SAF and its counsel regarding a SISP. To date, SAF has refused to consent to the Receiver’s inclusion of the Disputed SAF Facilities in a SISP unless and until the Receiver commits to a specific allocation of sale proceeds to the Disputed SAF Facilities. However, the Receiver will not be in a position to allocate sale proceeds between the NBC Secured Property and the Disputed SAF Facilities until the SISP is complete.

10. Accordingly, the Receiver is now seeking the advice and direction of this Honourable Court with respect to the ownership of the Disputed SAF Facilities, whether the Disputed SAF Facilities are “Property” within the contemplation of the Receivership Order, and whether the Receiver may include the Disputed SAF Facilities in a SISP.
11. The purpose of this Second Report of the Receiver (“**Second Report**” or “**this Report**”) is to provide this Honourable Court with information in respect of SAF’s interest in the Disputed SAF Facilities and related matters.
12. Capitalized words or terms not defined or ascribed a meaning in this Second Report are as defined or ascribed a meaning in the Receivership Order.
13. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

14. Prior to the Receivership Date, Alvarez & Marsal Canada ULC (“**A&M ULC**”) was engaged as a financial advisor to NBC through their counsel McCarthy Tetrault LLP and this engagement was consented to by the Company. The engagement commenced on May 8, 2017 and terminated immediately prior to the Receivership Date. In that role, A&M ULC from time to time reviewed, assessed and reported to NBC on the operations and ongoing viability of the Company including the strategic review process undertaken by the Company with the assistance of Raymond James (“**RJ**”), an Investment Bank, (the “**Strategic Review Process**”) and the NOI process that commenced on January 10, 2018 and terminated on February 20, 2018.
15. In preparing this Second Report, the Receiver has relied upon information obtained prior to the Receivership Proceedings by A&M ULC in its role as financial advisor, the representations of certain former management and employees of the Company, and financial and other information contained in the Company’s books and records. The Receiver has not performed an audit, review or other verification of such information.

BACKGROUND AND OVERVIEW

16. Manitok is a public oil company where its core and most valuable properties are located in four separate areas in Alberta. The Company also has a number of non-core properties scattered around Alberta, however the value of those properties is not material and a number have negative value. The current production capability of the Company is approximately 3900 boe/d of which approximately 34% is liquids
17. The Disputed SAF Facilities are located in three of Manitok's four core areas. Total current gross production (June 2018) from these three areas is 2,377 boe/day as follows:
 - a) Stolberg – 1,277 boe/day
 - b) Wayne – 640 boe/day
 - c) Carseland – 460 boe/day
18. The Disputed SAF Facilities are all licensed to, managed and operated by Manitok, and they are utilized exclusively to produce or process Manitok's own reserves with the exception of limited third-party processing at the Wayne sour oil battery.
19. Currently, the Disputed SAF Facilities are necessary for the production and sale of Manitok's reserves in the three core areas. Replacement facilities could be constructed or an agreement could be entered with a third-party processor, however, the most economic and best recovery for stakeholders would result from the joint marketing and sale of the NBC Secured Property and SAF Facilities through a SISP.
20. Further background to the Company and its financial circumstances is contained in the materials filed in support of and relating to the Receivership Order. These documents and other relevant information have been posted by the Receiver on its website at: www.alvarezandmarsal.com/Manitok (the "Receiver's Website").

THE DISPUTED SAF FACILITIES

The SAF Agreements

21. SAF acquired its interests in the Disputed SAF Facilities under four separate agreements (together, the “**SAF Agreements**”), as follows:
 - Stolberg and Entice Areas Rental Agreement, made effective December 30, 2014 and amended June 12, 2015 and June 29, 2015 (“**Stolberg-Entice Rental Agreement**” at Appendix A);
 - Stolberg Area Joint Venture Agreement, made effective December 30, 2014 and amended June 12, 2015 and June 29, 2015 (“**Stolberg JVA**” at Appendix B);
 - Wayne Area Rental Agreement, made effective June 12, 2015 and amended June 29, 2015 (“**Wayne Rental Agreement**” at Appendix C); and
 - Wayne Area Joint Venture Agreement, made effective June 12, 2015 and amended June 29, 2015 (“**Wayne JVA**” at Appendix D).
22. The Stolberg-Entire Rental Agreement relates to the 15-1-42-15 oil battery in the Stolberg area, the 2-32-22-25 oil battery in the Entice (Carseland) area, and related facilities. Under the Stolberg-Entice Rental Agreement, SFA paid an initial “Purchase Amount” of \$12.5 million to ManitoK and ManitoK pays \$150,989.58 plus GST monthly to SFA as a “Facilities Rental”.
23. The Stolberg JVA relates to ManitoK’s working interest of approximately 30% to 33% in the 6-21-42-15 and 13-15-42-15 oil batteries. Under the Stolberg JVA, SFA paid an initial “Commitment Amount” of \$2.5 million to ManitoK and ManitoK pays \$30,000 monthly to SFA as a “Facilities Tariff”.
24. The Wayne Rental Agreement relates to the 1-20-28-21 sour oil battery and the 08-23-28-21 sour oil satellite. Under the Wayne Rental Agreement, SFA paid an

initial “Purchase Amount” of \$7.5 million to Manitok and Manitok pays \$93,750 monthly to SFA as a “Facilities Rental”.

25. The Wayne JVA relates to Manitok’s interest in equipment (pumpjacks, tanks, etc.) located at approximately seventy (70) well sites in the Wayne area. Under the Wayne JVA, SFA paid an initial “Commitment Amount” of \$12.5 million to Manitok and Manitok pays \$156,250 monthly to SFA as a “Facilities Tariff”.
26. The Stolberg JVA and the Wayne JVA were recorded in the financial statements of Manitok as financing transactions and each “Commitment Amount” was recorded by Manitok as long-term debt.
27. The Stolberg-Entice Rental Agreement and the Wayne Rental Agreement were recorded in the financial statements of Manitok as divestitures and each “Purchase Amount” was recorded by Manitok as sale proceeds.
28. There are no interest letters and other inter-creditor agreements between Manitok, NBC and SAF, which are attached as Appendixes E-G. These agreements define the priorities between NBC and SAF, which the Receiver does not believe are in dispute, except insofar as SAF is contending that it owns the Disputed SAF Facilities.

The SAF Proof of Claim

29. SAF submitted a proof of claim in these proceedings on March 19, 2018 in which it asserted a secured claim against Manitok in the amount of \$58,446,235 (Appendix H). The SAF proof of claim listed the following as particulars of SAF’s security:
 1. A Joint Venture Agreement dated December 30, 2014 between Manitok Energy Inc. and Stream Asset Financial Manitok LP.
 2. A Rental Agreement dated December 30, 2014 between Manitok Energy Inc. and Stream Asset Financial Manitok LP.

3. A No Interest Letter, Consent and Acknowledgment dated December 30, 2014 between Manito Energy Inc., National Bank of Canada and Stream Asset Financial Manito LP.
4. A Joint Venture Agreement dated June 12, 2015 between Manito Energy Inc. and Stream Asset Financial Manito LP.
5. A Rental Agreement dated June 12, 2015 between Manito Energy Inc. and Stream Asset Financial Manito LP.
6. A No Interest Letter, Consent and Acknowledgment dated June 12, 2015 between Manito Energy Inc., National Bank of Canada and Stream Asset Financial Manito LP.

The Receivers Actions to Date

30. The Receiver reviewed the SAF Agreements in detail and has discussed the Disputed SAF Facilities with SAF and its counsel. As stated above, there is a dispute between the Receiver, NBC and SAF about whether the Disputed SAF Facilities are owned by Manito subject to SAF security interests, or alternatively whether they are owned by SAF.
31. The Receiver has concluded, on balance, that all of the SAF Agreements are financing agreements, the Disputed SAF Facilities are owned by Manito (subject to SAF security interests) and are “Property” within the contemplation of the Receivership Order, and the Receiver may include the Disputed SAF Facilities in a SISP.
32. Based on its conclusion – that all of the SAF Agreements are financing agreements – the Receiver has declined to pay any “Facilities Rental” (under the Stolberg-Entice Rental Agreement and the Wayne Rental Agreement) or “Facilities Tariff” (under the Stolberg JVA or the Wayne JVA) to SAF since the Receivership Date.
33. The Receiver has continued to cause Manito to insure, maintain, manage and operate the Disputed SAF Facilities.

CONCLUSION

34. The Receiver has concluded, on balance, that all of the SAF Agreements are financing agreements, the Disputed SAF Facilities are owned by Manitok (subject to SAF security interests) and are “Property” within the contemplation of the Receivership Order, and the Receiver may include the Disputed SAF Facilities in a SISP.
35. Alternatively, even if the Disputed SAF Facilities are owned by SAF, the Receiver believes that it is in the best interests of all stakeholders for the Receiver to market and sell the NBC Secured Property and the Disputed SAF Facilities together, however, SAF refuses to proceed on that basis.
36. In the circumstances, and given the conflicting position of SAF, the Receiver respectfully seeks this Honourable Court’s advice and direction regarding whether:
- a) the SAF Agreements are financing agreements;
 - b) the Disputed SAF Facilities are owned by Manitok subject to SAF security interests, or alternatively whether they are owned by SAF;
 - c) the Disputed SAF Facilities are “Property” within the contemplation of the Receivership Order; and
 - d) the Receiver may include the Disputed SAF Facilities in a SISP.

All of which is respectfully submitted this 6th day of July, 2018

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Receiver of Manitok and not in
its personal or corporate capacity**



Orest Konowalchuk, CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX A

Stolberg-Entice Rental Agreement

APPENDIX B

Stolberg JVA

APPENDIX C

Wayne Rental Agreement

APPENDIX D

Wayne JVA

APPENDIX E

Consent and Postponement

APPENDIX F

No Interest Letter dated December 31, 2014

APPENDIX G

No Interest Letter dated June 12, 2015

APPENDIX H

Stream Proof of Claim

TAB A

STOLBERG AND ENTICE AREAS

RENTAL AGREEMENT

THIS AGREEMENT made effective as of the 30th day of December, 2014

BETWEEN:

MANITOK ENERGY INC. a body corporate existing under the laws of Alberta (hereinafter referred to as "**Manitok**")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited partnership formed under the laws of Alberta (hereinafter referred to as "**SAFM LP**")

WHEREAS Manitok and SAFM LP have agreed to enter into this Agreement for the purposes of owning, renting and operating the Facilities;

AND WHEREAS Manitok has agreed to sell the Facilities to SAFM LP and SAFM LP has agreed to pay to Manitok the Fair Market Value of the Facilities pursuant to the terms and conditions hereinafter set forth;

AND WHEREAS the Facilities are designed to process and transport Petroleum Substances;

AND WHEREAS Manitok has agreed to use the Facilities to process and transport Petroleum Substances which it owns or controls or becomes entitled to be owned or controlled within the Stolberg and Entice Areas and SAFM LP has agreed to rent to Manitok the Facilities to process and transport such Petroleum Substances owned or controlled by Manitok, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the premises hereto and the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 In this Agreement, including this Section 1.1, the recitals and the Schedules hereto, unless the context otherwise requires:

- (a) "**Agreement**", "**hereto**", "**hereof**", "**herein**", "**hereby**", "**hereunder**" and similar terms mean and refer to this Rental Agreement and all written instruments made by the parties hereto to supplement, amend or confirm this Agreement;
- (b) "**Collateral Documents**" has the meaning set forth in Section 3.2 hereof;

- (c) **"Confidential Information"** means all information of a Party, including without limitation: written communications, computer programs, photographs, financial and accounting books and records, specifications, reports, products, know-how, processes, technology, practices, correspondence, documents, and other information, whether written or otherwise, that is prepared or received by a Party in connection with this Agreement and the payment to Manitoak for value attributable to the Facilities, but shall not include information that:
- (i) is now or becomes in the public domain without the wrongful act or breach of this Agreement by another party;
 - (ii) is already known by the receiving Party at the time of disclosure, or is rightfully received from a third party on a non-confidential basis, as demonstrated by reasonable evidence; or
 - (iii) is approved for release by the prior express written authorization of the Party to whom such confidential information belongs;
- (d) **"Cure Period"** has the meaning ascribed to it in Section 7.2 hereof;
- (e) **"Effective Date"** means December 30th, 2014;
- (f) **"Facilities"** means, collectively, (i) the Stolberg oil battery located at LSD: 042-15-W5M operating under AER Licence Numbers 0045474, 0045817 and 0047870; and (ii) the Entice area battery and infrastructure at LSD: 022-25-W4M operated under AER License Numbers 0048038 and 0048054, all as more particularly described in Schedule "A"; and (iii) all present and future contractual rights related to those facilities, including any third party agreements to process and transport Petroleum Substances through the Facilities;
- (g) **"Facilities Capacity"** means with respect to the Facilities, as such Facilities exist on the date of this Agreement, the daily volumetric capacity of such Facilities;
- (h) **"Facilities Rental"** means \$150,989.58, plus GST, payable each month by Manitoak to SAFM LP pursuant to Section 7.1;
- (i) **"Fair Market Value"** means with respect to the Facilities the price determined by a third party appraiser mutually acceptable to Manitoak and SAFM LP at which a willing buyer would pay a willing seller (which is not a related party of the buyer) in the market for the Facilities;
- (j) **"GST"** means the goods and services tax payable pursuant to the *Excise Tax Act* (Canada) or such other similar, amended or replacement legislation in force from time to time;

- (k) **"Insolvency Event"** means when a Party hereto makes an assignment for the benefit of its creditors generally or files a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction, or a receiving order is made or a petition is filed under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction against a Party hereto;
- (l) **"Lenders"** has the meaning ascribed to it in Section 9.6 hereof;
- (m) **"Manitok Option"** has the meaning ascribed to it in Section 4.3 hereof;
- (n) **"Manitok ROFR"** has the meaning ascribed to it in Section 4.2 hereof;
- (o) **"Manager"** means Manitok as operator of the Facilities;
- (p) **"No Interest Letter"** has the meaning ascribed to it in Section 9.6 hereof;
- (q) **"Notice Of Exercise"** has the meaning ascribed to it in Section 4.3 hereof;
- (r) **"Operating Costs"** means all operating costs and expenses, including maintenance capital expenditures incurred in connection with the ownership, operation, testing, repair and maintenance of the Facilities, including, without limiting the generality of the foregoing, property taxes, surface rentals, fire and liability insurance, property insurance, boiler and machinery insurance, general liability insurance and pollution liability insurance, the cost of acquiring materials and supplies (excluding Petroleum Substances) consumed in the normal operation of the Facilities and overhead and administrative expenses;
- (s) **"Option Exercise Price"** has the meaning ascribed to it in Section 4.3 hereof;
- (t) **"Participating Interest"** has the meaning ascribed to it in Section 2.2(a);
- (u) **"Parties"** means Manitok and SAFM LP, and **"Party"** shall mean either one of them;
- (v) **"Permitted Encumbrances"** means, at any time:
 - (i) liens for taxes, assessments and governmental charges which are not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (ii) mechanics', builders', materialmen's or similar liens for services rendered or goods supplied for which payment is not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;

- (iii) easements, rights of way, servitudes and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains and electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables;
 - (iv) the right reserved to or vested in any governmental authority by the terms of any lease, license, franchise, grant or permit or by any applicable law, to terminate any such lease, license, franchise, grant or permit;
 - (v) liens or security granted in the ordinary course of business to a public utility, municipality or governmental authority in connection with operations pertaining to the Facility; and
 - (vi) encumbrances granted by SAFM LP or granted at the direction of SAFM LP pursuant to Section 3.4(c);
 - (w) "**Petroleum Substances**" means petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing;
 - (x) "**Purchase Amount**" means the amount of \$12,500,000 to be paid by SAFM LP to Manitoak pursuant to Section 3.1 hereof plus any applicable GST and any applicable Sales Taxes;
 - (y) "**Purchase Option**" has the meaning ascribed to it in Section 9.4 hereof;
 - (z) "**Rental Objectives**" has the meaning ascribed to it in Section 2.2 hereof;
 - (aa) "**Sales Taxes**" means sales taxes, value added taxes, business transfer taxes or any other taxes, other than GST;
 - (bb) "**Stolberg and Entice Areas**" means, collectively, the areas of Alberta set forth in Schedule "E" attached hereto;
 - (cc) "**Subject Interest**" has the meaning ascribed to it in Section 4.2 hereof; and
 - (dd) "**Subject Month**" has the meaning ascribed to it in Section 7.1 hereof.
- 1.2 Time shall, in all respects, be of the essence in each of the terms, covenants, obligations and conditions in this Agreement.
- 1.3 The division of this Agreement into articles, sections and subsections and the provision of headings for any division of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

- 1.4 Any word contained herein importing the singular shall include the plural and vice versa and any word importing gender shall include masculine, feminine and neuter.
- 1.5 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 and the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or in connection with this Agreement or any of the transactions contemplated hereby.
- 1.6 Any reference in this Agreement to "generally accepted accounting principles" or "IFRS" means International Financial Reporting Standards or generally accepted accounting principles applicable to public companies in Canada at the relevant time.
- 1.7 All dollar amounts referred to in this Agreement are stated in Canadian dollars.
- 1.8 All amounts hereunder are exclusive of GST and any applicable Sales Taxes.
- 1.9 The following are the schedules annexed to and incorporated in this Agreement by reference and deemed to be a part hereof;
- (a) Schedule "A" - Description of the Facilities;
 - (b) Schedule "B" - Assignment and Declaration of Trust;
 - (c) Schedule "C" - Collateral Documents;
 - (d) Schedule "D" - Insurance Coverage;
 - (e) Schedule "E" - Stolberg and Entice Areas; and
 - (f) Schedule "F" - Illustrative Calculations of Option Exercise Price.
- 1.10 References to Manitok herein include Manitok in its capacity as Manager and/or operator of the Facilities.
- 1.11 Manitok shall, as soon as is practicable, following the Effective Date, provide the appropriate maps illustrating the Stolberg and Entice Areas, to be attached as Schedule "E".

ARTICLE 2 RENTAL OBJECTIVES

- 2.1 The Parties shall limit the operations under this Agreement to the Rental Objectives (as that term is defined in Section 2.2).
- 2.2 The purpose, nature and character of the business to be performed under this Agreement shall be limited:

- (a) to create for SAFM LP a 100% undivided beneficial ownership interest in the Facilities (the “**Participating Interest**”);
- (b) to permit the processing of Petroleum Substances owned or controlled by Manitok and other parties from the Stolberg and Entice Areas;
- (c) to provide for the ongoing rental, operation, testing, repair and maintenance of the Facilities; and
- (d) to engage in such other activities incidental or ancillary to the matters referred to in paragraph (a), (b) and (c) above,

all of which are collectively referred to in this Agreement as the “**Rental Objectives**”.

- 2.3** This Agreement does not create a partnership, agency or other fiduciary relationship between the Parties. No Party shall be considered to be an agent or representative of any other Party or have any authority or power to act for or to undertake any obligation on behalf of the other Parties, except as expressly contained in this Agreement.
- 2.4** Each Party shall have the absolute right to commence, continue, expand, diminish or cease to carry on any business (provided such cessation of business would not affect such Party’s obligations under this Agreement) or undertaking whatsoever (including the acquisition, development, leasing, sale, operation and management of any oil and gas properties and facilities) and to engage in undertakings separate and apart from those relating to the Rental Objectives without any accountability to any other Party. Other than as indicated on Schedule “A” of this Agreement, a Party shall not, by reason of this Agreement, have any interest in any other property now owned or hereafter acquired by any other Party or in any other undertaking of other Parties, whether or not similar to the Rental Objectives.
- 2.5** Pursuant to this Agreement, the Parties agree to file a joint election pursuant to Section 16.1 of the *Income Tax Act* (Canada), if appropriate.

ARTICLE 3

REIMBURSEMENT OF VALUE, RENTAL AND OPERATION OF THE FACILITIES

- 3.1** SAFM LP covenants to pay to Manitok the Purchase Amount. SAFM LP shall pay the Purchase Amount on the Effective Date by way of wire transfer payable to Manitok.
- 3.2** Upon payment by SAFM LP of the Purchase Amount pursuant to Section 3.1 hereof, SAFM LP shall have purchased and shall be entitled to its Participating Interest in the Facilities. The Participating Interest of SAFM LP shall be held subject to all the terms and provisions of all licenses and permits issued by regulatory authorities in respect of the Facilities and any other agreements or instruments relating to the ownership and operation of the Facilities, all as described in Schedule “C” (the

"Collateral Documents"), but SAFM LP shall not, except as expressly provided in Schedule "C", have any liabilities or obligations in respect thereof. SAFM LP is entitled to obtain a copy of any Collateral Documents upon written request to Manitoak.

3.3 Notwithstanding any other provision of this Agreement, but subject to payment by SAFM LP of the Purchase Amount, Manitoak shall pay and shall indemnify and hold SAFM LP harmless from and against all Operating Costs incurred or for which a liability arose prior to or following the Effective Date and on or before the date on which Manitoak ceased to have an interest in the Facilities. Manitoak further agrees to indemnify and save harmless SAFM LP from all claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, accrued and future asset retirement, abandonment and reclamation obligations, costs and expenses arising directly or indirectly in connection with the ownership, testing, repair, maintenance and operation of the Facilities prior to, on, or following the Effective Date and on or before the date on which Manitoak ceases to have an interest in the Facilities, regardless of whether such claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, obligations, costs or expenses are known or unknown at the time Manitoak ceased to have an interest in the Facilities.

3.4 During the term of this Agreement, Manitoak:

- (a) shall retain legal title to the Facilities and shall hold SAFM LP's Participating Interest in the Facilities as bare trustee for the benefit of SAFM LP;
- (b) shall not, except for Permitted Encumbrances and as herein provided, sell, sub-lease, mortgage, encumber or otherwise dispose of the Facilities without the written consent of SAFM LP;
- (c) shall, in its capacity as bare trustee, mortgage and encumber the Facilities as reasonably directed by SAFM LP from time to time; and
- (d) shall not, without the prior written consent of SAFM LP, agree to or cause any amendment, modification or alteration of the underlying Collateral Documents.

On the Effective Date, Manitoak shall execute an Assignment and Declaration of Trust in the form attached as Schedule "B".

3.5 Notwithstanding any other provision contained in this Agreement to the contrary, Manitoak shall pay to SAFM LP an amount equal to any and all GST and any applicable Sales Taxes imposed on SAFM LP with respect to the Facilities Rental payable by Manitoak under this Agreement, it being the intention of the parties that SAFM LP shall be fully reimbursed by Manitoak with respect to any and all GST and any applicable Sales Taxes payable by SAFM LP.

3.6 It is the intention of the Parties to jointly elect under subsection 167(1) of the *Excise Tax Act* removing the requirement for SAFM LP to pay GST in respect of the

Facilities. SAFM LP acknowledges that it will file this election with the reporting period during which the GST would have been payable.

ARTICLE 4 TRANSACTIONS INVOLVING THE PARTICIPATING INTEREST

- 4.1** Subject to Section 3.4(c) and Section 4.4 and anything contained in the Collateral Documents, SAFM LP shall not assign, transfer, convey or otherwise dispose of its Participating Interest or any portion thereof without the prior written consent of Manitok. The consent of Manitok may not be unreasonably withheld provided SAFM LP has complied with Section 4.2 and the assignee or transferee executes transfer documentation and an acknowledgement in which the transferee or assignee agrees, among other things, to be bound by the terms of this Agreement, and the No Interest Letter, and to hold its Participating Interest subject to the terms of any Collateral Documents and any other documentation required by the Collateral Documents. Notwithstanding the foregoing, SAFM LP may assign, transfer, convey or otherwise dispose of its aggregate Participating Interest or any portion thereof to any affiliated subsidiary or entity under the management of SAFM LP without the prior written consent of Manitok, provided that such affiliated subsidiary or entity is bound by the terms of this Agreement and the No Interest Letter.
- 4.2** If SAFM LP wishes to assign, sell or dispose of, or has received an offer which it is willing to accept for the assignment, sale or disposition of all or part of its Participating Interest (in this Section 4.2 called the "Subject Interest"), SAFM LP shall give written notice thereof to Manitok. SAFM LP's notice shall contain the terms and conditions of the proposed assignment, sale or disposition, including the consideration to be received for the subject interest (including a bona fide estimate of the value of any non-cash consideration) and the name of the offering party (any such person being an "Offering Party"). If the Offering Party is not an affiliated subsidiary or entity under the management of SAFM LP, Manitok shall have the right for a period of forty-five (45) days after receipt of the written notice from SAFM LP to elect in writing to acquire the Subject Interest from SAFM LP on the terms and conditions contained in the notice (the "Manitok ROFR"). Manitok, if it so elects, shall be obligated to acquire the subject interest in its entirety within a period of forty-five (45) days after the Manitok ROFR election date. If Manitok declines or fails to elect within the said notice period to acquire the subject interest, SAFM LP shall, subject to Section 4.1, be free for a period of sixty (60) days following the expiry of the notice period, to assign, sell or dispose of the subject interest on the terms and conditions and to the Offering Party stipulated in its offer, but not after the said 60 day period, nor otherwise than as so stipulated, without again complying with the provisions of this Section 4.2.
- 4.3** Subject to the terms and conditions in this Section 4.3, Manitok shall have the option (the "Manitok Option") to acquire the Participating Interest of SAFM LP at any time during the term of this Agreement for the Option Exercise Price described below. Manitok may exercise the Manitok Option by giving not less than thirty (30) days

written notice thereof to SAFM LP (in this Section 4.3, the "Notice Of Exercise") and by concurrently therewith delivering a certified cheque or bank draft to SAFM LP for an amount (in this Section 4.3, the "Option Exercise Price") sufficient to cause SAFM LP to receive an annual yield on the Purchase Amount (taking into account all amounts received by SAFM LP on account of the Facilities Rental and the amount payable to SAFM LP pursuant to Section 9.4) equal to 14.1% (calculated in accordance with the illustrative calculation set forth in Schedule "F"), calculated daily from the Effective Date to the later of the date of such acquisition and the date that is four years after the Effective Date, or prior to four years subject to written consent of SAFM LP. Upon any such exercise of the Manitok Option and payment in full of the Option Exercise Price as aforesaid by way of bank draft or certified cheque, SAFM LP shall assign to Manitok, as of the date of the Notice Of Exercise, and unencumbered (subject only to the Permitted Encumbrances, other than encumbrances granted at the direction of SAFM LP pursuant to Sections 3.4(c) and 4.4 hereof, and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- 4.4 Manitok hereby consents to SAFM LP encumbering the Facilities and its Participating Interest (and any subsequent assignment of the Facilities and its Participating Interest in connection with any enforcement of such encumbrances) in connection with any financing thereof by SAFM LP provided that any holder of such encumbrance shall acknowledge that its interest in the Facilities and the Participating Interest is subject to the terms of this Agreement. Advance notice of any contemplated financing shall be provided to Manitok and the details of any such encumbrances shall be provided by SAFM LP to Manitok forthwith upon Manitok's request. All such encumbrances shall be discharged concurrently with any disposition of all of its Participating Interest to Manitok pursuant to the provisions of this Article 4.
- 4.5 Manitok shall not materially expand, supplement, replace, reconfigure or rebuild the Facilities without the consent of SAFM LP, and such consent shall not be unreasonably withheld.

ARTICLE 5 MANAGER

- 5.1 Manitok shall be Manager and operator of the Facilities to make all decisions and elections and to perform all duties with respect to the ownership and operation of the Facilities, including, without limiting the generality of the foregoing, all decisions and elections required to be made and all duties required to be performed by SAFM LP pursuant to this Agreement and any decisions or elections required to be made and all duties required to be performed pursuant to any Collateral Documents. The Manager shall be an independent contractor in conducting the management of the Facilities. SAFM LP agrees that it shall be bound by all decisions and elections made by the Manager in respect of the operation of the Facilities and that it shall not bring

or have any claim or action against the Manager for any decision or election made or duty performed by the Manager provided such decision or election is made or such duty performed in good faith and without wilful misconduct or gross negligence.

- 5.2 In addition, by executing this Agreement, SAFM LP hereby appoints and constitutes Manitok, or any successor manager, as applicable, as its true and lawful agent and attorney in fact to act for the purpose of executing on behalf of SAFM LP any transfer documents required to be executed by SAFM LP pursuant to Section 9.2 and 9.4 upon termination of this Agreement. The limited power of attorney granted hereby is coupled with an interest and shall survive and not be affected by the subsequent death, incapacity, disability, bankruptcy, liquidation or dissolution, as applicable, of SAFM LP, and shall extend to each of SAFM LP's successors, permitted assigns, heirs, executors and legal representatives, as applicable.
- 5.3 The Manager, except as expressly provided elsewhere in this Agreement, and at its own cost and expense:
- (a) will provide office space, equipment and accounting, engineering and clerical staff necessary for the ownership and operation of the Facilities. SAFM LP is not required to engage employees for its own account;
 - (b) will keep and maintain at all times true and accurate books, records and accounts containing full and complete particulars of all operations, receipts and disbursements relating to the Participating Interest and the contractual rights of the Parties hereunder and, upon request by SAFM LP, shall make available such books, records and accounts to SAFM LP or its agents, at all reasonable times;
 - (c) will conduct and cause to be conducted all operation of the Facilities hereunder in the manner of a reasonable and prudent operator and in accordance with good industry practice;
 - (d) except as otherwise provided herein, will maintain the interest of SAFM LP in the Facilities and the interest of Manitok in all land and equipment used in connection therewith free from all liens, charges and encumbrances except for Permitted Encumbrances and such liens, charges or encumbrances which may be created or granted by SAFM LP in accordance with the terms of this Agreement;
 - (e) will comply in all material respects with all of the terms of any Collateral Documents and obtain and maintain in good standing all required permits and approvals;
 - (f) will procure and maintain insurance (and SAFM LP (or a nominee thereof) shall be listed as first loss payee on each certificates of insurance) against such risks and in such amounts as would a reasonably prudent operator engaged in the ownership, operation of a facility similar to the Facilities, including property insurance, boiler and machinery insurance, general

liability insurance, business interruption insurance and pollution liability insurance, and which insurance in any event shall provide for coverage and deductibles no less favourable to the insured than are set forth in Schedule "D";

- (g) shall exercise the powers and discharge the duties of Manager and in this respect will manage, control and operate the Facilities and will cause to be done any and all acts necessary, appropriate or incidental to carrying out the purpose and business of the Rental Objectives and will do so honestly and in good faith;
- (h) will provide from time to time the representatives of SAFM LP, upon reasonable notice by SAFM LP to the Manager, access to the Facilities to enable SAFM LP to inspect and ensure proper care and maintenance of the equipment listed in Schedule "A"; and
- (i) will provide to SAFM LP such information regarding the ownership and operation of the Facilities as SAFM LP may from time to time request.

5.4 The Manager shall ensure that the proceeds of all policies of insurance referred to in Section 5.3(f) are used to rebuild or refurbish the Facilities as promptly as reasonably practicable, as may be necessary to restore the Facilities to no lesser than the operating specifications as of the date hereof.

5.5 Notwithstanding anything else herein contained but subject to the No Interest Letter, only in the event of a material breach of this Agreement (which is not cured within 30 days of notice of default being received by Manitok), SAFM LP shall have the right to take over management of the Facility and/or terminate this Agreement and Manitok will enter an industry standard operating agreement and processing agreement with SAFM LP to continue processing Manitok's Petroleum Substances at the Facility.

ARTICLE 6 USE OF FACILITIES

6.1 In consideration for the payment set out in Section 7.1, Manitok shall have possession and use of the Facilities for the term of this Agreement.

6.2 Manitok shall have possession and use of the Facilities on an "as is-where is" basis and SAFM LP shall not be responsible to Manitok for quality or performance of the Facilities rented to Manitok hereunder.

6.3 For such periods of time where Manitok was Manager or operator of the Facility, Manitok shall, at its sole risk and expense, be responsible for maintaining all facilities and equipment as may be necessary to process Petroleum Substances produced in the Stolberg and Entice Areas to the extent required to enable such substances to be processed through the Facilities.

- 6.4 Manitok hereby agrees to, and to cause its affiliates to use SAFM LP's Facilities Capacity, for so long as the Facilities are safely processing Petroleum Substances and all necessary permits issued by applicable regulatory authorities remain in good standing, to process and transport Petroleum Substances which Manitok or any of its affiliates owns or controls or becomes entitled to own or control within the Stolberg and Entice Areas. In the event of a sale or transfer of lands within the Stolberg and Entice Areas owned by Manitok to a third party, a term and condition of such sale or transfer shall require the third party to agree to the Petroleum Substances reserves dedication under this Section 6.4 or exercise the Manitok Option pursuant to Section 4.3 such that the acquisition pursuant to the exercise of the Manitok Option is completed concurrently with such sale or transfer.
- 6.5 It is understood and agreed that SAFM LP shall not acquire title to any Petroleum Substances but only that it shall have possession thereof for the purposes of Section 7.3 hereof. It is further understood and agreed that Petroleum Substances owned by Manitok may be commingled with Petroleum Substances owned by other producers.
- 6.6 For such periods of time where Manitok was Manager or operator of the Facility, SAFM LP shall have no responsibility or liability whatsoever arising as a result of, and Manitok shall indemnify SAFM LP against liability for:
- (a) losses or damages incurred or sustained in connection with the ownership, maintenance and operation of the Facilities;
 - (b) changes in the quality or characteristics of Manitok's Petroleum Substances or for any losses or damages resulting from the commingling of Manitok's Petroleum Substances with other Petroleum Substances;
 - (c) any loss or destruction of Petroleum Substances owned by Manitok or any environmental damage that may ensue as a result of any mechanical or structural failure in the operation of the Facilities;
 - (d) all royalties, overriding royalties, production payments and all other taxes and payments chargeable against Manitok's share of Petroleum Substances;
 - (e) any costs, actions, claims or losses, express or implied, whatsoever suffered by or brought against SAFM LP resulting from any person, firm, corporation or body politic claiming an interest in the Petroleum Substances processed through the Facilities by Manitok, any of its affiliates or any other person, firm, corporation or body politic; and
 - (f) any and all losses caused by, resulting or arising from or otherwise relating to, directly or indirectly, a breach of any environmental laws or directives.
- 6.7 The rights and obligations of the Parties contained in this Article 6 shall remain in full force and effect until termination of this Agreement pursuant to Article 9, provided that Sections 6.3 and 6.6 shall survive any such termination.

**ARTICLE 7
FACILITIES RENTAL**

- 7.1 Manitok shall pay to SAFM LP the Facilities Rental as a rental fee for the use of the Facilities. Commencing on the calendar month next following the Effective Date, Manitok shall pay to SAFM LP on the last day (or the next business day thereafter if not a business day) of each month (on account of the Facilities Rental payable in respect of the month in which payment is incurred (the "Subject Month")) an amount equal to the Facilities Rental.
- 7.2 Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the "Cure Period"), then SAFM LP shall have the right, upon the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. SAFM LP and Manitok shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of Manitok's Petroleum Substances at the Facilities.
- 7.3 If any amount payable hereunder is unpaid after the date for payment, Manitok hereby grants SAFM LP a security interest and lien therefor on Petroleum Substances that are processed or transported through the Facilities as security for such obligations, limited to the unpaid amount to date and interest thereon and SAFM LP is further authorized to sell, for the best price obtainable in the open market, such quantity or quantities of such Petroleum Substances as shall be sufficient to pay such indebtedness plus the interest accrued thereon as aforesaid. However, such sales of Manitok's Petroleum Substances shall first be made under the terms of any existing contracts for the sale thereof previously made by Manitok in which event SAFM LP shall have the right to receive directly from the purchasers of those Petroleum Substances the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided herein and such purchaser shall be entitled to rely on SAFM LP's statements concerning the existence and the amount owing by Manitok to SAFM LP. SAFM LP shall use commercially reasonable efforts to obtain an acknowledgment from each purchaser under existing contracts of its existing rights to obtain proceeds from a sale of Manitok's Petroleum Substances in connection with the service of notice of default upon Manitok in respect of this Section 7.3. The exercise of the lien hereunder and the interest accruing thereon as aforesaid provided in this Section 7.3 by SAFM LP shall not prejudice or exhaust any other rights or remedies of SAFM LP and shall be in addition to any other rights or remedies SAFM LP may have to secure payment of any and all amounts payable to it

hereunder and SAFM LP may pursue any and all of such rights both before and after exercise of the lien.

ARTICLE 8 CONFIDENTIALITY

- 8.1** The Parties agree that all Confidential Information they may receive as a result of or in connection with the work carried out under this Agreement shall be the exclusive property of the Parties hereto, shall be classified as confidential and treated as proprietary, and shall not be shared or traded with any other person whatsoever, except as permitted hereunder.
- 8.2** Each Party agrees that it will comply with all confidentiality provisions contained in any contract between the Parties hereto and a third party made in connection with this Agreement or the Rental Objectives, as if it were a party to such contract, during the term of this Agreement, as well as subsequent to the termination of this Agreement.
- 8.3** Notwithstanding the provisions of Sections 8.1 and 8.2, any Party, without the consent of the other, may at any time provide disclosure as required in the following circumstances: (i) disclosure to duly organized stock exchanges or other regulatory bodies; (ii) disclosure required by governments, their agencies or other regulatory authorities having or purporting to have jurisdiction; (iii) disclosure required by any financial institution with whom a Party is attempting to obtain financing or has existing financing arrangements; (iv) disclosure to its legal and financial advisors, provided such disclosure is made under a duty of confidentiality; (v) disclosure required by law; or (vi) disclosure by SAFM LP to a prospective purchaser of a Participating Interest or a prospective replacement operator or Manager of the Facilities, provided such disclosure is made under a duty of confidentiality.
- 8.4** The Parties shall take all reasonable steps to ensure the observance of the restrictions set forth in this Article 8 by the Parties, and by their employees, officers and directors, and shall take all reasonable steps to minimize the risk of disclosure of Confidential Information by such persons.
- 8.5** The obligation of confidentiality contained herein shall survive the termination of this Agreement for a period of one year.
- 8.6** The Parties shall consult with one another before making, and shall agree upon the content of, any news release or other public disclosure in connection with this Agreement.

ARTICLE 9 TERMINATION

- 9.1** Except as otherwise provided herein, this Agreement shall continue until the earlier of:

- (a) the expiration of eight (8) years after the date hereof and the payment of all amounts (including all 96 payments of the Facilities Rental pursuant to Section 7.1) payable by Manitok hereunder;
- (b) such date that the Manitok Option or the Manitok ROFR is exercised and completed;
- (c) such date, subject to the No Interest Letter, as shall be determined by SAFM LP in the event that Manitok is in default of:
 - (i) payment of any Facilities Rental payable to SAFM LP pursuant to Article 7;
 - (ii) fulfilling its obligation to process, and causing its affiliates to process, its and their own Petroleum Substances through the Facilities in accordance with Section 6.4; or
 - (iii) any other material obligation of Manitok set forth herein,and Manitok has not remedied the default within 15 days of written notice of default being received by Manitok (subject to Section 7.2); or
- (d) the date that Manitok suffers an Insolvency Event.

Any such termination shall not affect the rights and remedies of Manitok and SAFM LP that accrued prior to such termination, or that arise as a result thereof.

9.2 In the event of termination of this Agreement in connection with the exercise by Manitok of its Manitok Option pursuant to Section 4.3 or the Manitok ROFR, SAFM LP shall assign, transfer and convey all of its Participating Interest including its right, title and interest in the Facilities, free and clear of all mortgages (except for Permitted Encumbrances and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.2 of this Agreement) and security interests created by, through or under SAFM LP (other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.4 hereof and Collateral Documents), to Manitok, together with all benefits and advantages to be derived therefrom, and Manitok shall accept such assignment and transfer of the Participating Interest and interest of SAFM LP in the Facilities in consideration for the payment of the Option Exercise Price or the Manitok ROFR price by Manitok to SAFM LP and the assumption by Manitok, and the release or indemnification by Manitok of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities.

9.3 In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(a) and Manitok has not exercised its option to acquire the Participating Interest and the Facilities pursuant to Section 9.4, or Sections 9.1(c) or 9.1(d), Manitok shall, subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

- 9.4 ManitoK shall have the option (the "Purchase Option"), upon the termination of this Agreement in connection with Section 9.1(a), to purchase 100% of the Facilities for a purchase price equal to the greater of: (i) \$11,875,000, or (ii) such Fair Market Value to be determined no later than the termination date of this Agreement by an independent third party appraiser to be mutually agreed upon by the Parties hereto. Upon the completion of the transaction resulting from the exercise of such Purchase Option, SAFM LP shall assign, transfer and convey all of its Participating Interest, including its right, title and interest in the Facilities, free and clear of all mortgages and security interests created by, through or under SAFM LP (except for Permitted Encumbrances other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.4 thereof and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.3 of this Agreement) and security interests created by, through or under SAFM LP, to ManitoK, together with all benefits and advantages to be derived therefrom, and ManitoK shall accept such assignment and transfer of the Participating Interest and the interest of SAFM LP in the Facilities in consideration for payment of the Purchase Option and the assumption by ManitoK, and the release or indemnification by ManitoK of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities. If ManitoK does not exercise the foregoing Purchase Option, then SAFM LP and ManitoK shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of ManitoK's Petroleum Substances at the Facilities.
- 9.5 In connection with the foregoing, ManitoK shall execute undated, registerable conveyances of the legal title to the Facilities and shall deliver such conveyances to legal counsel to SAFM LP to be held in trust and on the condition that such conveyances of legal title pursuant to Section 9.3 can only be utilized following a termination of this Agreement (i) pursuant to Sections 9.1(a) and ManitoK has not exercised its rights under Section 9.4, 9.1(c) or 9.1(d), or (ii) if, in respect of the exercise by ManitoK of its ManitoK Option pursuant to Section 4.3, ManitoK fails to make payment of the Option Exercise Price payable to SAFM LP pursuant to Section 4.3.
- 9.6 SAFM LP acknowledges that ManitoK is subject to a credit agreement dated as of September 19, 2014 (together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto) among ManitoK and National Bank of Canada and those other banks and other financial institutions from time to time party thereto as lenders (the "Lenders"), and, further to the No Interest Letter described below, ManitoK will assign and grant a security interest to the Lenders in all of its right, title, estate and interest in this Agreement. The Parties agree that this Agreement shall not be effective until the effective date of a no interest letter (the "No Interest Letter") to be entered into among SAFM LP, ManitoK, and a future lender of SAFM LP, which No Interest Letter will provide for, among other matters, the following, all notwithstanding anything to the contrary contained in this Agreement:

- (a) the Lenders shall have the right to receive all notices delivered by or on behalf of SAFM LP to Manitok, including default notices, and SAFM LP shall provide copies of such notices to the Lenders concurrently with delivery of the same to Manitok;
- (b) the Lenders or their designee shall be entitled to cure any default of Manitok hereunder without liability, and the Lenders or their designee shall be entitled to an additional cure period to cure, at the Lenders' discretion, any default which is not cured during Manitok's Cure Period set forth in this Agreement;
- (c) the Lenders shall be entitled to enforce their security interest in this Agreement, including the right to step in as Manitok, appoint a receiver, assign this Agreement to a third party, and other enforcement rights, and SAFM LP shall agree to the grant of security interest by Manitok and consent to and cooperate in the exercise of such remedies;
- (d) and any other terms requested by the Lenders, acting reasonably.

**ARTICLE 10
REPRESENTATIONS, WARRANTIES AND COVENANTS**

10.1 SAFM LP represents, warrants and acknowledges to Manitok that:

- (a) it is a limited partnership duly formed under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and this Agreement constitutes a legal, valid and binding contract of SAFM LP enforceable against it in accordance with its terms and will not result in a violation of any of SAFM LP's constating documents, any of the terms or provisions of any law applicable to SAFM LP or any agreement to which SAFM LP is a party or by which it is bound;
- (b) the head office or principal place of business of SAFM LP is located at the address set forth in Section 11.5 and SAFM LP is acting as principal for its own account, and not for the benefit of any other person; and
- (c) SAFM LP has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Facilities, is capable of assessing the proposed investment as a result of its management experience or as a result of advice received from a person registered under applicable securities legislation, is aware of the risks relating to an investment in the Facilities and is able to bear the economic risk of loss of its investment in the Facilities.

10.2 Manitok represents, warrants and acknowledges to, and covenants and agrees with, SAFM LP that:

- (a) Manitok is a corporation duly incorporated under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof and this Agreement constitutes a legal, valid and binding contract of Manitok enforceable against it in accordance with its terms and will not result in a violation of any of Manitok's constating documents, any of the terms or provisions of any law applicable to Manitok or any agreement to which Manitok is a party or by which it is bound;
- (b) except for Permitted Encumbrances, Manitok has not done any act or thing whereby title to the Facilities may be encumbered, alienated, cancelled or determined, and the Facilities are free and clear of all liens, charges and encumbrances;
- (c) Manitok is not in default under any title and operating documents pertaining to the Facilities, and has not failed to comply with, perform, observe or satisfy, in all material respects, any term, condition, obligation or liability which has heretofore arisen under the provisions of any of such title and operating documents;
- (d) Manitok has not received from any third party or government authority notice of material violation of or default under any title and operating document, permit, applicable law or other obligation, agreement, document, order, writ, injunction or decree of any government authority that relates to the Facilities and, to Manitok's knowledge, no particular circumstance presently exists which may give rise to any such violation or default and, additionally, to Manitok's knowledge, there are no such outstanding defaults or notices of default in relation to any third party or governmental authority;
- (e) all construction and operations in respect of the Facilities have been conducted in accordance with good oilfield industry practices, and to Manitok's knowledge, all applicable law, all permits and the requirements of all government authorities have been complied with in all material respects with respect to the construction and operation of the Facilities;
- (f) Manitok has not received notice from any third party claiming an interest in and to the Facilities adverse to the interest of Manitok and Manitok has no reason to believe that any such claim may be made;
- (g) except for the sale of Petroleum Substances in the ordinary course of business, without the prior written consent of SAFM LP (such consent not to be unreasonably withheld), Manitok will not, and will cause its affiliates not to, sell or otherwise dispose of any of its or their right, title and interest in and to any producing petroleum and natural gas rights in the Stolberg and Entice Areas in which it or they have an interest;
- (h) except for:

- (i) the sale of Petroleum Substances in the ordinary course of business;
- (ii) a grant of security which expressly excludes the Facilities; or
- (iii) a sale consented to in writing by SAFM LP (such consent not to be unreasonably withheld);

Manitok will not, and will cause its affiliates not to,

- (A) sell or otherwise dispose of any of its or their right, title and interest in and to any producing petroleum and natural gas rights of Manitok outside or within the Stolberg and Entice Areas in which it or they have an interest without the prior written consent of SAFM LP, to the extent that such assets to be sold or otherwise disposed of (together with any other assets which have been sold or disposed of in the same calendar year) constitute more than thirty per cent (30%) of the net asset value of all of the assets of Manitok and its affiliates at the beginning of such calendar year; and
 - (B) assets outside of the Stolberg and Entice Areas in which it or they have an interest without the prior written consent of SAFM LP, to the extent that the assets to be sold or otherwise disposed of (together with any other assets which have been sold or disposed of in the same calendar year) constitute more than sixty six and two thirds percent (66 2/3%) of the net asset value of all of the assets of Manitok and its affiliates at the beginning of such calendar year; and
- (i) upon receipt of same or promptly thereafter, Manitok shall deliver to SAFM LP the annual reserves values prepared by Manitok's independent engineers in respect of the Stolberg and Entice Areas.

ARTICLE 11 GENERAL

11.1 No waiver by or on behalf of any Party hereto of any breach of a provision of this Agreement shall be binding upon that Party unless it is expressed in writing and duly executed by that Party or signed by its fully authorized representatives, and such a waiver shall not operate as a waiver of any future breach, whether of a like or different character.

11.2 Each of the Parties acknowledges and agrees that if any covenant, obligation, term or condition of this Agreement or the application thereof to any person or circumstances shall to any extent be illegal, invalid or unenforceable, then the remainder of this Agreement or the application of such covenant, obligation, term or condition to persons or circumstances other than those as to which it is held, illegal, invalid or unenforceable shall not be affected thereby and each covenant, obligation,

term and condition of this Agreement shall be separately legal, valid and enforceable to the fullest extent permitted by law.

- 11.3** The Parties hereto shall from time to time and at all times do all such further acts and execute and deliver all such further deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.
- 11.4** The Parties hereto have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement and no implied covenant, condition, term or reservation shall be read into this Agreement relating to or concerning such subject matter.
- 11.5** All notices, payments and communications hereunder shall be in writing and in lieu of personal service may be given or made by facsimile, email or mail. Notices or communications shall be deemed to have been received one (1) business day after the sending thereof in the case of a facsimile or email and four (4) business days after the date of mailing, in the case of mailing, in either case, excluding Saturdays, Sundays and statutory holidays. The contact information appearing below shall be used for the purpose of notices and communications, but any Party may change its contact information by notice to the other Parties in accordance with this Section 11.5.

Manitok: Manitok Energy Inc.
Suite 2600, 585 8th Avenue S.W.
Calgary, Alberta
T2P 1G1

Attention: Vice President, Finance and CFO
E-mail: rdion@manitok.com
Fax No.: (403) 984-1749

SAFM LP: Stream Asset Financial Manitok LP
c/o Stream Asset Financial Manitok Corp.
401, 322 11th Avenue S.W.
Calgary, Alberta T2R 0C5

Attention: President
E-mail: rdunfield@streamasset.ca


- 11.6** This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.
- 11.7** No amendment or variation of the provisions of this Agreement shall be binding upon any Party unless it is evidenced in writing and, subject to Section 5.2, it is executed by the Party.
- 11.8** Manitok shall pay all legal and due diligence expenses of SAFM LP up to a maximum of \$100,000.00.

- 11.9 This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together constitute the one and the same agreement.

The remainder of this page intentionally left blank. Signature page follows.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per:  _____

Per:  _____

STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

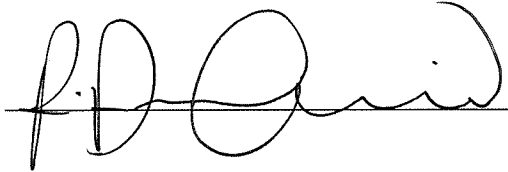
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

SCHEDULE "A" attached to and forming part of the STOLBERG AND ENTICE AREAS RENTAL AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

DESCRIPTION OF FACILITIES

- Stolberg oil battery located at LSD 042-15-W5M

Map	Description
#1	15-01-42-15W5 Battery <i>Group Separator</i> <i>Test Separator</i> <i>6 x 750 BBL tanks</i> <i>400 BBL Produced Water Tank</i> <i>2 x Brahma VRU Compressor Packages</i> <i>Oil Treater Package</i> <i>RTU, Scada Package, MCC</i> <i>HP & LP Flare Knockouts and Flare</i> <i>2 x Bullmoose Compressors (rental – not included in the Facilities in the Agreement)</i> <i>Pro Energy Gen Set (rental – not included in the Facilities in the Agreement)</i>
#2	09-11-42-15W5 Multiwell Satellite <i>Separator Package</i> <i>Test Separator</i> <i>Scada Package</i> <i>Lineheater</i>
#3	15-02-42-15W5 Facility <i>2 x Separator Packages</i> <i>Slug Catcher Separator</i> <i>Arrow Gen Set</i> <i>RTU, Scada Package, MCC</i> <i>Lineheater</i> <i>Bullmoose Compressor (rental – non included in the Facilities in the Agreement)</i>

- Entice area battery and infrastructure to be located at LSD 022-25-W4M

Map	Description
#1	2-32-22-25 W4M Oil Battery <i>Group Separator(48" OD)</i> <i>Test Separator (30" OD)</i> <i>4 x 750 BBL tanks (2 heated, 1 sales, 1 overflow)</i> <i>400 BBL Produced Water Tank</i> <i>RTU, Scada Package, MCC</i> <i>Flare system (flare stack, header and knockout drum)</i> <i>Gen Set -25 KW (rental – not included in Facilities in the Agreement)</i>
#2	4-33-22-25 W4M Oil Satellite <i>Test Separator & group header (6 well)</i> <i>One (1) pop tank (100 BBL)</i>
#3	Entice Emulsion Pipelines <i>4-33-22-25 to 2-32-22-25 W4M</i> <i>16-28-22-25 to 2-32-22-25 W4M</i>
#4	Entice Sales Gas Pipeline <i>2-32-22-25 to ECA Carsland 16-21-22-25 W4M</i>

SCHEDULE "B" attached to and forming part of STOLBERG AND ENTICE AREAS RENTAL AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ASSIGNMENT AND DECLARATION OF TRUST

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MANITOK ENERGY INC. (the "Trustee") hereby assigns, transfers and conveys to STREAM ASSET FINANCIAL MANITOK LP (the "Beneficiary") an undivided 100.00% direct interest in and to the Facilities, as defined in the Stolberg and Entice Areas Rental Agreement dated as of the ___ day of December, 2014 (as amended, modified, supplemented, restated or replaced, from time to time, the "Rental Agreement"), held for and on behalf of the Beneficiary under the terms of the Rental Agreement.

The Trustee hereby acknowledges that it stands possessed of an undivided 100.00% interest in the said Facilities, as bare trustee for the Beneficiary, subject to all of the terms, provisions and conditions contained in the Rental Agreement.

The Trustee hereby undertakes and agrees to promptly take all steps necessary or advisable to assign, transfer and convey to the Beneficiary or its designee the whole of the interest of the Trustee as bare trustee in and to the Facilities, free and clear of all mortgages, charges, liens and security interests, other than Permitted Encumbrances (as defined in the Rental Agreement), upon receipt from the Beneficiary of written notice advising the Trustee that the Rental Agreement has been terminated pursuant to Sections 9.1(a) (and the Manitok Option, as defined in the Rental Agreement, has not been exercised), 9.1(c) or 9.1(d) thereof and demanding, in accordance with Section 9.2 of the Rental Agreement, that the interest of the Trustee be so assigned, transferred and conveyed.

Dated effective as of the _____ day of December, 2014.

MANITOK ENERGY INC.

Per _____

Per: _____

SCHEDULE "C" attached to and forming part of STOLBERG AND ENTICE AREAS RENTAL AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

COLLATERAL DOCUMENTS

(See attached.)



Menu Inbox Help Contacts Logout

AB BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	WVP	RGE	MER
F	0045474	A5M4 MANITOK ENERGY INC.	15-1-42-15	1	42	15	W 5	

Type	Licence #	Location	Licence Status	Licence Status Date
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Licence Type:	F	Location:	00-15-01-042-15 W5
Licence Number:	0045474	Licence Status:	AMENDED
Licence Issue Date:	2013-11-01	Licence Status Date:	
Licensee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	030-Oil battery-multiwell

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABBT0125821	322	Manitok Stolberg 15-1-42-15 Group	ACTIVE	2014-07-01

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[\[Top-AB\]](#)



Menu Inbox Help Contacts Logout

AB BA: A5M4 MANITOK ENERGY INC
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F	▼			9	11	42	15	W 5
								▼
								<input type="text" value="Go"/>

Type	Licence #	Location	Licence Status	Licence Status Date
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Licence Type:	F	Location:	00-09-11-042-15 W5
Licence Number:	0045817	Licence Status:	AMENDED
Licence Issue Date:	2013-10-01	Licence Status Date:	
Licensee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	070-Oil satellite - multiwell

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABBT0125851	322	Manitok Stolberg 9-11-42-15 Group	SUSPENDED	2013-05-01

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[\[Top-AB\]](#)



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AB BA: A5M4 MANITOK ENERGY INC
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F	▼			15	2	42	15	W 5
								▼
								Go

Type	Licence #	Location	Licence Status	Licence Status Date
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[Details](#)

Licence Type:	F	Location:	00-15-02-042-15 W5
Licence Number:	0047870	Licence Status:	ISSUED
Licence Issue Date:	2014-10-01	Licence Status Date:	
Licensee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	040-Compressor station

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABCS0134271	601	MANITOK ENERGY INC.	ACTIVE	2014-09-01

[Cancel](#)

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[\[Top-AB\]](#)



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AB BA: A5M4 MANITOK ENERGY INC
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F	▼			2	32	22	25	W 4 ▼

Type	Licence #	Location	Licence Status	Licence Status Date
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Licence Type:	F	Location:	00-02-32-022-25 W4
Licence Number:	0048038	Licence Status:	ISSUED
Licence Issue Date:	2014-11-01	Licence Status Date:	
Licensee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	030-Oil battery-multiwell

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[\[Top-AB\]](#)



[Menu](#) [Inbox](#) [Help](#) [Contacts](#) [Logout](#)

BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F	▼			4	33	22	25	W 4 ▼

[Go](#)

Type	Licence #	Location	Licence Status	Licence Status Date
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[Details](#)

Licence Type:	F	Location:	00-04-33-022-25 W4
Licence Number:	0048054	Licence Status:	ISSUED
Licence Issue Date:	2014-11-01	Licence Status Date:	
Licencee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	070-Oil satellite - multiwell

[Cancel](#)

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[\[Top-AB\]](#)

STOLBERG 15-1-42-15W5M BATTERY

WELL EFFLUENT HANDLING AGREEMENT

BETWEEN

MANITOK ENERGY INC.

AND

PETRUS RESOURCES LTD.

EFFECTIVE THE 1ST DAY OF MARCH 2013

Contract No. COR 305.033

STOLBERG 15-1-42-15W5M BATTERY

WELL EFFLUENT HANDLING AGREEMENT

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EXHIBIT “D” - ADDRESSES FOR SERVICE

STOLBERG 15-1-42-15W5M BATTERY

WELL EFFLUENT HANDLING AGREEMENT

MEMORANDUM OF AGREEMENT made this 1st day of March 2013

BETWEEN

MANITOK ENERGY INC., a body corporate, having an office in the City of Calgary, in the Province of Alberta, as operator of the facility ("Operator")

AND

PETRUS RESOURCES LTD., a body corporate, having an office in the City of Calgary, in the Province of Alberta, for and on behalf of the Source owners ("Producer")

(the "Agreement")

The purpose of this Agreement is to provide for the handling of Producer Inlet Substances in the Facility, including the separation of Well Effluent into Crude Oil, Gas and Produced Water as the case may be, and compression of Gas for sales or for re-injection.

In consideration of the mutual covenants and conditions in this Agreement, the Parties agree as follows:

ARTICLE I – DEFINITIONS

101. Definitions

In this Agreement, including the recitals, definitions and Exhibits:

- (a) "**Affiliate**" means, with respect to a Party, any other Person which is affiliated with such Party, and for the purposes hereof:
 - (i) two (2) Persons will be considered to be affiliated with one another if one (1) of them controls the other, or if both of them are controlled by a common third Person, and
 - (ii) one (1) Person will be considered to control another Person if it has the power to direct or cause the direction of the management and policies of the other Person, whether directly or indirectly, through one (1) or more intermediaries or otherwise, and whether by virtue of the ownership of shares or other equity interests, the holding of voting rights or contractual rights, or otherwise;

- (b) **"Agreement"** means this Agreement including the recitals and Exhibits hereto, as may be amended from time to time;
- (c) **"Allocation Procedure"** means the procedure used at the Facility to allocate Outlet Substances to all Inlet Substances being handled at the Facility, as may be amended from time to time by the Facility owners;
- (d) **"Crude Oil"** means crude oil and condensate separated from the Well Effluent at the Facilities which meets relevant specifications for transmission and sale;
- (e) **"Effective Date"** means the date first above written or, in the case of an Exhibit, the date on which the Exhibit becomes effective;
- (f) **"Facility"** means all real and personal property of every kind, nature and description which constitutes all facilities owned or controlled by the Operator as further described in Exhibit "A";
- (g) **"Facility Inlet"** means the point or points set forth in Exhibit "A" where Producer Inlet Substances first enter the Facility;
- (h) **"Facility Outlet"** means the point or points of delivery set forth in Exhibit "A", or as determined by the Operator in its sole discretion, where Outlet Substances exit the Facility;
- (i) **"Force Majeure"** means an occurrence beyond the reasonable control of a Party claiming suspension of an obligation, which has not been caused by such Party's negligence and which such Party was unable to prevent or provide against by the exercise of reasonable diligence at a reasonable cost and includes, without limiting the generality of the foregoing, an act of God, war, revolution, terrorism, insurrection, blockade, riot, strike, a lockout or other industrial disturbance, fire, lightning, unusually severe weather, storms, floods, explosion, accident, shortage of labour or materials, or government restraint, action, delay or inaction;
- (j) **"Gas"** means all natural gas, solution gas and any other gas, together with associated substances separated from the Well Effluent at the Facility, and which may include but is not limited to sulphur and all fluid hydrocarbons not defined as crude oil under the provisions of the *Oil and Gas Conservation Act* and regulations and amendments or substitutions to the Act;
- (k) **"Inlet Substances"** means the total of Well Effluent delivered to the Facility for the recovery of Petroleum Substances and Produced Water;
- (l) **"Interest Rate"** means the prime rate of interest as quoted in respect of commercial demand loans on the applicable day by the principal chartered bank in Canada used by Operator plus two percent (2%) per annum;
- (m) **"Liquid Substances"** means Crude Oil plus Produced Water;
- (n) **"Losses and Liabilities"** means all claims, liabilities, actions, proceedings, demands, losses, costs, penalties, fines, death, injury or damages, whether

contractual or tortious, and expenses, including reasonable legal fees and disbursements on a solicitor and its own client basis;

- (o) "**Month**" means a period of time commencing at the beginning of the first Day of a calendar month and ending at the beginning of the first Day of the next calendar month;
- (p) "**Outlet Substances**" means all substances which are recovered from Inlet Substances and are available for delivery at the Facility Outlet, but excluding such substances as are lost or consumed pursuant to Clause 804;
- (q) "**Owner Inlet Substances**" means Inlet Substances owned by a Facility owner;
- (r) "**Party**" means a Person who is bound by this Agreement;
- (s) "**Person**" means an individual, firm, body corporate or other legal entity, or partnership, as the case may be;
- (t) "**Petroleum Substances**" means Gas and Crude Oil;
- (u) "**Produced Water**" means the water contained in Producer Inlet Substances produced from the Source or the water separated from Producer Inlet Substances at the Facility, or both;
- (v) "**Producer Inlet Substances**" means Inlet Substances owned or controlled by Producer and produced from the Sources but excludes Owner Inlet Substances from those Sources;
- (w) "**Producer Outlet Substances**" means Outlet Substances that are for the account of Producer in accordance with the Allocation Procedure;
- (x) "**Related Persons**" means a Party's Affiliates and the directors, officers, agents, contract staff, and employees of that Party or that Party's Affiliates;
- (y) "**Sources**" means the wells, facilities or lands described as sources in Exhibit "A";
- (z) "**Well Effluent**" means Crude Oil, Gas, liquids and associated substances; and
- (aa) "**Year**" means a period commencing at the beginning of the first Day of January of each calendar year and ending at the beginning of the first Day of the next calendar year.

ARTICLE II – EXHIBITS

201. Exhibits

The following Exhibits are attached to and incorporated in this Agreement:

- (a) Exhibit "A" sets forth the Sources from which Producer Inlet Substances will be handled in the Facility under the terms of this Agreement, the Facility, the Facility

Inlet, the Facility Outlet, handling priorities, any restrictions on maximum volumes of Producer Inlet Substances, the Party responsible for operating the metering facilities, and a map illustrating the Facility and Sources;

- (b) Exhibit "B" sets forth the specifications for Producer Inlet Substances;
- (c) Exhibit "C" sets forth the charges for handling Producer Inlet Substances; and
- (d) Exhibit "D" sets forth the addresses for service of the Parties.

202. Revision of Exhibits

Operator and Producer may review Exhibit "A" from time to time and any revisions shall be mutually agreed upon. Operator may revise Exhibits "B" and "C" upon thirty (30) Days' written notice to Producer. Exhibit "D" may be revised in accordance with the provisions of Clause 1209. Exhibits that are revised shall show the Effective Date of the revision and shall be numbered consecutively. Operator shall, upon revision of any Exhibit, supply Producer with a copy of the revised Exhibit. If Operator becomes aware of a mistake or mechanical error in any Exhibit, Operator shall prepare a corrected Exhibit and supply Producer with a copy of the corrected Exhibit.

203. Conflicts

If a provision of an Exhibit conflicts with a provision in the body of this Agreement, the latter shall prevail.

ARTICLE III – ACCEPTANCE AND DELIVERY

301. Acceptance and Delivery of Producer Inlet Substances

- (a) Subject to all other terms and conditions of this Agreement, Producer shall, at its sole cost, risk and expense, deliver, or cause to be delivered, Producer Inlet Substances to Operator at the Facility Inlet, and the Operator shall accept and handle Producer Inlet Substances and deliver Producer Outlet Substances to the Facility Outlet.
- (b) Any costs borne by Operator for tie-in of Producer Inlet Substances, including, without limitation, performing supervisory or administrative functions or supplying labour or materials for tie-in of Producer Inlet Substances, plus 15% of such costs, shall be reimbursed by Producer to Operator in accordance with Article IX following receipt by Producer of a statement of account outlining in reasonable detail the nature of such costs. Producer shall indemnify Operator for the cost of any fluids lost during tie-in.
- (c) Subject to Clause 906, Operator shall not acquire title to Producer Inlet Substances but shall only have possession of Producer Inlet Substances for the purposes mentioned in this Agreement.
- (d) Producer warrants that it has the authority to deliver Producer Inlet Substances to the Facility for handling as provided in this Agreement, and Producer covenants and agrees to indemnify and hold Operator and its Related Persons

harmless from and against any and all Losses and Liabilities arising from any Person claiming an interest in the Producer Inlet Substances or the Producer Outlet Substances.

- (e) Operator warrants that it has the authority to accept Producer Inlet Substances at the Facility for handling as provided in this Agreement, and Operator covenants and agrees to indemnify and hold Producer and its Related Persons harmless from and against any and all Losses and Liabilities arising from any Person having an interest in the Facility claiming that the Operator is not duly authorized to perform its duties under this Agreement.
- (f) Operator shall be entitled to commingle Producer Inlet Substances with any other Inlet Substances.

302. Commencement of Handling

The handling of Producer Inlet Substances shall commence when:

- (a) Producer and Operator have installed, or have caused to be installed, all equipment necessary to effect the acceptance of Producer Inlet Substances at the Facility Inlet;
- (b) Producer and Operator have obtained, or have caused to be obtained, all necessary permits and approvals to produce, accept and handle Producer Inlet Substances and deliver Producer Outlet Substances;
- (c) Operator has advised Producer that it will accept deliveries of Producer Inlet Substances;
- (d) Producer has confirmed to Operator that all arrangements for the reporting and disposition of Producer Outlet Substances beyond the Facility Outlet have been made; and
- (e) Producer has complied with Operator's data requirements for all Sources.

303. Priority of Handling

Producer Inlet Substances will be handled to the extent that capacity is available in the Facility. If the Facility is unable to handle all Inlet Substances available for handling at the Facility on any one Day, acceptance of Inlet Substances by Operator at the Facility will be cut back using the priority system set out in Exhibit "A".

304. Specifications of Producer Inlet Substances

Producer Inlet Substances accepted at the Facility shall meet the specifications as set forth in Exhibit "B". If any Producer Inlet Substances delivered for acceptance at the Facility do not meet the specifications set forth in Exhibit "B", Operator may, at its sole discretion, acting reasonably, discontinue taking all or part of Producer Inlet Substances until such time that Producer Inlet Substances to be delivered for acceptance meet the specifications as set forth in Exhibit "B".

305. Temporary Capacity Limitations

Notwithstanding the provisions of this Article III, Operator, at its sole discretion, acting reasonably and without incurring any liability to Producer, reserves the right to refuse or limit acceptance of Producer Inlet Substances at the Facility Inlet when the Facility is shut down for maintenance or when Facility capacity is reduced by temporary operational difficulties or operating limitations, until such time as capacity is no longer restricted.

306. Notification of Cutbacks

Operator shall notify Producer as soon as reasonably possible if Producer Inlet Substances have been curtailed pursuant to Clauses 303, 304 or 305.

307. Returns at Producer's Expense

In instances where Producer Inlet Substances are delivered to the Facilities by truck and Operator is unable to accept Producer Inlet Substances for any reason, Operator will instruct the carrier to return untreated Producer Inlet Substances to Producer at Producer's expense.

ARTICLE IV – OPERATOR'S RESPONSIBILITIES

401. Operator's Responsibilities

Operator will:

- (a) subject to Clauses 303, 304 and 305, handle Producer Inlet Substances in a good and workmanlike manner, in accordance with good oil and gas field practices and in accordance with all applicable laws and regulations;
- (b) prepare and submit all required production reports on a timely basis to government bodies and forward one copy to Producer; and
- (c) comply in all material respects with all applicable rules and regulations for waste disposal.

ARTICLE V – PRODUCER'S RESPONSIBILITIES

501. Producer's Responsibilities

Producer will, at its sole cost, risk and expense:

- (a) if delivery is by pipeline, make the tie-in connection(s) from the Source to the Facility at a point and in a manner approved by Operator;
- (b) if delivery is by truck, deliver Producer Inlet Substances only at the times and conditions specified in Exhibit "B" or as otherwise approved by Operator;
- (c) if delivery is by truck, employ only such contractors for delivery of Producer Inlet Substances as have been approved by Operator prior to any such deliveries;

- (d) obtain Operator's approval prior to delivering Producer Inlet Substances from any new Sources;
- (e) notify Operator's personnel twenty four (24) hours prior to first deliveries of Producer Inlet Substances;
- (f) provide a compositional analysis of Producer Inlet Substances prior to first delivery and on an annual basis or as reasonable required by Operator;
- (g) supply samples of Producer Water as required by Operator to perform compatibility tests;
- (h) comply with all of Operator's safety, environmental and security rules;
- (i) obtain approval from Operator prior to delivery of any Producer Inlet Substances containing workover fluids, spent acids or any other known contaminants; and
- (j) pay all costs of any remedial action required if Operator accepts Producer Inlet Substances that do not meet the specifications set forth in Exhibit "B", provided, however, that if the Facility damage cannot be attributed to a single source of Inlet Substances, Producer's responsibility for remedial costs will be in proportion to the volume of Producer Inlet Substances delivered to the Facility during the period in which the damage occurred.

ARTICLE VI – CHARGES

601. Handling Charges

The handling charges applicable to the total volume of Producer Inlet Substances shall be determined in accordance with Exhibit "C" and billed in accordance with Clause 901.

ARTICLE VII – MEASUREMENT

701. Metering Facilities

- (a) If delivery is by truck, measurement of Producer Inlet Substances, as evidenced by gauge tickets, truck tickets or other industry accepted methods, shall be deemed to be conclusive and final.
- (b) If delivery is by pipeline, Producer shall, at its sole cost, risk and expense, install, or cause to be installed, metering facilities for the purpose of measuring volumes of Producer Inlet Substances accepted at the Facility Inlet. Such metering facilities shall meet Operator's specifications, shall be installed in a manner and at the location approved by Operator which will allow proper measurement and allocation of Producer Inlet Substances under the Allocation Procedure, and shall be maintained by and at the sole cost, risk and expense of Producer. Such metering facilities shall be physically operated by the Party designated in Exhibit "A".

702. Accuracy

- (a) The accuracy of metering facilities shall be verified by the Party operating the metering facilities at the frequency specified in provincial regulations, or as reasonably required by the Operator for the Allocation Procedure, whichever is more frequent. The cost of such verification shall be borne by the Parties for their respective metering facilities. Metering facilities shall be open for witnessing of calibration or inspection by the other Party at all reasonable times. The Party performing the calibration or inspection will provide the other Party with at least forty-eight (48) hours' prior notice.
- (b) In case any question arises as to the accuracy of measurement, any metering facilities shall be tested upon demand of either Party and, if found to be correct or to be in error of not more than two percent (2%) with respect to Gas measurement, one and one-half percent (1 1/2%) with respect to equilibrium liquid measurement, or one-half of one per cent (1/2%) with respect to liquid measurement (referred to as the "Relevant Percentage"), the expense of such testing shall be borne by the Party requesting the test. If the accuracy of measurement is found to be incorrect by more than the Relevant Percentage, the expense of such testing shall be borne by the owner of those metering facilities.
- (c) If, upon any test, metering facilities are found to be in error of not more than the Relevant Percentage, previous readings of such metering facilities shall be considered correct in computing the volumes being metered, but such metering facilities shall be adjusted properly as soon as practicable to record accurately. If, upon any test, any metering facilities are found to be in error by any amount exceeding the Relevant Percentage, then any previous readings of such metering facilities shall be corrected to zero error for any previous period which is known definitely or is agreed upon, but in case the period is not known definitely or not agreed upon, such correction shall be for a period covering the last half of the time lapsed since the date of the last test.
- (d) In the event metering facilities are out of service or require repair, such that the volume being measured is not correctly indicated by the reading of the metering facilities, the volumes attributable to the period shall be estimated and agreed upon on the basis of the best data available, using the most appropriate of the following methods:
 - (i) by using the registration of any check metering facilities, if installed and accurately registering; or
 - (ii) by correcting the error if the percentage of error is ascertainable by calibrations, tests or mathematical calculations; or
 - (iii) by estimating on the basis of actual volumes measured during the preceding periods under similar conditions when the metering facilities were registering accurately.

703. Units of Volume and Weight

The standards of measurements shall be governed by the following:

- (a) the unit of volume of gas for purposes of measurement shall be one thousand cubic metres (10^3m^3) at a temperature of fifteen degrees Celsius (15°C) and an absolute pressure of one hundred one point three two five kilopascals (101.325 kPa);
- (b) the unit of volume of liquids for purposes of measurement shall be one cubic metre (1m^3) as defined in the *Weights and Measures Act*, R.S.C. 1985 c. W-6, as amended; and
- (c) the unit of weight of solids for purposes of measurement shall be one tonne (1t) being one thousand kilograms (1000 kg).

704. Determination of Volumes

Volumes shall be determined in accordance with prevailing regulatory requirements relating to the measurement of upstream petroleum industry fluids.

705. Assumed Atmospheric Pressure

For the purposes of measurement and meter calibration, the atmospheric pressure at the point of measurement shall be assumed to be constant considering the actual elevation or location of any of the metering facilities above sea level and irrespective of variations in the atmospheric pressure from time to time.

706. Analysis of Producer Inlet Substances

- (a) Producer shall provide, or cause to be provided, to Operator samples of Producer Inlet Substances at the Facility Inlet or other points at startup or as soon thereafter as possible and at such intervals as Operator may reasonably require, depending upon the magnitude of the compositional variances. Gas and liquid samples shall be analyzed by gas-liquid chromatography or any other method consistent with normal industry practice. The samples so taken shall be analyzed as reasonably required by Operator for use in the Allocation Procedure.
- (b) If it cannot be determined to the satisfaction of Producer and Operator that the Producer Inlet Substances can be sampled in a single phase, the liquid and gaseous portions shall be separated before sampling. Analysis of each sample shall be made and the analysis recombined in proportion to the liquid and gas flow rates to give a recombined analysis. The recombined analysis shall indicate the molecular percentage of the stream in a manner consistent with the Allocation Procedure. Volumes of gaseous and liquid production shall be measured as per the provisions of this Article V.
- (c) Operator shall have the right to have a representative present at the time that samples of Producer Inlet Substances are taken. Producer shall provide Operator with forty-eight (48) hours' prior notice of the sampling. Should

Operator not have a representative present, the results of the sampling shall nevertheless be considered accurate until the next test.

- (d) If an error in analysis becomes evident, either as a result of sampling or analysis technique or for any other reason, so that the components being measured are not correctly reported, the previously used analysis shall be again used until such time as a consistent trend is evident.
- (e) The cost of sampling and analysis shall be paid by Producer.

ARTICLE VIII – OWNERSHIP AND DISPOSITION OF OUTLET SUBSTANCES

801. Producer's Share of Outlet Substances

- (a) The volumes of Outlet Substances allocated to Producer shall be determined each Month in a manner consistent with the Allocation Procedure.
- (b) Producer shall own and at its sole cost, risk and expense shall take in kind or separately dispose of the Producer Outlet Substances, unless arrangements have otherwise been made with Operator.
- (c) Producer shall provide, or cause to be provided, to Operator, by the tenth (10th) Day of each Month, or as may be required by governing regulations, a statement of the total volume of Producer Inlet Substances accepted at the Facility Inlet for the preceding Month and details of any changes in ownership of Producer Inlet Substances or Sources. Further, Producer acknowledges its obligation to provide or cause to be provided to Operator, on a timely basis, all production data and information as may be required for the preparation of statements pursuant to Subclause 801(e).
- (d)
 - (i) If Producer fails to provide, or cause to be provided, Operator with sufficient information to perform allocations of Outlet Substances as specified under the Allocation Procedure, then Operator will use its reasonable judgment regarding the allocations. Producer shall be liable for, and indemnify Operator against, any penalties, costs or damages levied against the Operator as a result of allocation.
 - (ii) Any costs incurred by Operator resulting from Producer's failure to provide production data and information under this Agreement, including but not limited to administrative costs for revising allocations, shall be paid by the Producer.
- (e) Operator shall, on or before the twenty-fifth (25th) Day of each Month, provide Producer with a statement showing the total volume of Producer Inlet Substances accepted at the Facility Inlet for the preceding Month and volume and heat content or composition of Outlet Substances derived from Producer Inlet Substances.
- (f) Producer and Operator shall preserve all original test data, charts, the Allocation Procedure and other similar records related to this Agreement for a period of at

least seven (7) Years after the Year to which the data relates. Notwithstanding the foregoing, Operator and Producer shall retain any original test data, charts, the Allocation Procedure and other similar records related to this Agreement to which a query under Clauses 904 or 905 relates until all such queries are resolved.

- (g) Producer shall, within twenty-six (26) Months following the end of the Year to which the records relate, have the right to examine at all reasonable times the records of Operator relating to Clause 801.
- (h) Operator shall be entitled to deal only with Producer on all matters arising under this Agreement, including, without limitation, all reporting of deliveries and directions regarding the handling of Outlet Substances.

802. Delivery of Outlet Substances

Operator shall deliver Producer Outlet Substances to Producer or to such Person as Producer designates at the Facility Outlet.

803. Failure to Take in Kind

- (a) If Producer fails to take or otherwise adequately dispose of Producer Outlet Substances, Operator may, at its sole option, so long as such failure continues, for the account and at the expense of Producer, sell on the open market or, if a purchaser is not available, store Producer Outlet Substances or cease to accept Producer Inlet Substances.
- (b) In the event of a failure to take in kind and a subsequent sale by Operator of Producer Outlet Substances, Operator shall remit to Producer within a reasonable period of time the proceeds of such sale less all direct costs of the sale and less a charge as specified in Exhibit "C".
- (c) The authority of Operator to enter into contracts for the sale of Producer Outlet Substances shall be restricted to contracts that are for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but not in excess of a one (1) Month period. Subject to such contracts, Producer may commence or resume Producer Outlet Substances in kind at any time if it has given notice to Operator of at least thirty (30) Days prior to the expiration of the current sales contract that it intends to take its share in kind.

804. Volume Losses

- (a) Operator shall have the right at any time, in its sole discretion and acting reasonably in accordance with industry practice, to flare, use or consume Producer's share of Inlet Substances free of charge. Producer Inlet Substances flared as a discrete stream at the Facility Inlet shall be conclusively deemed not accepted at the Facility.

- (b) Producer shall bear its share of any losses suffered during a Month due to evaporation, flaring, fuel gas consumption or Force Majeure in accordance with the Allocation Procedure.
- (c) If and when it cannot be determined to whom a loss should be allocated, any such loss shall be borne by Producer in the proportion that the volume of Producer Inlet Substances handled through the Facility during the previous Day bears to the total volume of Inlet Substances handled through the Facility during the previous Day.

805. Specifications of Outlet Substances

Operator shall use reasonable efforts to ensure that Outlet Substances meet the specifications which are acceptable to the purchasers or carriers of Outlet Substances as of the Effective Date, or such other specifications as may be subsequently agreed upon by Operator and the purchasers or carriers.

806. Measurement or Allocation Adjustments

- (a) In the event of an adjustment in measurement or allocation to Producer Outlet Substances, adjustments shall be made using actual realized price for Gas and the actual realized price for Crude Oil in effect during the Month for which the adjustment is required.
- (b) If Operator determines a need for Crude Oil quality equalization, Producer shall be charged in accordance with the quality scales provided for in the "Canadian Crude Oil Quality Equalization Process Procedures Guide" in use at that time.

ARTICLE IX – BILLINGS AND PAYMENT

901. Billings

Operator shall bill Producer on or before the thirtieth (30th) Day of each Month for the charges payable by Producer attributable to the handling of Producer Inlet Substances for the preceding Month, determined in accordance with Exhibit "C". Producer shall pay all bills which become payable pursuant to this Agreement within thirty (30) Days after receiving them. If Producer fails to pay a bill within the said thirty (30) Day period, the unpaid amount shall, at Operator's option, bear interest following such thirty (30) Day period at the Interest Rate regardless of whether or not Operator has notified Producer in advance of its intention to charge interest with respect to that unpaid amount. The obligation to pay interest with respect to a default is to apply until such default is rectified and shall not merge into a judgment for principal and interest, or either of them. In addition, Operator shall have the right at any time thereafter, such default continuing, to enforce the remedies provided for in this Agreement.

902. Commingling of Funds

Subject to Clauses 803 and 906, funds received by Operator for the account of Producer which are in excess of the amounts payable under this Agreement are trust funds and are not to be used by Operator for its own purposes. Operator may commingle funds received by it under this Agreement with its own funds but such right to commingle is granted to

Operator as an administrative aid in its duties under this Agreement and does not alter the characterization of such funds received by Operator as trust funds.

903. Books and Records

Operator will keep within Alberta true and correct books, accounts and records of the operations conducted at the Facility.

904. Correctness of Billings

Producer may protest or question the correctness of a bill, notwithstanding the payment of it, if such protest or question is made in writing to Operator, accompanied by reasonable supporting detail, within twenty-six (26) Months following the end of the Year in which the bill was presented; otherwise the bill shall be deemed conclusively to be correct except where the item is under dispute pursuant to Clause 905. Operator shall have ninety (90) Days following receipt of a query in which to provide documentation necessary to satisfy Producer of the correctness of the billing in question.

905. Audits

- (a) Subject to Subclause 905(b), Producer, upon reasonable notice in writing to Operator, shall have the right to audit the books, accounts and records of Operator to the extent necessary to verify the accuracy of any statement, charge or computation or demand made under or pursuant to any of the provisions of this Agreement for any Year within the twenty-four (24) Month period next following the end of such Year. Any claims of discrepancies shall be made in writing to Operator within two (2) Months of the completion of such audit. Operator shall respond to any claims of discrepancies within six (6) Months of receipt of such claims unless Operator requests and Producer agrees to an extension. Operator and Producer agree to act in good faith to resolve such claims. Each audit shall be conducted so as to cause a minimum of inconvenience to Operator.
- (b) Producer shall make every reasonable effort to conduct its audit at the same time as an audit conducted by the Facility owners. Furthermore, where two or more producers wish to conduct an audit, Producer shall make every reasonable effort to conduct its audit jointly with the other producers.

906. Remedies

Producer, in order to secure any indebtedness to Operator under this Agreement, hereby gives and grants to Operator a first lien and charge on Producer Inlet Substances and Producer Outlet Substances, to secure payment of any handling charge or other amount payable to Operator by Producer. In the event Producer defaults in payment of its bills and such default shall continue for five (5) Days after receipt of written demand from Operator, Operator may, without limiting Operator's other rights in this Agreement or otherwise held at law or in equity:

- (a) enforce such lien in any manner provided by the laws governing this Agreement;

- (b) discontinue handling of Producer Inlet Substances until such time as the indebtedness is paid;
- (c) set-off against the amount unpaid by Producer any sums due or accruing to Producer from Operator pursuant to this Agreement and from any other agreement between Operator and Producer, whether executed before or after the Effective Date;
- (d) maintain an action or actions for such unpaid amounts and interest thereon on a continuing basis as such amounts are payable but not paid by Producer, as if the obligation to pay such amounts and the interest thereon were liquidated demands due and payable on the relevant date such amounts were due to be paid, without any right or resort of such Producer to set-off or counter-claim;
- (e) treat the default as an immediate and automatic assignment to Operator of proceeds of the sale of such Producer Outlet Substances. Service of a copy of this Agreement upon a purchaser of such Producer Outlet Substances, together with written notice from Operator, shall constitute a written irrevocable direction by Producer to any such purchaser to pay to Operator the entire proceeds from any such sale and such purchaser is authorized by Producer to rely upon the statement of Operator as to the amount so owed to it by Producer. Operator shall apply all sums so collected against the unpaid amount (including any interest accrued thereon and any fee provided for in Clause 803(b) payable to Operator), and all sums so applied shall be considered as received from Producer, and any excess of such proceeds shall be paid by the Operator to the Producer within a reasonable period of time of receipt of proceeds; and
- (f) sell on the open market such quantity or quantities of Producer Outlet Substances as shall be sufficient to pay such indebtedness; provided, however, that such sale of Producer Outlet Substances shall first be made under the terms of any existing contracts for the sale of Producer Outlet Substances previously executed by Producer and in all cases subject to the charge pursuant to Subclause 803(b).

Should default occur, Producer shall be liable to the Operator for all reasonable expenses incurred by Operator to remedy such default, including legal costs on a solicitor and his own client basis, and other expenses in connection with obtaining satisfaction of the obligations of Producer. Such expenses shall bear interest calculated and payable in accordance with Clause 901 of this Agreement.

Books and records kept by Operator shall constitute proof of the existence and amount of such default, including the associated direct costs and charges pursuant to Clause 803.

907. Royalty Indemnification

Producer shall pay, or be responsible for the payment of, and shall indemnify Operator against liability for any and all royalties, overriding royalties, product payments, and any and all other payments chargeable against Producer Inlet Substances or Producer Outlet Substances.

908. Taxes

- (a) Producer shall pay all taxes, levies, assessments and like charges which may be imposed in respect of Producer Inlet Substances.
- (b) When Operator is required to charge Goods and Services Tax (GST), or similar value added tax, Operator's invoice shall include information prescribed by the Input Tax Credit Information Regulations under the *Excise Tax Act (Canada)*, or any information prescribed for a similar value added tax.

909. Insolvency

If Producer:

- (a) becomes bankrupt or insolvent, or commits or suffers any act of bankruptcy or insolvency;
- (b) is placed in receivership or a receiver/manager or person filling that role is appointed with respect to its property;
- (c) makes a compromise with or an assignment for the benefit of creditors;
- (d) seeks debtor relief protection under applicable legislation including without restricting the generality of the foregoing, the *Bankruptcy and Insolvency Act (Canada)* and the *Companies' Creditors Arrangement Act (Canada)*; or
- (e) is otherwise unable or unwilling to pay its debts as they fall due in the usual course of business,

Operator may, in its sole option, elect to terminate this Agreement upon five (5) Days' notice subject to Subclause 1201(b), or to demand immediate payment for all current invoiced amounts, plus estimated amounts that have accrued but have not yet been invoiced, and amounts that are estimated as likely to accrue in the remainder of the current Month and in the following Month. Producer shall pay these amounts within five (5) Days of receipt of Operator's written demand and shall continue to make prepayment for services as required by Operator prior to services being rendered.

ARTICLE X – FORCE MAJEURE

1001. Force Majeure

- (a) If a Party is prevented by Force Majeure from fulfilling any obligations, the obligations of that Party, insofar as its obligations are affected by the Force Majeure, shall be suspended while the Force Majeure continues to prevent the performance of such obligation and for that time thereafter as that Party may reasonably require to commence to fulfill such obligation. A Party prevented from fulfilling any obligation by the Force Majeure shall promptly give the other Party notice of the Force Majeure and the affected obligations, including reasonably full particulars in respect of the Force Majeure.
- (b) The Party claiming suspension of an obligation as aforesaid shall promptly remedy the cause and effect of the applicable Force Majeure, insofar as it is reasonably able so to do, and such Party shall promptly give the other Party notice when the Force Majeure ceases to prevent the performance of the

applicable obligation. However, the terms of settlement of any strike, lockout or other industrial disturbance shall be wholly at the discretion of such Party, and that Party shall not be required to accede to the demands of its opponents in any strike, lockout or industrial disturbance solely to remedy promptly the Force Majeure constituted by such action.

- (c) Notwithstanding anything contained in this Clause, lack of finances shall not be considered a Force Majeure nor shall any Force Majeure suspend any obligation for the payment of money.

ARTICLE XI – LIABILITY AND INDEMNIFICATION

1101. Liability and Indemnification

- (a) Operator and its Related Persons shall not be liable to Producer or its Related Persons for any Losses or Liabilities suffered or incurred by Producer resulting from or in any way attributable to or arising out of any act or omission, whether negligent or otherwise, of Operator or its Related Persons in the handling of Producer Inlet Substances except when and to the extent that such Losses and Liabilities are a direct result of, or are directly attributable to, the gross negligence or wilful misconduct of Operator or its Related Persons. Gross negligence shall not include any act or omission, insofar as it was done or not done in accordance with the written instructions or express concurrence of the Producer.
- (b) To the extent that the gross negligence or wilful misconduct condition described in Subclause 1101(a) applies, Operator shall be solely liable for such Losses and Liabilities and, in addition, shall indemnify and save harmless Producer and its Related Persons from and against such Losses and Liabilities.
- (c) To the extent that the gross negligence or wilful misconduct condition described in Subclause 1101(a) does not apply, Producer shall be solely liable for and indemnify and save harmless Operator and its Related Persons from and against any and all Losses and Liabilities relating to the handling of Producer Inlet Substances under this Agreement, including damage to the Facility caused by acceptance of Producer Inlet Substances which do not meet the specifications of Exhibit "B".
- (d) In no event shall the responsibility of either Party prescribed by this Clause 1101 extend to losses suffered by the other Party respecting the loss or delay of production, including, without restricting the generality of the foregoing, loss of profits or other consequential or indirect losses applicable to such loss or delay in production.

ARTICLE XII – TERM

1201. Term

- (a) This Agreement shall commence as of the Effective Date and shall continue until terminated by either Party giving thirty (30) Days' prior notice to the other Party.

- (b) Notwithstanding the termination of this Agreement, the provisions respecting liability and indemnification, the settlement of accounts and the Operator's remedies, shall remain in full force and effect to the extent of any liabilities which may have accrued prior to the termination of this Agreement.

ARTICLE XIII – DISPUTE RESOLUTION

1301. Dispute Resolution

The Parties will attempt to resolve any claim or dispute arising out of this Agreement through consultation and negotiation in good faith within the appropriate time periods as set out in this Agreement. If those attempts fail then either Party may refer the dispute for resolution through mediation, with costs of the mediation being shared equally by both Parties. If either Party refers a dispute for resolution through mediation, the other Party agrees to participate in the mediation. If the Parties cannot agree to a mediator, they shall have one appointed by the ADR Institute of Canada, Inc. or by a mutually acceptable substitute. However, either Party may terminate the mediation at any time upon giving reasonable notice to the other Party. If mediation fails or is terminated, then the Parties may agree to refer the matter to binding arbitration pursuant to the *Arbitration Act (Alberta)* and any subsequent revisions to the Act, or a Party may resort to judicial proceedings to resolve the dispute.

ARTICLE XIV – MISCELLANEOUS PROVISIONS

1401. Interpretation

The captions or headings used in this Agreement are inserted solely for convenience and shall not be considered or given any effect in interpreting the Agreement or in ascertaining the intent of the Parties.

1402. Number and Gender

In this Agreement words importing the singular include the plural and vice versa; words importing the masculine gender include the feminine and neuter genders.

1403. Laws and Regulations

Subject to Clauses 1404 and 1414, this Agreement and the rights and obligations of the Parties are subject to all present and future laws, rules, regulations and orders of any legislative body or duly constituted authority now or hereafter having jurisdiction.

1404. Applicable Laws

This Agreement shall be construed in accordance with the laws of the Province of Alberta and each of the Parties submits to the jurisdiction of the courts of the Province of Alberta for the interpretation and enforcement hereof.

1405. Waivers

A waiver of a provision of this Agreement, whether for future or past actions, shall not be binding upon a Party unless it is in writing and signed by its duly authorized representative(s),

and such a waiver shall not operate as a waiver in the future of any provision, whether of a like or different character.

1406. Suits

A Party who is sued on a cause of action allegedly arising out of operations under this Agreement shall forthwith notify the other Party.

1407. Further Assurances

Producer and Operator shall do all such further acts and execute and deliver all such further deeds and documents as may be reasonably required in order to fully perform and carry out the terms of this Agreement.

1408. No Implied Covenants

Producer and Operator have expressed their entire understanding and agreement concerning the subject matter of this Agreement and no implied covenant, condition, term or reservation shall be read into this Agreement relating to or concerning such subject matter.

1409. Notices

All notices and other communications to be given in connection with this Agreement shall be in writing and shall be sufficiently given:

- (a) if delivered by hand or by courier to a Party at its address for service, such delivery shall be deemed received by the Party when actually delivered if such delivery is during the Party's normal business hours on any Day other than a Saturday, a Sunday or a statutory holiday. If such notice or other communication is not delivered during the Party's normal business hours, such notice or other communication shall be deemed to have been received by the Party on the Day next following the date of delivery, other than a Saturday, Sunday or a statutory holiday;
- (b) except during any period of actual or impending postal disruption, if sent by first class mail or by airmail if sent from outside Canada or the United States, postage prepaid, to a Party at its address for service, such mailing shall be deemed received by the Party on the fourth Day following the date of mailing (Saturday, Sundays and statutory holidays excepted). However, if postal service is interrupted or operating with unusual or imminent delay, such notice or other communication shall not be sent by such means during such interruption or period of delay; and
- (c) to a Party which has provided a direct telecommunication number as part of its address for service, if sent by telecommunication to the Party's designated telecommunication number such transmission shall be deemed received by the Party when actually received if such transmission is during the Party's normal business hours on any Day other than a Saturday, a Sunday or a statutory holiday. If such notice or other communication is not received during the Party's normal business hours, such notice or other communication shall be deemed to

have been received by the Party on the Day next following the date of transmission, other than a Saturday, a Sunday or a statutory holiday.

For the purposes of this Clause 1409, the address for service for each Party initially shall be as set forth in Exhibit "D". A Party may change its address for service by giving written notice to the other Party.

1410. Enuring Clause

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

1411. Supersedes Prior Agreements

As of the Effective Date, this Agreement shall govern the relationship of the Parties and supersedes all other agreements, documents, writings and verbal understandings and representations between the Parties in relation to the handling of Producer Inlet Substances in the Facility.

1412. Assignment

Neither Party shall assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding this requirement, Operator may assign this Agreement to an Affiliate without the prior consent of Producer.

1413. Time of the Essence

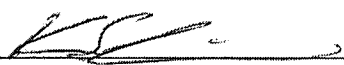
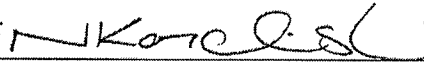
Time is of the essence in this Agreement.

1414. Statute of Limitations

The two (2) year period for seeking a remedial order under section 3(1)(a) of the *Limitations Act*, R.S.A. 2000 c. L-12, including any amendments to or replacements of the Act, for any claim (as defined in that Act) arising in connection with this Agreement is extended to:

- (a) for claims disclosed by an audit, two (2) years after the time this Agreement permitted that audit to be performed; or
- (b) for all other claims, four (4) years.

IN WITNESS WHEREOF the Parties have executed this Agreement each as of the Effective Date.

Operator:	Producer:
MANITOK ENERGY INC.	PETRUS RESOURCES LTD.
Signature: 	Signature: 
Title: Sr. Development Engineer	Title: VP ENGINEERING
Date: Dec 13/13.	Date: DEC 10/13

This is the execution page of the Agreement entitled Stolberg 15-1-42-15W5M Well Effluent Handling Agreement between Manitok Energy Inc. and Petrus Resources Ltd. dated as of and effective the 1st day of March, 2013.

EXHIBIT A

THIS IS EXHIBIT "A"
ATTACHED TO AND MADE PART OF A
WELL EFFLUENT HANDLING AGREEMENT BETWEEN
MANITOK ENERGY INC. AND PETRUS RESOURCES LTD.
DATED AND EFFECTIVE THE 1ST DAY OF MARCH 2013

DESCRIPTION OF FACILITIES, SOURCES AND PRIORITIES

1. Facility Description

PROCESS DESCRIPTION	INLET (legal location)	OUTLET (legal location)
Liquid Substances Handling	15-1-42-15W5M	15-1-42-15W5M
Gas Handling/Compression	15-1-42-15W5M	15-1-42-15W5M
Sales Gas Pipeline	15-1-42-15W5M	5-1-42-15W5M
9-11 Satellite & Pipeline	9-11-42-15W5M	15-1-42-15W5M

2. Operation of Metering Facilities

The metering facilities referred to in Clause 701 shall be operated by Operator.

3. Sources

U.W.I.	FACILITY INLET	PRODUCER'S W.I.	PRIORITY
100/03-12-042-15W5M/02	15-1-42-15W5M	7.0%	2
100/09-01-042-15W5M/02	15-1-42-15W5M	8.4%	2
100/04-12-042-15W5M/03	15-1-42-15W5M	14.0%	2
100/15-11-042-15W5M/00	9-11-42-15w5M	25.0%	2
102/03-12-042-15W5M/00	9-11-42-15w5m	14.0%	2

4. Handling Priority

Priority of Handling (pursuant to Subclause 303):

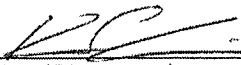
- (a) Priority 4 Well Effluent - Priority 4 Well Effluent is the lowest priority non-Owner Well Effluent and will be cut back first. The order of cutback of Priority 4 Gas will be at the Operator's sole discretion.
- (b) Priority 3 Well Effluent - Priority 3 Well Effluent will be cut back next based on the date of first delivery of Producer Well Effluent in relation to the first delivery dates of all other

Priority 3 Well Effluent, with the most recent delivery date Priority 3 Well Effluent cut back first.

- (c) Priority 2 Well Effluent - Priority 2 Well Effluent will be cut back next on the basis of the proportion which the total volume of Producer's Priority 2 Well Effluent delivered to the Facility for that Day bears to the total volume of Priority 2 Well Effluent delivered to the Facility for that Day.
- (d) Priority 1 Well Effluent - Priority 1 Well Effluent is the highest priority Well Effluent and will be cut back last on the basis of the proportion which the total volume of Producer's Priority 1 Well Effluent delivered to the Facility for that Day bears to the total volume of Priority 1 Well Effluent delivered to the Facility for that Day.

Use for revised exhibits

Please acknowledge acceptance of this Exhibit revision, per Clause 202, by signing below and returning one original copy to Operator


Operator (Signature)

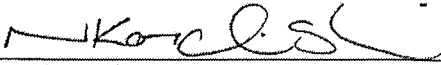

Producer (Signature)

EXHIBIT B

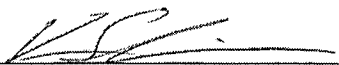
THIS IS EXHIBIT "B"
ATTACHED TO AND MADE PART OF A
WELL EFFLUENT HANDLING AGREEMENT BETWEEN
MANITOK ENERGY INC. AND PETRUS RESOURCES LTD.
DATED AND EFFECTIVE THE 1ST DAY OF MARCH 2013

SPECIFICATIONS FOR PRODUCER INLET SUBSTANCES

- (a) All Producer Inlet Substances delivered to the Facility Inlet shall be of a kind, quality and composition and at a temperature and pressure so as to be within the design and operating parameters of the Facility.
- (b) All Producer Inlet Substances delivered to the Facility Inlet shall be free from substances in such quantities that may obstruct, damage or be detrimental to the operation of the Facility. Producer Inlet Substances shall be also free of substances that may result in Outlet Substances having objectionable odors, solid matter, dust, gums and gum-forming constituents which might affect the marketability or cause injury to or interference with the proper operation on the lines, regulators, meters or other appliances through which such Outlet Substances flow. Such substances include, but are not limited to, drilling mud, workover fluids and spent acids.

Use for revised exhibits

Please acknowledge receipt of this Exhibit revision, per Clause 202, by signing below and returning one original copy to Operator.


Operator (Signature)



Producer (Signature)

EXHIBIT C

THIS IS EXHIBIT "C"
ATTACHED TO AND MADE PART OF A
WELL EFFLUENT HANDLING AGREEMENT BETWEEN
MANITOK ENERGY INC. AND PETRUS RESOURCES LTD.
DATED AND EFFECTIVE THE 1ST DAY OF MARCH 2013

HANDLING CHARGES FOR PRODUCER INLET SUBSTANCES

1. Liquid Substances Handling Charge

The charge for processing of each m³ of Producer's Liquid Substances shall be divided into a capital plus an operating component as follows:

Capital \$11.84 plus applicable federal and provincial value added taxes, and

Operating as estimated on an initial basis, subject to an adjustment after the end of the Year to reflect actual costs and volumes such that each unit of Producer's Liquid Substances shall pay a portion of those operating costs allocated to Liquid Substances processing divided by the total of all Liquid Substances volumes so processed, plus 10% overhead.

2. Gas Handling/Compression Charge

The charge for handling and compression of each 10³m³ of Producer's Gas shall be divided into a capital plus an operating component as follows:

Capital \$5.64 plus applicable federal and provincial value added taxes, and

Operating as estimated on an initial basis, subject to an adjustment after the end of the Year to reflect actual costs and volumes such that each unit of Producer's Gas shall pay a portion of those operating costs allocated to Gas handling and compression divided by the total of all Gas volumes so handled and compressed, plus 10% overhead.

3. Sales Gas Delivery Charge (as applicable)

The charge for delivery through the sales gas pipeline of each 10³m³ of Gas shall be \$5.86 plus applicable federal and provincial value added taxes.

4. 9-11 Satellite & Pipeline Charge (as applicable)

The charge for handling and transportation of each m³ of Well Effluent shall be \$9.93 plus applicable federal and provincial value added taxes.

Operating as estimated on an initial basis, subject to an adjustment after the end of the Year to reflect actual costs and volumes such that each unit of Producer's Well Effluent shall pay a portion of those operating costs allocated to Well Effluent processing divided by the total of all Well Effluent volumes so processed, plus 10% overhead.

5. Water Disposal Charge (if applicable)

The charge for disposing of each m³ of Produced Water shall be at cost plus 10% plus applicable federal and provincial value added taxes. Any disposal will be arranged through a third party and billed back to Producer by Operator.

6. Other Charges

Pursuant to Clause 803 of the Agreement, Producer shall be responsible for the following fees, as applicable, plus applicable federal and provincial value added taxes:

- (i) for Outlet Substances, other than ethane, propane and butane, the greater of 3% of the market netback price or \$500.00 per Month; and/or
- (ii) for Outlet Substances comprised of ethane, propane or butane, the greater of \$5.00/m³ or \$500.00 per Month.

Use for revised exhibits

Please acknowledge receipt of this Exhibit revision, per Clause 202, by signing below and returning one original copy to Operator.



Operator (Signature)



Producer (Signature)

EXHIBIT D

THIS IS EXHIBIT "D"
ATTACHED TO AND MADE PART OF A
WELL EFFLUENT HANDLING AGREEMENT BETWEEN
MANITOK ENERGY INC. AND PETRUS RESOURCES LTD.
DATED AND EFFECTIVE THE 1ST DAY OF MARCH 2013

ADDRESSES FOR SERVICE

Producer	Operator
Petrus Resources Ltd.	Manitok Energy Inc,
2400, 240 – 4 th Avenue SW	2500, 639 – 5 th Avenue SW
Calgary, Alberta	Calgary, Alberta
T2P 4H4	T2P 0M9
Attention: Brett Booth	Attention: Ken Scheirer
Phone No. (403) 930-0883	Phone No.: (403) 984-1777
E-mail: bbooth@petrusresources.com	E-mail.: kscheirer@manitok.com



July 29, 2014
Petrus Resources LTD
2400, 240- 4th AVE SW
Calgary Alberta
T2P 4H4

Re: 15-1-42-15W5M Battery – 2014 Opex

Dear Sirs/ Madam:

Please be advised that Manitok has now established the estimated operating fees for the 15-1 Battery for 2014, subject to thirteen month adjustment, as follows:

Liquid Substances Handling	\$7.86/m3
Gas Handling/Compression	\$20.17/10 ³ m ³
9-11 Satellite & Pipeline Charge	\$2.16/m ³

Manitok will commence billing these fees from July 2014 forward, along with the capital fees of which you were notified of in Exhibit "C" of contract COR 305.033.

Any questions regarding this matter should be directed to Kate Spence at 403-984-1763.

Yours truly,

Kate Spence
Operations Accountant.
Manitok Energy Inc.
Ph. 403-984-1763
Fx. 403-984-1749
Em. kspence@manitok.com

SCHEDULE "D" attached to and forming part of STOLBERG AND ENTICE AREAS RENTAL AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

INSURANCE COVERAGE

(See attached.)



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue S.W.
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

CERTIFICATE ISSUED TO: Stream Asset Financial Manitoak LP

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE AS HEREIN DESCRIBED HAVE BEEN ISSUED TO THE INSURED NAMED BELOW AND ARE IN FORCE AT THIS DATE.

NAME OF INSURED: Manitoak Energy Inc.
ADDRESS OF INSURED: Suite 2600, 585-8th Avenue SW
Calgary, Alberta T2P 1G1
REGARDING: 02-32-22-25 W4M and 04-33-22-25 W4M Multi Well Oil Battery
15-01-42-15 W5M Multi Well Oil Battery
15-02-42-15 W5M Multi Well Oil Battery
09-11-42-15 W5M Well Satellite

COMMERCIAL GENERAL LIABILITY

LIMIT OF LIABILITY: \$5,000,000 CDN any one loss and/or series of losses arising out of any one event or occurrence
Includes: Sudden & Accidental Pollution
INSURER: Energy Insurance Group
POLICY NUMBERS: LI1797610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

PROPERTY INSURANCE

LIMIT OF LIABILITY: As per Schedule on file with Insurer
Includes: All Risk except as excluded, Full Replacement Cost, Business Interruption, Boiler and Machinery
INSURER: Energy Insurance Group
POLICY NUMBERS: PR7526610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

Where required by contract and applicable by statute, the following are hereby understood and agreed:

Stream Asset Financial Manitoak LP is added as First Loss Payee and Lessor on the Property Insurance but only as their interest may appear with respect to the operations of the Named Insured and with respect to the property listed above.

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: December 29, 2014

BROKER: Gallagher Energy Risk Services

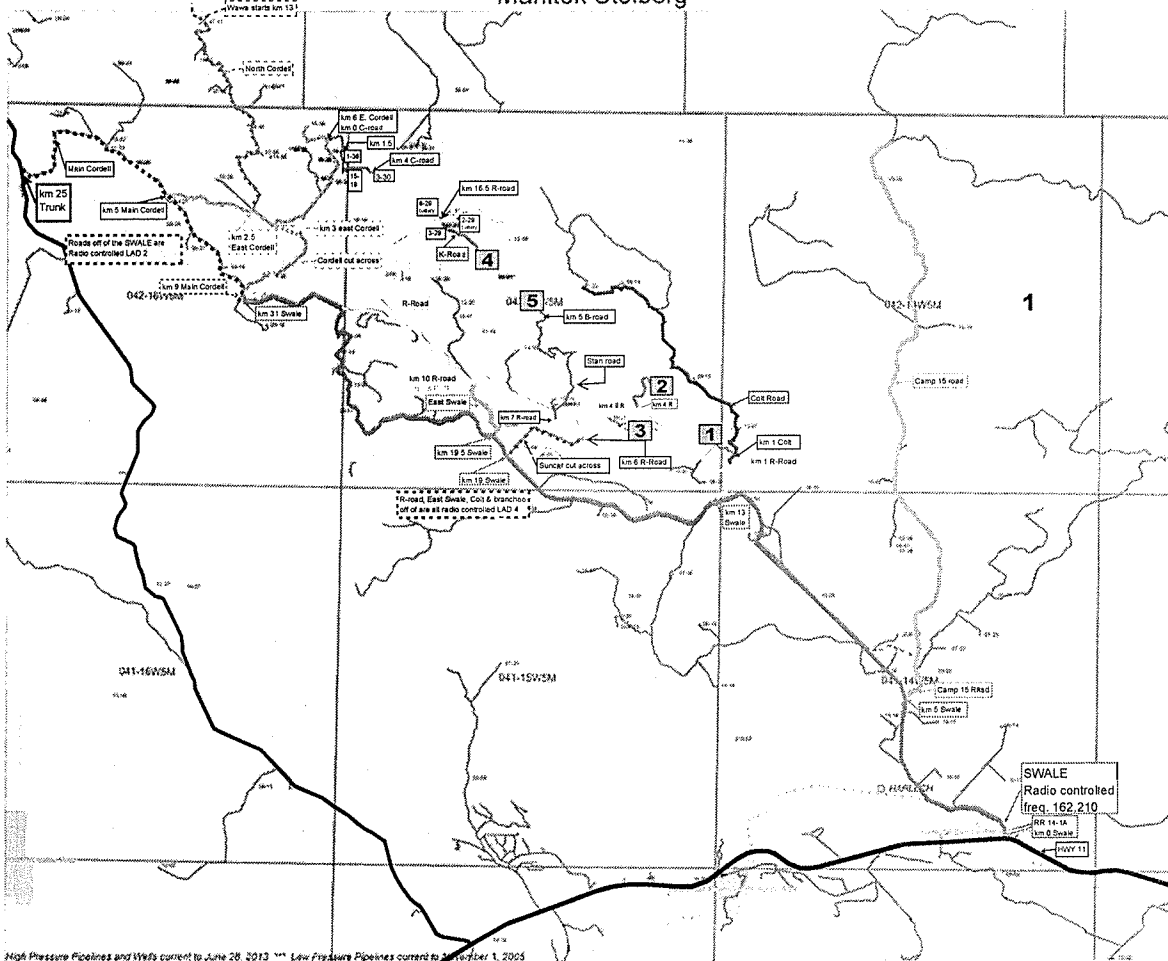
Authorized Representative

SCHEDULE "E" attached to and forming part of STOLBERG AND ENTICE AREAS RENTAL AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

STOLBERG AND ENTICE AREAS

(See attached.)

Manitok Stolberg



High Pressure Pipelines and Wells current to June 28, 2012. Low Pressure Pipelines current to September 1, 2005.

R26

R25W4

Manitok Entice

24

1 3 2

22X

901

4

16-21

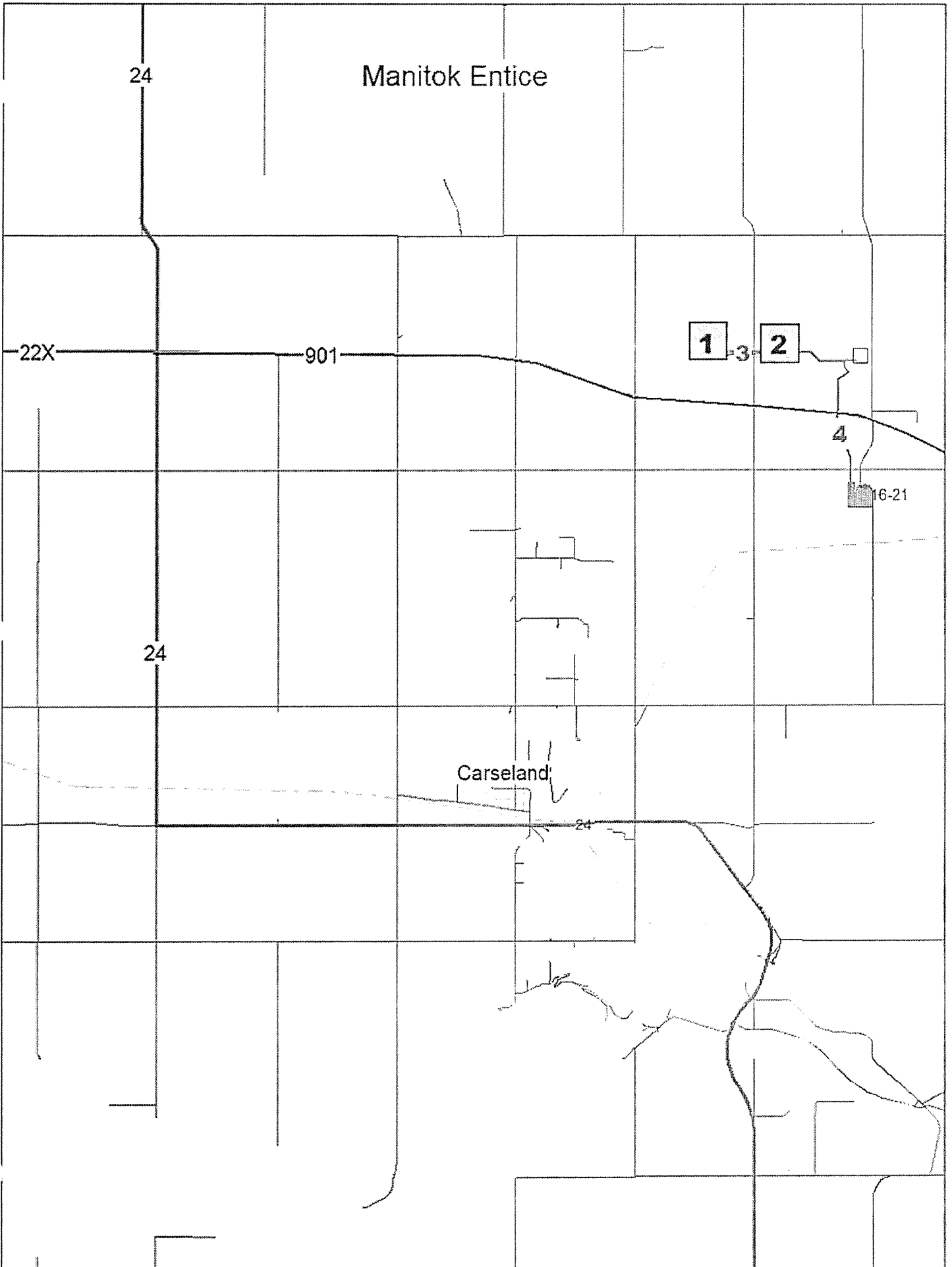
24

Carseland

24

R26

R25W4



SCHEDULE "F" attached to and forming part of STOLBERG AND ENTICE AREAS RENTAL AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ILLUSTRATIVE CALCULATION OF OPTION EXERCISE PRICE

Period	Annual Payments	Aggregate Payments	Total Payment
2015	\$1,811,875	\$1,811,875	\$17,688,125
2016	\$1,811,875	\$3,623,750	\$15,876,250
2017	\$1,811,875	\$5,435,625	\$14,064,375
2018	\$1,811,875	\$7,247,500	\$12,252,500
2019	\$1,811,875	\$9,059,375	\$12,190,625
2020	\$1,811,875	\$10,871,250	\$12,078,750
2021	\$1,811,875	\$12,683,125	\$11,980,000
2022	\$1,811,875	\$14,495,000	\$11,875,000

THIS FIRST AMENDING AGREEMENT dated as of the 12th day of June, 2015

BETWEEN:

MANITOK ENERGY INC.,
a corporation incorporated under the laws of Alberta
("**Manitok**")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited
partnership formed under the laws of Alberta ("**SAFM LP**")

WHEREAS Manitok and SAFM LP are parties to a rental agreement dated December 30, 2014 (the "**Stolberg and Entice Areas Rental Agreement**");

AND WHEREAS Manitok and SAFM LP wish to enter into this First Amending Agreement to set forth certain changes to the Stolberg and Entice Areas Rental Agreement and to otherwise confirm the provisions of the amended Stolberg and Entice Areas Rental Agreement;

AND WHEREAS pursuant to section 11.7 of the Stolberg and Entice Areas Rental Agreement, the Stolberg and Entice Areas Rental Agreement may only be amended or varied if such amendment or variation is evidenced in writing and executed by the parties thereto;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the mutual benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the Parties agree as set forth below.

1. Definitions

All capitalized terms used in this First Amending Agreement shall, unless otherwise defined herein, have the meanings herein given to them in the Stolberg and Entice Areas Rental Agreement, and:

"**First Amending Agreement**" means this first amending agreement.

"**Parties**" means the parties which are signatories to this First Amending Agreement.

"**Stolberg and Entice Areas Rental Agreement**" has the meaning given to it in the recitals.

2. Amendment to Stolberg and Entice Areas Rental Agreement

Effective as of the date of this First Amending Agreement, the Stolberg and Entice Areas Rental Agreement is amended by

(a) replacing in their entirety, subsections 9.1(c)(i) through (iii) with the following:

- (i) payment of any Facilities Rental payable to SAFM LP pursuant to Article 7;
 - (ii) payment when due (whether at maturity, upon acceleration or otherwise) of any Other Manitok Agreements or any debt or other obligations under any Material Agreement or Instrument, unless the default has been cured, remedied or waived in accordance with the provisions of the relevant agreement or instrument prior to the acceleration of any debt service maintenance obligations;
 - (iii) fulfilling its obligation to process, and causing its affiliates to process, its and their own Petroleum Substances through the Facilities in accordance with Section 6.4 of this Agreement or pursuant to equivalent obligations in any of the Other Manitok Agreements; or
 - (iv) any other material obligation of Manitok set forth herein, or under any of the Other Manitok Agreements,
- (b) by inserting the following provision as Section 4.4 of the Stolberg and Entice Areas Rental Agreement:

Subject to the terms and conditions in this Section 4.4, if:

- (a) there shall occur any transfer or sale of the issued and outstanding share capital of Manitok that would result in a Change of Control of Manitok; or
- (b) Manitok exercises its Manitok Option which, for certainty, may be exercised after Manitok has received a Notice Of Exercise from SAFM LP pursuant to this Section 4.4 but prior to payment of the Redemption Value (defined below) by Manitok to SAFM LP,

then SAFM LP shall have the option to require Manitok to purchase the Participating Interest of SAFM LP at any time during the term of this Agreement and, in the circumstances described in Section 4.4(b), following Payout for consideration equal to the Purchase Amount less any Disposition Payments plus the present value of the remaining Facilities Rental payments payable to SAFM LP in the ordinary course to the date the option is exercised, until termination pursuant to Section 9.1(a), calculated using a 17% discount rate (collectively, the "**Redemption Value**"). SAFM LP may exercise the option by giving sixty (60) days written notice thereof to Manitok (in this Section 4.4, "**Notice Of Exercise**"). Manitok shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to Manitok, as of the date of the Notice of Exercise, and unencumbered (subject only to the

Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities;

- (c) renumbering the existing Section 4.4 as Section 4.5 and the existing Section 4.5 as Section 4.6;
- (d) deleting "and" from Section 1.1(cc);
- (e) and by adding the following definitions to Section 1.1:
 - (b) **"Change of Control"** means the occurrence, in a single transaction or in a series of related transactions, of any of the following:
 - (i) the sale of fifty percent (50%) or more of the common shares of the Corporation excluding, however, any sale to an Affiliate (as defined in the *Business Corporations Act* (Alberta));
 - (ii) a merger, consolidation or similar transaction involving Manitok (other than a merger, consolidation or similar transaction between Manitok and an Affiliate) in which, immediately after such transaction, less than 50% of the outstanding voting securities of the surviving or resulting entity are then beneficially owned, directly or indirectly, in the aggregate by the holders of the common shares of the Corporation immediately prior to such merger, consolidation or other transaction; or
 - (iii) sale of substantially all of Manitok's assets; but does not include;
 - (iv) creation of a new "Control Person" as such term is defined under the *Securities Act* (Alberta);
 - (q) **"Material Agreement or Instrument"** means, any agreement or instrument that Manitok is a party to under which the amount of aggregate debt or other obligations of Manitok at any given time exceeds 50% of the amount of outstanding aggregate debt and other obligations under this Agreement and the Other Manitok Agreements;
 - (u) **"Other Manitok Agreements"** means, collectively, each of the Stolberg Area Joint Venture Agreement, the Wayne Joint Venture Agreement, the Wayne Rental Agreement, and any other agreement or instrument entered into by the Parties in connection therewith;
 - (ee) **"Stolberg Area Joint Venture Agreement"** means the joint venture agreement entered into by the Parties, dated December 30, 2014, as amended from time to time.

- (ii) **“Wayne Joint Venture Agreement”** means the joint venture agreement entered into by the Parties, dated June 12, 2015; and
- (jj) **“Wayne Rental Agreement”** means the rental agreement entered into by the Parties, dated June 12, 2015.

3. Confirmation

Each of the Parties acknowledges and agrees that the Stolberg and Entice Areas Rental Agreement, as amended by this First Amending Agreement, is and will continue to be in full force and effect, and is hereby ratified and confirmed, and the rights and obligations of all parties thereunder will not be affected in any manner by the provisions of this First Amending Agreement, except as expressly provided in Section 2 of this First Amending Agreement.

4. Assurances

At any time or from time to time after the date hereof, the Parties agree to co-operate with each other, and at the request of any other Party, to execute and deliver any further instruments or documents and to take all such further action as the other Party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the Parties.

5. Counterparts

This First Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile or other electronic transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this First Amending Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per:  _____

**Massimo M. Geremia
President & CEO**

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per: _____

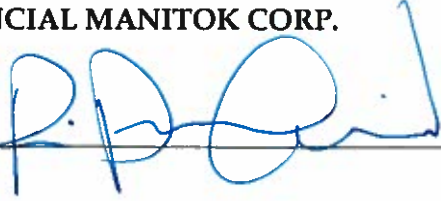
IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

THIS SECOND AMENDING AGREEMENT dated as of the 29th day of June, 2015

BETWEEN:

MANITOK ENERGY INC.,
a corporation incorporated under the laws of Alberta
("Manitok")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited
partnership formed under the laws of Alberta ("SAFM LP")

WHEREAS Manitok and SAFM LP are parties to a rental agreement dated December 30, 2014, as amended by a First Amending Agreement dated June 12, 2015 (the "Stolberg and Entice Areas Rental Agreement");

AND WHEREAS Manitok and SAFM LP wish to enter into this Second Amending Agreement to set forth certain changes to the Stolberg and Entice Areas Rental Agreement and to otherwise confirm the provisions of the amended Stolberg and Entice Areas Rental Agreement;

AND WHEREAS pursuant to section 11.7 of the Stolberg and Entice Areas Rental Agreement, the Stolberg and Entice Areas Rental Agreement may only be amended or varied if such amendment or variation is evidenced in writing and executed by the parties thereto;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the mutual benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the Parties agree as set forth below.

1. Definitions

All capitalized terms used in this Second Amending Agreement shall, unless otherwise defined herein, have the meanings herein given to them in the Stolberg and Entice Areas Rental Agreement, and:

"Parties" means the parties which are signatories to this Second Amending Agreement.

"Second Amending Agreement" means this second amending agreement.

"Stolberg and Entice Areas Rental Agreement" has the meaning given to it in the recitals.

2. Amendment to Stolberg and Entice Areas Rental Agreement

Effective as of the date of this Second Amending Agreement, the Stolberg and Entice Areas Rental Agreement is amended

- (a) by deleting Section 4.4 in its entirety;
- (b) by renumbering the existing Sections 4.5 and 4.6 as Sections 4.4 and 4.5, respectively;
- (c) by deleting Section 7.2 in its entirety and replacing it with the following:

Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If (a) any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the “**Cure Period**”), or (b) following an occurrence of a Change of Control, SAFM LP requests Manitok to exercise the Manitok Option pursuant to Section 4.3 and Manitok does not comply with such request within five (5) business days (the “**Manitok Option Default Event**”), then SAFM LP shall have the right, upon (i) the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), or (ii) such Manitok Option Default Event, as applicable, to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. Notwithstanding the foregoing, in the event that (a) the Manitok Option Default Event occurs as a result of Manitok’s primary lender refusing to provide consent and (b) Manitok is not otherwise in default under this Agreement, then, rather than five (5) business days, Manitok shall have fifteen (15) days to comply with SAFM LP’s request to exercise the Manitok Option pursuant to Section 4.3. SAFM LP and Manitok shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of Manitok’s Petroleum Substances at the Facilities.

- (d) by deleting “or” from the end of subsection 9.1(c);
- (e) by replacing the “.” in subsection 9.1(d) with “; or”;
- (f) by adding the following as subsection (e) to Section 9.1:

the date on which there occurs any transfer or sale of the issued and outstanding share capital of Manitok that would result in a Change of Control of Manitok,

- (g) by deleting Section 9.3 in its entirety and replacing it with the following:

In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(a) or 9.1(e) and where Manitok has not exercised its option to acquire the Participating Interest and the Facilities pursuant to Section 9.4, or in the event of termination of this Agreement pursuant to Sections 9.1(c) or 9.1(d), Manitok

shall, promptly on request by SAFM LP and subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

Each of the Parties acknowledges and agrees that the Stolberg and Entice Areas Rental Agreement, as amended by this Second Amending Agreement, is and will continue to be in full force and effect, and is hereby ratified and confirmed, and the rights and obligations of all parties thereunder will not be affected in any manner by the provisions of this Second Amending Agreement, except as expressly provided in Section 2 of this Second Amending Agreement.

3. Assurances

At any time or from time to time after the date hereof, the Parties agree to co-operate with each other, and at the request of any other Party, to execute and deliver any further instruments or documents and to take all such further action as the other Party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the Parties.


4. Counterparts

This Second Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile or other electronic transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this Second Amending Agreement.


[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed and delivered this Second Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: 

Massimo M. Geremia
President & CEO

Per: 

Robert G. Dion
Vice President, Finance & CFO

STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

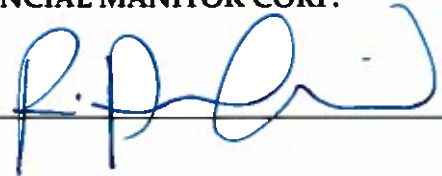
IN WITNESS WHEREOF, the Parties have executed and delivered this Second Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

TAB B

STOLBERG AREA
JOINT VENTURE AGREEMENT

THIS AGREEMENT made effective as of the 30th day of December, 2014

BETWEEN:

MANITOK ENERGY INC., a body corporate existing under the laws of Alberta (hereinafter referred to as "**Manitok**")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited partnership formed under the laws of Alberta (hereinafter referred to as "**SAFM LP**")

WHEREAS Manitok is the owner and operator of the Facilities (as defined herein) as to a working interest of approximately 30% to 33%;

AND WHEREAS Manitok and SAFM LP have agreed to form the Joint Venture for the purposes of financing, owning and operating the Facilities;

AND WHEREAS Manitok has agreed to contribute the Facilities and SAFM LP has agreed to pay Manitok for value attributable to the Facilities as part of the Joint Venture and pursuant to the terms and conditions hereinafter set forth;

AND WHEREAS the Facilities are designed to process and transport Petroleum Substances;

AND WHEREAS Manitok has agreed to use the Facilities to process and transport Petroleum Substances which it owns or controls or becomes entitled to be owned or controlled within the Stolberg Area and SAFM LP has agreed to grant Manitok the possession and use of the Facilities to process and transport such Petroleum Substances owned or controlled by Manitok, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the premises hereto and the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 In this Agreement, including this Section 1.1, the recitals and the Schedules hereto, unless the context otherwise requires:

- (a) "**Agreement**", "**hereto**", "**hereof**", "**herein**", "**hereby**", "**hereunder**" and similar terms mean and refer to this Joint Venture Agreement and all written

instruments made by the parties hereto to supplement, amend or confirm this Agreement;

- (b) **"Collateral Documents"** has the meaning set forth in Section 3.2 hereof;
- (c) **"Commitment Amount"** means the amount of \$2,500,000 to be contributed by SAFM LP pursuant to Section 3.1 hereof;
- (d) **"Confidential Information"** means all information of a Party, including without limitation: written communications, computer programs, photographs, financial and accounting books and records, specifications, reports, products, know-how, processes, technology, practices, correspondence, documents, and other information, whether written or otherwise, that is prepared or received by a Party in connection with this Agreement and the reimbursement of Manitok for value attributable to ownership and operation of the Facilities, but shall not include information that:
 - (i) is now or becomes in the public domain without the wrongful act or breach of this Agreement by another party;
 - (ii) is already known by the receiving Party at the time of disclosure, or is rightfully received from a third party on a non-confidential basis, as demonstrated by reasonable evidence; or
 - (iii) is approved for release by the prior express written authorization of the Party to whom such confidential information belongs;
- (e) **"Cure Period"** has the meaning ascribed to it in Section 7.2 hereof;
- (f) **"Effective Date"** means December 30th, 2014;
- (g) **"Facilities"** means, collectively, the Stolberg oil battery located at LSD: 042-15-W5M operating under AER License Numbers 0046373 and 0047423, all as more particularly described in Schedule "A"; and all present and future contractual rights related to those facilities, including any third party agreements to process and transport Petroleum Substances through the Facilities;
- (h) **"Facilities Capacity"** means with respect to the Facilities, as such Facilities exist on the date of this Agreement, the daily volumetric capacity of such Facilities;
- (i) **"Facilities Tariff"** means \$30,000.00, plus GST, payable each month by Manitok to SAFM LP pursuant to Section 7.1;

- (j) “**GST**” means the goods and services tax payable pursuant to the *Excise Tax Act* (Canada) or such other similar, amended or replacement legislation in force from time to time;
- (k) “**Insolvency Event**” means when a Party hereto makes an assignment for the benefit of its creditors generally or files a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction, or a receiving order is made or a petition is filed under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction against a Party hereto;
- (l) “**Joint Venture**” means the joint venture formed by the Parties upon the execution of this Agreement;
- (m) “**Joint Venture Objectives**” has the meaning ascribed to it in Section 2.3 hereof;
- (n) “**Lenders**” has the meaning ascribed to it in Section 9.6 hereof;
- (o) “**Manitok Option**” has the meaning ascribed to it in Section 4.3 hereof;
- (p) “**Manitok ROFR**” has the meaning ascribed to it in Section 4.2 hereof;
- (q) “**Manager**” means Manitok as operator of the Facilities;
- (r) “**No Interest Letter**” has the meaning ascribed to it in Section 9.6 hereof;
- (s) “**Notice Of Exercise**” has the meaning ascribed to it in Section 4.3 and 4.4 hereof;
- (t) “**Operating Costs**” means all operating costs and expenses, including maintenance capital expenditures incurred in connection with the ownership, operation, testing, repair and maintenance of the Facilities, including, without limiting the generality of the foregoing, property taxes, surface rentals, fire and liability insurance, property insurance, boiler and machinery insurance, general liability insurance and pollution liability insurance, the cost of acquiring materials and supplies (excluding Petroleum Substances) consumed in the normal operation of the Facilities and overhead and administrative expenses;
- (u) “**Option Exercise Price**” has the meaning ascribed to it in Section 4.3 hereof;
- (v) “**Participating Interest**” has the meaning ascribed to it in Section 2.3(a);
- (w) “**Parties**” means Manitok and SAFM LP, and “**Party**” shall mean either one of them;

- (x) **"Payout"** means the first day of the month next following the date that the sum of the aggregate Facilities Tariff first equals or exceeds the Payout Value;
- (y) **"Payout Value"** means the amount equal to 110% of the Commitment Amount;
- (z) **"Permitted Encumbrances"** means, at any time:
 - (i) liens for taxes, assessments and governmental charges which are not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (ii) mechanics', builders', materialmen's or similar liens for services rendered or goods supplied for which payment is not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (iii) easements, rights of way, servitudes and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains and electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables;
 - (iv) the right reserved to or vested in any governmental authority by the terms of any lease, license, franchise, grant or permit or by any applicable law, to terminate any such lease, license, franchise, grant or permit;
 - (v) liens or security granted in the ordinary course of business to a public utility, municipality or governmental authority in connection with operations pertaining to the Facility; and
 - (vi) encumbrances granted by SAFM LP or granted at the direction of SAFM LP pursuant to Section 3.4(c);
- (aa) **"Petroleum Substances"** means petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing;
- (bb) **"Redemption Value"** has the meaning ascribed to it in Section 4.4 hereof;
- (cc) **"Sales Taxes"** means sales taxes, value added taxes, business transfer taxes or any other taxes, other than GST;
- (dd) **"Stolberg Area"** means, collectively, the areas of Alberta set forth in Schedule "E" attached hereto;
- (ee) **"Subject Interest"** has the meaning ascribed to it in Section 4.2 hereof; and

- (ff) "Subject Month" has the meaning ascribed to it in Section 7.1 hereof.
- 1.2 Time shall, in all respects, be of the essence in each of the terms, covenants, obligations and conditions in this Agreement.
- 1.3 The division of this Agreement into articles, sections and subsections and the provision of headings for any division of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.4 Any word contained herein importing the singular shall include the plural and vice versa and any word importing gender shall include masculine, feminine and neuter.
- 1.5 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 and the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or in connection with this Agreement or any of the transactions contemplated hereby.
- 1.6 Any reference in this Agreement to "generally accepted accounting principles" or "IFRS" means International Financial Reporting Standards or generally accepted accounting principles applicable to public companies in Canada at the relevant time.
- 1.7 All dollar amounts referred to in this Agreement are stated in Canadian dollars.
- 1.8 All amounts hereunder are exclusive of GST and any applicable Sales Taxes.
- 1.9 The following are the schedules annexed to and incorporated in this Agreement by reference and deemed to be a part hereof;
- (a) Schedule "A" - Description of the Facilities;
 - (b) Schedule "B" - Assignment and Declaration of Trust;
 - (c) Schedule "C" - Collateral Documents;
 - (d) Schedule "D" - Insurance Coverage;
 - (e) Schedule "E" - Stolberg Area; and
 - (f) Schedule "F" - Illustrative Calculations of Option Exercise Price.
- 1.10 References to Manitok herein include Manitok in its capacity as Manager and/or operator of the Facilities.
- 1.11 Manitok shall, as soon as is practicable, following the Effective Date, provide the appropriate maps illustrating the Stolberg Areas, to be attached as Schedule "E".

ARTICLE 2 FORMATION OF JOINT VENTURE

- 2.1 Manitok and SAFM LP hereby form the Joint Venture for the purposes and in accordance with the terms and conditions contained herein. The Joint Venture shall be formed in accordance with and governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- 2.2 The Joint Venture shall limit its operations to the Joint Venture Objectives (as that term is defined in Section 2.3).
- 2.3 The purpose, nature and character of the business of the Joint Venture are:
- (a) to create for SAFM LP a 100% undivided beneficial ownership interest in the Facilities (the "Participating Interest");
 - (b) to permit the processing of Petroleum Substances owned or controlled by Manitok and other parties from the Stolberg Area;
 - (c) to provide for the ongoing operation, testing, repair and maintenance of the Facilities; and
 - (d) to engage in such other activities incidental or ancillary to the matters referred to in paragraph (a), (b) and (c) above,
- all of which are collectively referred to in this Agreement as the "Joint Venture Objectives".
- 2.4 This Agreement does not create a partnership, agency or other fiduciary relationship between the Parties. No Party shall be considered to be an agent or representative of any other Party or have any authority or power to act for or to undertake any obligation on behalf of the other Parties, except as expressly contained in this Agreement.
- 2.5 Each Party shall have the absolute right to commence, continue, expand, diminish or cease to carry on any business (provided such cessation of business would not affect such Party's obligations under this Agreement) or undertaking whatsoever (including the acquisition, development, leasing, sale, operation and management of any oil and gas properties and facilities) and to engage in undertakings separate and apart from those relating to the Joint Venture Objectives without any accountability to any other Party. Other than as indicated on Schedule "A" of this Agreement, a Party shall not, by reason of this Agreement, have any interest in any other property now owned or hereafter acquired by any other Party or in any other undertaking of other Parties, whether or not similar to the Joint Venture Objectives.
- 2.6 The name of the Joint Venture shall be "Stolberg Facilities Joint Venture".

- 2.7 Pursuant to this Agreement, the Parties agree to file a joint election pursuant to Section 16.1 of the *Income Tax Act* (Canada), if appropriate.

ARTICLE 3
REIMBURSEMENT OF VALUE AND OPERATION OF THE FACILITIES

- 3.1 SAFM LP covenants to pay to ManitoK the Commitment Amount. SAFM LP shall pay the Commitment Amount on the Effective Date by way of wire transfer payable to ManitoK.
- 3.2 Upon payment by SAFM LP of the Commitment Amount pursuant to Section 3.1 hereof, SAFM LP shall have earned and shall be entitled to its Participating Interest in the Facilities. The Participating Interest of SAFM LP shall be held subject to all the terms and provisions of all licenses and permits issued by regulatory authorities in respect of the Facilities and any other agreements or instruments relating to the ownership and operation of the Facilities, all as described in Schedule "C" (the "**Collateral Documents**"), but SAFM LP shall not, except as expressly provided in Schedule "C", have any liabilities or obligations in respect thereof. SAFM LP is entitled to obtain a copy of any Collateral Documents upon written request to ManitoK.
- 3.3 Notwithstanding any other provision of this Agreement, but subject to payment by SAFM LP of the Commitment Amount, ManitoK shall pay and shall indemnify and hold SAFM LP harmless from and against all Operating Costs incurred or for which a liability arose prior to or following the Effective Date and on or before the date on which ManitoK ceased to have an interest in the Facilities. ManitoK further agrees to indemnify and save harmless SAFM LP from all claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, accrued and future asset retirement, abandonment and reclamation obligations, costs and expenses arising directly or indirectly in connection with the ownership, testing, repair, maintenance and operation of the Facilities prior to, on, or following the Effective Date and on or before the date on which ManitoK ceases to have an interest in the Facilities, regardless of whether such claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, obligations, costs or expenses are known or unknown at the time ManitoK ceased to have an interest in the Facilities.
- 3.4 During the term of this Agreement, ManitoK:
- (a) shall retain legal title to the Facilities and shall hold SAFM LP's Participating Interest in the Facilities as bare trustee for the benefit of SAFM LP;
 - (b) shall not, except for Permitted Encumbrances and as herein provided, sell, sub-lease, mortgage, encumber or otherwise dispose of the Facilities without the written consent of SAFM LP;
 - (c) shall, in its capacity as bare trustee, mortgage and encumber the Facilities as reasonably directed by SAFM LP from time to time; and

- (d) shall not, without the prior written consent of SAFM LP, agree to or cause any amendment, modification or alteration of the underlying Collateral Documents.

On the Effective Date, Manitok shall execute an Assignment and Declaration of Trust in the form attached as Schedule "B".

- 3.5 Notwithstanding any other provision contained in this Agreement to the contrary, Manitok shall pay to SAFM LP an amount equal to any and all GST and any applicable Sales Taxes imposed on SAFM LP with respect to the Facilities Tariff payable by Manitok under this Agreement, it being the intention of the parties that SAFM LP shall be fully reimbursed by Manitok with respect to any and all GST and any applicable Sales Taxes payable by SAFM LP.
- 3.6 It is the intention of the Parties to jointly elect under subsection 167(1) of the *Excise Tax Act* removing the requirement for SAFM LP to pay GST in respect of the Facilities. SAFM LP acknowledges that it will file this election within the reporting period during which the GST would have been payable.

ARTICLE 4 TRANSACTIONS INVOLVING THE PARTICIPATING INTEREST

- 4.1 Subject to Section 3.4(c) and Section 4.5 and anything contained in the Collateral Documents, SAFM LP shall not assign, transfer, convey or otherwise dispose of its Participating Interest or any portion thereof without the prior written consent of Manitok. The consent of Manitok may not be unreasonably withheld provided SAFM LP has complied with Section 4.2 and the assignee or transferee executes transfer documentation and an acknowledgement in which the transferee or assignee agrees, among other things, to be bound by the terms of this Agreement, and the No Interest Letter, and to hold its Participating Interest subject to the terms of any Collateral Documents and any other documentation required by the Collateral Documents. Notwithstanding the foregoing, SAFM LP may assign, transfer, convey or otherwise dispose of its aggregate Participating Interest or any portion thereof to any affiliated subsidiary or entity under the management of SAFM LP without the prior written consent of Manitok, provided that such affiliated subsidiary or entity is bound by the terms of this Agreement and the No Interest Letter.
- 4.2 If SAFM LP wishes to assign, sell or dispose of, or has received an offer which it is willing to accept for the assignment, sale or disposition of all or part of its Participating Interest (in this Section 4.2 called the "Subject Interest"), SAFM LP shall give written notice thereof to Manitok. SAFM LP's notice shall contain the terms and conditions of the proposed assignment, sale or disposition, including the consideration to be received for the subject interest (including a bona fide estimate of the value of any non-cash consideration) and the name of the offering party (any such person being an "Offering Party"). If the Offering Party is not an affiliated subsidiary or entity under the management of SAFM LP, Manitok shall have the right for a period of forty-five (45) days after receipt of the written notice from SAFM

LP to elect in writing to acquire the Subject Interest from SAFM LP on the terms and conditions contained in the notice (the "**Manitok ROFR**"). Manitok, if it so elects, shall be obligated to acquire the subject interest in its entirety within a period of forty-five (45) days after the Manitok ROFR election date. If Manitok declines or fails to elect within the said notice period to acquire the subject interest, SAFM LP shall, subject to Section 4.1, be free for a period of sixty (60) days following the expiry of the notice period, to assign, sell or dispose of the subject interest on the terms and conditions and to the Offering Party stipulated in its offer, but not after the said 60 day period, nor otherwise than as so stipulated, without again complying with the provisions of this Section 4.2.

4.3 Subject to the terms and conditions in this Section 4.3, Manitok shall have the option (the "**Manitok Option**") to acquire the Participating Interest of SAFM LP at any time during the term of this Agreement for the Option Exercise Price described below. Manitok may exercise the Manitok Option by giving not less than thirty (30) days written notice thereof to SAFM LP (in this Section 4.3, the "**Notice Of Exercise**") and by concurrently therewith delivering a certified cheque or bank draft to SAFM LP for an amount (in this Section 4.3, the "**Option Exercise Price**") sufficient to cause SAFM LP to receive an annual yield on the Commitment Amount (taking into account all amounts received by SAFM LP on account of the Facilities Tariff) equal to 13.5% (calculated in accordance with the illustrative calculation set forth in Schedule "F"), calculated daily from the Effective Date to the later of the date of such acquisition and the date that is four years after the Effective Date, or prior to four years subject to written consent of SAFM LP. Upon any such exercise of the Manitok Option and payment in full of the Option Exercise Price as aforesaid by way of bank draft or certified cheque, SAFM LP shall assign to Manitok, as of the date of the Notice Of Exercise, and unencumbered (subject only to the Permitted Encumbrances, other than encumbrances granted at the direction of SAFM LP pursuant to Sections 3.4(c) and 4.4 hereof, and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

4.4 Subject to the terms and conditions in this Section 4.4, and subject to the exercise by Manitok of its Manitok Option which, for certainty, may be exercised after Manitok has received a Notice Of Exercise from SAFM LP pursuant to this Section 4.4 but prior to payment of the Redemption Value (defined below) by Manitok to SAFM LP, SAFM LP shall have the option to require Manitok to purchase the Participating Interest of SAFM LP at any time during the term of this Agreement following Payout for consideration equal to the sum of the Commitment Amount and the present value of the remaining Facilities Tariff payments payable to SAFM LP in the ordinary course to the date the option is exercised, until termination pursuant to Section 9.1(a), calculated using a 17% discount rate (collectively, the "**Redemption Value**"). SAFM LP may exercise the option by giving sixty (60) days written notice thereof to Manitok (in this Section 4.4, "**Notice Of Exercise**"). Manitok shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any

such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to Manitok, as of the date of the Notice of Exercise, and unencumbered (subject only to the Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- 4.5** Manitok hereby consents to SAFM LP encumbering the Facilities and its Participating Interest (and any subsequent assignment of the Facilities and its Participating Interest in connection with any enforcement of such encumbrances) in connection with any financing thereof by SAFM LP provided that any holder of such encumbrance shall acknowledge that its interest in the Facilities and the Participating Interest is subject to the terms of this Agreement. Advance notice of any contemplated financing shall be provided to Manitok and the details of any such encumbrances shall be provided by SAFM LP to Manitok forthwith upon Manitok's request. All such encumbrances shall be discharged concurrently with any disposition of all of its Participating Interest to Manitok pursuant to the provisions of this Article 4.
- 4.6** Manitok shall not materially expand, supplement, replace, reconfigure or rebuild the Facilities without the consent of SAFM LP, and such consent shall not be unreasonably withheld.

ARTICLE 5 MANAGER

- 5.1** Manitok shall be Manager and operator of the Facilities to make all decisions and elections and to perform all duties with respect to the ownership and operation of the Facilities, including, without limiting the generality of the foregoing, all decisions and elections required to be made and all duties required to be performed by SAFM LP pursuant to this Agreement and any decisions or elections required to be made and all duties required to be performed pursuant to any Collateral Documents. The Manager shall be an independent contractor in conducting the management of the Facilities. SAFM LP agrees that it shall be bound by all decisions and elections made by the Manager in respect of the operation of the Facilities and that it shall not bring or have any claim or action against the Manager for any decision or election made or duty performed by the Manager provided such decision or election is made or such duty performed in good faith and without wilful misconduct or gross negligence.
- 5.2** In addition, by executing this Agreement, SAFM LP hereby appoints and constitutes Manitok, or any successor manager, as applicable, as its true and lawful agent and attorney in fact to act for the purpose of executing on behalf of SAFM LP any transfer documents required to be executed by SAFM LP pursuant to Section 9.2 or 9.3 upon termination of this Agreement. The limited power of attorney granted hereby is coupled with an interest and shall survive and not be affected by the subsequent death, incapacity, disability, bankruptcy, liquidation or dissolution, as applicable, of

SAFM LP, and shall extend to each of SAFM LP's successors, permitted assigns, heirs, executors and legal representatives, as applicable.

5.3 The Manager, except as expressly provided elsewhere in this Agreement, and at its own cost and expense:

- (a) will provide office space, equipment and accounting, engineering and clerical staff necessary for the ownership and operation of the Facilities. SAFM LP is not required to engage employees for its own account;
- (b) will keep and maintain at all times true and accurate books, records and accounts containing full and complete particulars of all operations, receipts and disbursements relating to the Participating Interest and the contractual rights of the Parties hereunder and, upon request by SAFM LP, shall make available such books, records and accounts to SAFM LP or its agents, at all reasonable times;
- (c) will conduct and cause to be conducted all operation of the Facilities hereunder in the manner of a reasonable and prudent operator and in accordance with good industry practice;
- (d) except as otherwise provided herein, will maintain the interest of SAFM LP in the Facilities and the interest of Manitok in all land and equipment used in connection therewith free from all liens, charges and encumbrances except for Permitted Encumbrances and such liens, charges or encumbrances which may be created or granted by SAFM LP in accordance with the terms of this Agreement;
- (e) will comply in all material respects with all of the terms of any Collateral Documents and obtain and maintain in good standing all required permits and approvals;
- (f) will procure and maintain insurance (and SAFM LP (or a nominee thereof) shall be listed as first loss payee on each certificates of insurance) against such risks and in such amounts as would a reasonably prudent operator engaged in the ownership, operation of a facility similar to the Facilities, including property insurance, boiler and machinery insurance, general liability insurance, business interruption insurance and pollution liability insurance, and which insurance in any event shall provide for coverage and deductibles no less favourable to the insured than are set forth in Schedule "D";
- (g) shall exercise the powers and discharge the duties of Manager and in this respect will manage, control and operate the Facilities and will cause to be done any and all acts necessary, appropriate or incidental to carrying out the purpose and business of the Joint Venture and will do so honestly, in good faith and with a view to the commercial interests of the Joint Venture, Manitok and SAFM LP;

- (h) will provide from time to time the representatives of SAFM LP, upon reasonable notice by SAFM LP to the Manager, access to the Facilities to enable SAFM LP to inspect and ensure proper care and maintenance of the equipment listed in Schedule "A"; and
 - (i) will provide to SAFM LP such information regarding the ownership and operation of the Facilities as SAFM LP may from time to time request.
- 5.4 The Manager shall ensure that the proceeds of all policies of insurance referred to in Section 5.3(f) are used to rebuild or refurbish the Facilities as promptly as reasonably practicable, as may be necessary to restore the Facilities to no lesser than the operating specifications as of the date hereof.
- 5.5 Notwithstanding anything else herein contained but subject to the No Interest Letter, only in the event of a material breach of this Agreement (which is not cured within 30 days of notice of default being received by ManitoK), SAFM LP shall have the right to take over management of the Facility and/or terminate this Agreement and ManitoK will enter an industry standard operating agreement and processing agreement with SAFM LP to continue processing ManitoK's Petroleum Substances at the Facility.

ARTICLE 6 USE OF FACILITIES

- 6.1 In consideration for the payment set out in Section 7.1, ManitoK shall have possession and use of the Facilities for the term of this Agreement.
- 6.2 ManitoK shall have possession and use of the Facilities on an "as is-where is" basis and SAFM LP shall not be responsible to ManitoK for the quality or performance of the Facilities.
- 6.3 For such periods of time where ManitoK was Manager or operator of the Facility, ManitoK shall, at its sole risk and expense, be responsible for maintaining all facilities and equipment as may be necessary to process Petroleum Substances produced in the Stolberg Area to the extent required to enable such substances to be processed through the Facilities.
- 6.4 ManitoK hereby agrees to, and to cause its affiliates to use SAFM LP's Facilities Capacity, for so long as the Facilities are safely processing Petroleum Substances and all necessary permits issued by applicable regulatory authorities remain in good standing, to process and transport Petroleum Substances which ManitoK or any of its affiliates owns or controls or becomes entitled to own or control within the Stolberg Area. In the event of a sale or transfer of lands within the Stolberg Area owned by ManitoK to a third party, a term and condition of such sale or transfer shall require the third party to agree to the Petroleum Substances reserves dedication under this Section 6.4 or exercise the ManitoK Option pursuant to Section 4.3 such that the acquisition pursuant to the exercise of the ManitoK Option is completed concurrently with such sale or transfer.

- 6.5 It is understood and agreed that SAFM LP shall not acquire title to any Petroleum Substances but only that it shall have possession thereof for the purposes of Section 7.3 hereof. It is further understood and agreed that Petroleum Substances owned by Manitok may be commingled with Petroleum Substances owned by other producers.
- 6.6 For such periods of time where Manitok was Manager or operator of the Facility, SAFM LP shall have no responsibility or liability whatsoever arising as a result of, and Manitok shall indemnify SAFM LP against liability for:
- (a) losses or damages incurred or sustained in connection with the ownership, maintenance and operation of the Facilities;
 - (b) changes in the quality or characteristics of Manitok's Petroleum Substances or for any losses or damages resulting from the commingling of Manitok's Petroleum Substances with other Petroleum Substances;
 - (c) any loss or destruction of Petroleum Substances owned by Manitok or any environmental damage that may ensue as a result of any mechanical or structural failure in the operation of the Facilities;
 - (d) all royalties, overriding royalties, production payments and all other taxes and payments chargeable against Manitok's share of Petroleum Substances;
 - (e) any costs, actions, claims or losses, express or implied, whatsoever suffered by or brought against SAFM LP resulting from any person, firm, corporation or body politic claiming an interest in the Petroleum Substances processed through the Facilities by Manitok, any of its affiliates or any other person, firm, corporation or body politic; and
 - (f) any and all losses caused by, resulting or arising from or otherwise relating to, directly or indirectly, a breach of any environmental laws or directives.
- 6.7 The rights and obligations of the Parties contained in this Article 6 shall remain in full force and effect until termination of this Agreement pursuant to Article 9, provided that Sections 6.3 and 6.6 shall survive any such termination.

ARTICLE 7 FACILITIES TARIFF

- 7.1 Manitok shall pay to SAFM LP the Facilities Tariff as a fee for the use of the Facilities. Commencing on the calendar month next following the Effective Date, Manitok shall pay to SAFM LP on the last day (or the next business day thereafter if not a business day) of each month (on account of the Facilities Tariff payable in respect of the month in which payment is incurred (the "Subject Month")) an amount equal to the Facilities Tariff.
- 7.2 Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of

interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the "Cure Period"), then SAFM LP shall have the right, upon the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. SAFM LP and Manitok shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of Manitok's Petroleum Substances at the Facilities.

- 7.3 If any amount payable hereunder is unpaid after the date for payment, Manitok hereby grants SAFM LP a security interest and lien therefor on Petroleum Substances that are processed or transported through the Facilities as security for such obligations, limited to the unpaid amount to date and interest thereon and SAFM LP is further authorized to sell, for the best price obtainable in the open market, such quantity or quantities of such Petroleum Substances as shall be sufficient to pay such indebtedness plus the interest accrued thereon as aforesaid. However, such sales of Manitok's Petroleum Substances shall first be made under the terms of any existing contracts for the sale thereof previously made by Manitok in which event SAFM LP shall have the right to receive directly from the purchasers of those Petroleum Substances the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided herein and such purchaser shall be entitled to rely on SAFM LP's statements concerning the existence and the amount owing by Manitok to SAFM LP. SAFM LP shall use commercially reasonable efforts to obtain an acknowledgment from each purchaser under existing contracts of its existing rights to obtain proceeds from a sale of Manitok's Petroleum Substances in connection with the service of notice of default upon Manitok in respect of this Section 7.3. The exercise of the lien hereunder and the interest accruing thereon as aforesaid provided in this Section 7.3 by SAFM LP shall not prejudice or exhaust any other rights or remedies of SAFM LP and shall be in addition to any other rights or remedies SAFM LP may have to secure payment of any and all amounts payable to it hereunder and SAFM LP may pursue any and all of such rights both before and after exercise of the lien.

ARTICLE 8 CONFIDENTIALITY

- 8.1 The Parties agree that all Confidential Information they may receive as a result of or in connection with the work carried out under this Agreement shall be the exclusive property of the Parties hereto, shall be classified as confidential and treated as proprietary, and shall not be shared or traded with any other person whatsoever, except as permitted hereunder.

- 8.2 Each Party agrees that it will comply with all confidentiality provisions contained in any contract between the Parties hereto and a third party made in connection with this Agreement or the Joint Venture Objectives, as if it were a party to such contract, during the term of this Agreement, as well as subsequent to the termination of this Agreement.
- 8.3 Notwithstanding the provisions of Sections 8.1 and 8.2, any Party, without the consent of the other, may at any time provide disclosure as required in the following circumstances: (i) disclosure to duly organized stock exchanges or other regulatory bodies; (ii) disclosure required by governments, their agencies or other regulatory authorities having or purporting to have jurisdiction; (iii) disclosure required by any financial institution with whom a Party is attempting to obtain financing or has existing financing arrangements; (iv) disclosure to its legal and financial advisors, provided such disclosure is made under a duty of confidentiality; (v) disclosure required by law; or (vi) disclosure by SAFM LP to a prospective purchaser of a Participating Interest or a prospective replacement operator or Manager of the Facilities, provided such disclosure is made under a duty of confidentiality.
- 8.4 The Parties shall take all reasonable steps to ensure the observance of the restrictions set forth in this Article 8 by the Parties, and by their employees, officers and directors, and shall take all reasonable steps to minimize the risk of disclosure of Confidential Information by such persons.
- 8.5 The obligation of confidentiality contained herein shall survive the termination of this Agreement for a period of one year.
- 8.6 The Parties shall consult with one another before making, and shall agree upon the content of, any news release or other public disclosure in connection with this Agreement.

ARTICLE 9 TERMINATION

- 9.1 Except as otherwise provided herein, this Agreement shall continue until the earlier of:
- (a) the expiration of twenty (20) years after the date hereof and the payment of all amounts (including all 240 payments of the Facilities Tariff pursuant to Section 7.1) payable by Manitok hereunder;
 - (b) such date that the Manitok Option or the Manitok ROFR is exercised and completed;
 - (c) such date, subject to the No Interest Letter, as shall be determined by SAFM LP in the event that Manitok is in default of:
 - (i) payment of any Facilities Tariff payable to SAFM LP pursuant to Article 7;

(ii) fulfilling its obligation to process, and causing its affiliates to process, its and their own Petroleum Substances through the Facilities in accordance with Section 6.4; or

(iii) any other material obligation of Manitok set forth herein,

and Manitok has not remedied the default within 15 days of written notice of default being received by Manitok (subject to Section 7.2); or

(d) the date that Manitok suffers an Insolvency Event.

Any such termination shall not affect the rights and remedies of Manitok and SAFM LP that accrued prior to such termination, or that arise as a result thereof.

9.2 In the event of termination of this Agreement after Payout, SAFM LP shall assign, transfer and convey all of its Participating Interest, including its right, title and interest in the Facilities, free and clear of all mortgages (except for Permitted Encumbrances and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.3 of this Agreement) and security interests created by, through or under SAFM LP (other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.4 here of and the Collateral Documents), to Manitok, together with all benefits and advantages to be derived therefrom, and Manitok shall accept such assignment and transfer of the Participating Interest and the interest of SAFM LP in the Facilities in consideration only for the assumption by Manitok, and the release or indemnification by Manitok of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities.

9.3 In the event of termination of this Agreement prior to Payout or in connection with the exercise by Manitok of its Manitok Option pursuant to Section 4.3 or the Manitok ROFR, SAFM LP shall assign, transfer and convey all of its Participating Interest including its right, title and interest in the Facilities, free and clear of all mortgages (except for Permitted Encumbrances and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.3 of this Agreement) and security interests created by, through or under SAFM LP (other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.4 hereof and Collateral Documents), to Manitok, together with all benefits and advantages to be derived therefrom, and Manitok shall accept such assignment and transfer of the Participating Interest and interest of SAFM LP in the Facilities in consideration for the payment of the Redemption Value, Option Exercise Price or the Manitok ROFR price, respectively, by Manitok to SAFM LP and the assumption by Manitok, and the release or indemnification by Manitok of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities.

9.4 In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(a), 9.1(c) or 9.1(d), Manitok shall, subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

- 9.5 In connection with the foregoing, Manitok shall execute undated, registerable conveyances of the legal title to the Facilities and shall deliver such conveyances to legal counsel to SAFM LP to be held in trust and on the condition that such conveyances of legal title pursuant to Section 9.4 can only be utilized following a termination of this Agreement (i) pursuant to Section 9.1(a), 9.1(c) or 9.1(d), or (ii) if, in respect of the exercise by Manitok of its Manitok Option pursuant to Section 4.3, Manitok fails to make payment of the Option Exercise Price payable to SAFM LP pursuant to Section 4.3.
- 9.6 SAFM LP acknowledges that Manitok is subject to a credit agreement dated as of September 19, 2014 (together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto) among Manitok and National Bank of Canada and those other banks and other financial institutions from time to time party thereto as lenders (the "Lenders"), and, further to the No Interest Letter described below, Manitok will assign and grant a security interest to the Lenders in all of its right, title, estate and interest in this Agreement. The Parties agree that this Agreement shall not be effective until the effective date of a no interest letter (the "No Interest Letter") to be entered into among SAFM LP, Manitok, and a future lender of SAFM LP, which No Interest Letter will provide for, among other matters, the following, all notwithstanding anything to the contrary contained in this Agreement:
- (a) the Lenders shall have the right to receive all notices delivered by or on behalf of SAFM LP to Manitok, including default notices, and SAFM LP shall provide copies of such notices to the Lenders concurrently with delivery of the same to Manitok;
 - (b) the Lenders or their designee shall be entitled to cure any default of Manitok hereunder without liability, and the Lenders or their designee shall be entitled to an additional cure period to cure, at the Lenders' discretion, any default which is not cured during Manitok's Cure Period set forth in this Agreement;
 - (c) the Lenders shall be entitled to enforce their security interest in this Agreement, including the right to step in as Manitok, appoint a receiver, assign this Agreement to a third party, and other enforcement rights, and SAFM LP shall agree to the grant of security interest by Manitok and consent to and cooperate in the exercise of such remedies;
 - (d) and any other terms requested by the Lenders, acting reasonably.

**ARTICLE 10
REPRESENTATIONS, WARRANTIES AND COVENANTS**

- 10.1 SAFM LP represents, warrants and acknowledges to Manitok that:
- (a) it is a limited partnership duly formed under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and

deliver this Agreement and to observe and perform its covenants and obligations hereunder and this Agreement constitutes a legal, valid and binding contract of SAFM LP enforceable against it in accordance with its terms and will not result in a violation of any of SAFM LP's constating documents, any of the terms or provisions of any law applicable to SAFM LP or any agreement to which SAFM LP is a party or by which it is bound;

- (b) the head office or principal place of business of SAFM LP is located at the address set forth in Section 11.5 and SAFM LP is acting as principal for its own account, and not for the benefit of any other person; and
- (c) SAFM LP has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Joint Venture, is capable of assessing the proposed investment as a result of its management experience or as a result of advice received from a person registered under applicable securities legislation, is aware of the risks relating to an investment in the Joint Venture and is able to bear the economic risk of loss of its investment in the Joint Venture.

10.2 Manitok represents, warrants and acknowledges to, and covenants and agrees with, SAFM LP that:

- (a) Manitok is a corporation duly incorporated under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof and this Agreement constitutes a legal, valid and binding contract of Manitok enforceable against it in accordance with its terms and will not result in a violation of any of Manitok's constating documents, any of the terms or provisions of any law applicable to Manitok or any agreement to which Manitok is a party or by which it is bound;
- (b) except for Permitted Encumbrances, Manitok has not done any act or thing whereby title to the Facilities may be encumbered, alienated, cancelled or determined, and the Facilities are free and clear of all liens, charges and encumbrances;
- (c) Manitok is not in default under any title and operating documents pertaining to the Facilities, and has not failed to comply with, perform, observe or satisfy, in all material respects, any term, condition, obligation or liability which has heretofore arisen under the provisions of any of such title and operating documents;
- (d) Manitok has not received from any third party or government authority notice of material violation of or default under any title and operating document, permit, applicable law or other obligation, agreement, document, order, writ, injunction or decree of any government authority that relates to the Facilities and, to Manitok's knowledge, no particular circumstance

presently exists which may give rise to any such violation or default and, additionally, to Manitok's knowledge, there are no such outstanding defaults or notices of default in relation to any third party or governmental authority;

- (e) all construction and operations in respect of the Facilities have been conducted in accordance with good oilfield industry practices, and to Manitok's knowledge, all applicable law, all permits and the requirements of all government authorities have been complied with in all material respects with respect to the construction and operation of the Facilities;
- (f) Manitok has not received notice from any third party claiming an interest in and to the Facilities adverse to the interest of Manitok and Manitok has no reason to believe that any such claim may be made;
- (g) except for the sale of Petroleum Substances in the ordinary course of business, without the prior written consent of SAFM LP (such consent not to be unreasonably withheld), Manitok will not, and will cause its affiliates not to, sell or otherwise dispose of any of its or their right, title and interest in and to any producing petroleum and natural gas rights in the Stolberg Area in which it or they have an interest;
- (h) except for:
 - (i) the sale of Petroleum Substances in the ordinary course of business;
 - (ii) a grant of security which expressly excludes the Facilities; or
 - (iii) a sale consented to in writing by SAFM LP (such consent not to be unreasonably withheld);

Manitok will not, and will cause its affiliates not to,

- (A) sell or otherwise dispose of any of its or their right, title and interest in and to any producing petroleum and natural gas rights of Manitok outside or within the Stolberg Area in which it or they have an interest without the prior written consent of SAFM LP, to the extent that such assets to be sold or otherwise disposed of (together with any other assets which have been sold or disposed of in the same calendar year) constitute more than thirty per cent (30%) of the net asset value of all of the assets of Manitok and its affiliates at the beginning of such calendar year; and
- (B) assets outside of the Stolberg Area in which it or they have an interest without the prior written consent of SAFM LP, to the extent that the assets to be sold or otherwise disposed of (together with any other assets which have been sold or disposed of in the same calendar year) constitute more than

sixty six and two thirds percent (66 2/3%) of the net asset value of all of the assets of Manitoak and its affiliates at the beginning of such calendar year; and

- (i) upon receipt of same or promptly thereafter, Manitoak shall deliver to SAFM LP the annual reserves values prepared by Manitoak's independent engineers in respect of the Stolberg Area.

ARTICLE 11 GENERAL

- 11.1 No waiver by or on behalf of any Party hereto of any breach of a provision of this Agreement shall be binding upon that Party unless it is expressed in writing and duly executed by that Party or signed by its fully authorized representatives, and such a waiver shall not operate as a waiver of any future breach, whether of a like or different character.
- 11.2 Each of the Parties acknowledges and agrees that if any covenant, obligation, term or condition of this Agreement or the application thereof to any person or circumstances shall to any extent be illegal, invalid or unenforceable, then the remainder of this Agreement or the application of such covenant, obligation, term or condition to persons or circumstances other than those as to which it is held, illegal, invalid or unenforceable shall not be affected thereby and each covenant, obligation, term and condition of this Agreement shall be separately legal, valid and enforceable to the fullest extent permitted by law.
- 11.3 The Parties hereto shall from time to time and at all times do all such further acts and execute and deliver all such further deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.
- 11.4 The Parties hereto have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement and no implied covenant, condition, term or reservation shall be read into this Agreement relating to or concerning such subject matter.
- 11.5 All notices, payments and communications hereunder shall be in writing and in lieu of personal service may be given or made by facsimile, email or mail. Notices or communications shall be deemed to have been received one (1) business day after the sending thereof in the case of a facsimile or email and four (4) business days after the date of mailing, in the case of mailing, in either case, excluding Saturdays, Sundays and statutory holidays. The contact information appearing below shall be used for the purpose of notices and communications, but any Party may change its contact information by notice to the other Parties in accordance with this Section 11.5.

Manitoak:

Manitoak Energy Inc.

Suite 2600, 585 8th Avenue S.W.
Calgary, Alberta
T2P 1G1

Attention: Vice President, Finance and CFO
E-mail: rdion@manitok.com
Fax No.: (403) 984-1749

SAFM LP:

Stream Asset Financial ManitoK LP
c/o Stream Asset Financial ManitoK Corp.
401, 322 11th Avenue S.W.
Calgary, Alberta T2R 0C5

Attention: President
E-mail: rdunfield@streamasset.ca

- 11.6 This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.
- 11.7 No amendment or variation of the provisions of this Agreement shall be binding upon any Party unless it is evidenced in writing and, subject to Section 5.2, it is executed by the Party.
- 11.8 This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together constitute the one and the same agreement.

The remainder of this page intentionally left blank. Signature page follows.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____



Per: _____



STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____


IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

SCHEDULE "A" attached to and forming part of the STOLBERG AREA JOINT VENTURE AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

DESCRIPTION OF FACILITIES

- Stolberg oil battery located at LSD 042-15-W5M

Map	Description
#4	06-21-42-15W5 Battery <i>Group Separator</i> <i>Test Separator</i> <i>6 x 750 BBL tanks</i> <i>400 BBL Produced Water Tank</i> <i>400 BBL Blowdown Tank</i> <i>Brahma VRU Compressor Packages</i> <i>Bel-Air Gen Set</i> <i>RTU, Scada Package, MCC</i> <i>HP & LP Flare Knockouts and Flare</i> <i>Bullmoose Compressor (rental – not included in the Facilities in the Agreement)</i>
#5	13-15-42-15W5 Battery <i>4 x Separator Packages</i> <i>Brahma VRU Compressor Package</i> <i>RTU Scada Package, MCC</i> <i>6 x 750 BBL Production Tanks</i> <i>400 BBL Produced Water Tank</i> <i>400 BBL Blowdown Tank</i> <i>HP & LP Flare Knockouts and Flare</i> <i>Weatherford Pumpjack Unit</i> <i>Bullmoose Compressor (rental – not included in Facilities in the Agreement)</i>

SCHEDULE "B" attached to and forming part of STOLBERG AREA JOINT VENTURE AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ASSIGNMENT AND DECLARATION OF TRUST

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MANITOK ENERGY INC. (the "Trustee") hereby assigns, transfers and conveys to STREAM ASSET FINANCIAL MANITOK LP (the "Beneficiary") an undivided 100.00% of its direct interest in and to the Facilities, as defined in the Stolberg Area Joint Venture Agreement dated as of the ___ day of December, 2014 (as amended, modified, supplemented, restated or replaced, from time to time, the "Joint Venture Agreement"), held for and on behalf of the Beneficiary under the terms of the Joint Venture Agreement.

The Trustee hereby acknowledges that it stands possessed of an undivided 100.00% of its interest in the said Facilities, as bare trustee for the Beneficiary, subject to all of the terms, provisions and conditions contained in the Joint Venture Agreement.

The Trustee hereby undertakes and agrees to promptly take all steps necessary or advisable to assign, transfer and convey to the Beneficiary or its designee the whole of the interest of the Trustee as bare trustee in and to the Facilities, free and clear of all mortgages, charges, liens and security interests, other than Permitted Encumbrances (as defined in the Joint Venture Agreement), upon receipt from the Beneficiary of written notice advising the Trustee that the Joint Venture Agreement has been terminated pursuant to Sections 9.1(a) (and the Manitok Option, as defined in the Joint Venture Agreement, has not been exercised), 9.1(c) or 9.1(d) thereof and demanding, in accordance with Section 9.3 of the Joint Venture Agreement, that the interest of the Trustee be so assigned, transferred and conveyed.

Dated effective as of the _____ day of December, 2014.

MANITOK ENERGY INC.

Per _____

Per: _____

SCHEDULE "C" attached to and forming part of STOLBERG AREA JOINT VENTURE AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

COLLATERAL DOCUMENTS

(See attached.)



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AB BA: A5M4 MANITOK ENERGY INC
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F				6	21	42	15	W 5
<input type="button" value="Go"/>								

Type	Licence #	Location	Licence Status	Licence Status Date
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Licence Type:	F	Location:	00-06-21-042-15 W5
Licence Number:	0046373	Licence Status:	ISSUED
Licence Issue Date:	2013-08-01	Licence Status Date:	
Licensee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	030-Oil battery-multiwell

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABBT0129138	322	Manitok Stolberg 6-21-42-15 Group	ACTIVE	2014-05-01

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[\[Top-AB\]](#)



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AB BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 1

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F				13	15	42	15	W 5
								<input type="button" value="Go"/>

Type	Licence #	Location	Licence Status	Licence Status Date
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Licence Type:	F	Location:	00-13-15-042-15 W5
Licence Number:	0047423	Licence Status:	ISSUED
Licence Issue Date:	2014-06-01	Licence Status Date:	
Licensee:	A5M4 MANITOK ENERGY INC.	Energy Development Category:	030-Oil battery-multiwell

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABBT0133088	321	Manitok Stolberg 13-15-42-15	ACTIVE	2014-06-01

[\[Menu-Inbox-Help-Contacts-Logout\]](#)
[\[Top-AB\]](#)

SCHEDULE "D" attached to and forming part of STOLBERG AREA JOINT VENTURE AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

INSURANCE COVERAGE

(See attached.)



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue S.W.
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

CERTIFICATE ISSUED TO: Stream Asset Financial Manitoak LP

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE AS HEREIN DESCRIBED HAVE BEEN ISSUED TO THE INSURED NAMED BELOW AND ARE IN FORCE AT THIS DATE.

NAME OF INSURED: Manitoak Energy Inc.
ADDRESS OF INSURED: Suite 2600, 585-8th Avenue SW
Calgary, Alberta T2P 1G1
REGARDING: 06-21-42-15 W5M Multi Well Oil Battery
13-15-42-15 W5M Multi Well Oil Battery

COMMERCIAL GENERAL LIABILITY

LIMIT OF LIABILITY: \$5,000,000 CDN any one loss and/or series of losses arising out of any one event or occurrence
Includes: Sudden & Accidental Pollution
INSURER: Energy Insurance Group
POLICY NUMBERS: LI1797610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

PROPERTY INSURANCE

LIMIT OF LIABILITY: As per Schedule on file with Insurer
Includes: All Risk except as excluded, Full Replacement Cost, Business Interruption, Boiler and Machinery
INSURER: Energy Insurance Group
POLICY NUMBERS: PR7526610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

Where required by contract and applicable by statute, the following are hereby understood and agreed:

Stream Asset Financial Manitoak LP is added as First Loss Payee and Lessor on the Property Insurance but only as their interest may appear with respect to the operations of the Named Insured and with respect to the property listed above.

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: December 29, 2014

BROKER: Gallagher Energy Risk Services

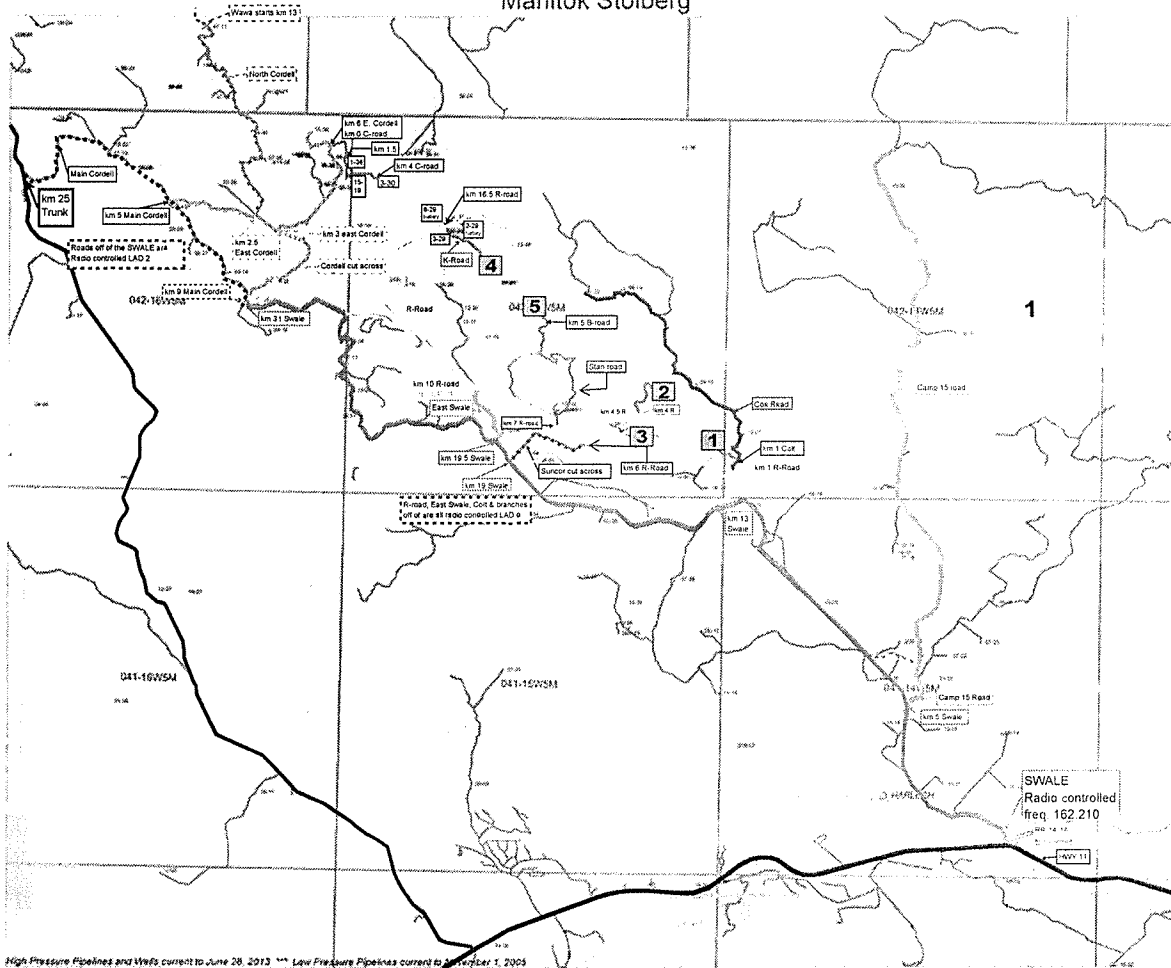
Authorized Representative

SCHEDULE "E" attached to and forming part of STOLBERG AREA JOINT VENTURE AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

STOLBERG AREA

(See attached.)

Manitok Stolberg



High Pressure Pipelines and W&Es current to June 28, 2013 *** Low Pressure Pipelines current to September 1, 2009

SCHEDULE "F" attached to and forming part of STOLBERG AREA JOINT VENTURE AGREEMENT made as of the 30th day of December, 2014 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ILLUSTRATIVE CALCULATION OF OPTION EXERCISE PRICE

Period	Annual Payments	Aggregate Payments	Total Payment
2015	\$360,000	\$360,000	\$3,470,000
2016	\$360,000	\$720,000	\$3,110,000
2017	\$360,000	\$1,080,000	\$2,750,000
2018	\$360,000	\$1,440,000	\$2,390,000
2019	\$360,000	\$1,800,000	\$2,355,000
2020	\$360,000	\$2,160,000	\$2,310,000
2021	\$360,000	\$2,520,000	\$2,265,000
2022	\$360,000	\$2,880,000	\$2,210,000

THIS FIRST AMENDING AGREEMENT dated as of the 12th day of June, 2015

BETWEEN:

MANITOK ENERGY INC.,
a corporation incorporated under the laws of Alberta
("**Manitok**")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited
partnership formed under the laws of Alberta ("**SAFM LP**")

WHEREAS Manitok and SAFM LP are parties to a joint venture agreement dated December 30, 2014 (the "**Stolberg Area JVA**");

AND WHEREAS Manitok and SAFM LP wish to enter into this First Amending Agreement to set forth certain changes to the Stolberg Area JVA and to otherwise confirm the provisions of the amended Stolberg Area JVA;

AND WHEREAS pursuant to section 11.7 of the Stolberg Area JVA, the Stolberg Area JVA may only be amended or varied if such amendment or variation is evidenced in writing and executed by the parties thereto;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the mutual benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the Parties agree as set forth below.

1. Definitions

All capitalized terms used in this First Amending Agreement shall, unless otherwise defined herein, have the meanings herein given to them in the Stolberg Area JVA, and:

"**First Amending Agreement**" means this first amending agreement.

"**Parties**" means the parties which are signatories to this First Amending Agreement.

"**Stolberg Area JVA**" has the meaning given to it in the recitals.

2. Amendment to Stolberg Area JVA

Effective as of the date of this First Amending Agreement, the Stolberg Area JVA is amended by

(a) replacing in their entirety, subsections 9.1(c)(i) through (iii) with the following:

(i) payment of any Facilities Tariff payable to SAFM LP pursuant to Article 7;

- (ii) payment when due (whether at maturity, upon acceleration or otherwise) of any Other ManitoK Agreements or any debt or other obligations under any Material Agreement or Instrument, unless the default has been remedied or waived in accordance with the provisions of the relevant agreement or instrument prior to the acceleration of any debt service maintenance obligations;
 - (iii) fulfilling its obligation to process, and causing its affiliates to process, its and their own Petroleum Substances through the Facilities in accordance with Section 6.4 of this Agreement or pursuant to equivalent obligations in any of the Other ManitoK Agreements; or
 - (iv) any other material obligation of ManitoK set forth herein, or under any of the Other ManitoK Agreements,
- (b) replacing in its entirety, section 4.4 with the following:

Subject to the terms and conditions in this Section 4.4, if:

- (a) there shall occur any transfer or sale of the issued and outstanding share capital of ManitoK that would result in a Change of Control of ManitoK; or
- (b) ManitoK exercises its ManitoK Option which, for certainty, may be exercised after ManitoK has received a Notice Of Exercise from SAFM LP pursuant to this Section 4.4 but prior to payment of the Redemption Value (defined below) by ManitoK to SAFM LP,

then SAFM LP shall have the option to require ManitoK to purchase the Participating Interest of SAFM LP at any time during the term of this Agreement and, in the circumstances described in Section 4.4(b), following Payout for consideration equal to the Commitment Amount less any Disposition Payments plus the present value of the remaining Facilities Tariff payments payable to SAFM LP in the ordinary course to the date the option is exercised, until termination pursuant to Section 9.1(a), calculated using a 17% discount rate (collectively, the “**Redemption Value**”). SAFM LP may exercise the option by giving sixty (60) days written notice thereof to ManitoK (in this Section 4.4, “**Notice Of Exercise**”). ManitoK shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to ManitoK, as of the date of the Notice of Exercise, and unencumbered (subject only to the Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to ManitoK, or such other party as ManitoK may designate, and ManitoK shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- (c) by adding "pursuant to Section 9.1(a) or" in Section 9.2 after "In the event of termination of this Agreement",
- (d) by deleting "9.1(a)," from Section 9.4,
- (e) by deleting "and" from Section 1.1(ee),
- (f) and by adding the following definitions to Section 1.1:
 - (b) **"Change of Control"** means the occurrence, in a single transaction or in a series of related transactions, of any of the following:
 - (i) the sale of fifty percent (50%) or more of the common shares of the Corporation excluding, however, any sale to an Affiliate (as defined in the *Business Corporations Act* (Alberta));
 - (ii) a merger, consolidation or similar transaction involving Manitok (other than a merger, consolidation or similar transaction between Manitok and an Affiliate) in which, immediately after such transaction, less than 50% of the outstanding voting securities of the surviving or resulting entity are then beneficially owned, directly or indirectly, in the aggregate by the holders of the common shares of the Corporation immediately prior to such merger, consolidation or other transaction; or
 - (iii) sale of substantially all of Manitok's assets; but does not include;
 - (iv) creation of a new "Control Person" as such term is defined under the *Securities Act* (Alberta);
 - (s) **"Material Agreement or Instrument"** means, any agreement or instrument that Manitok is a party to under which the amount of aggregate debt or other obligations of Manitok at any given time exceeds 50% of the amount of outstanding aggregate debt and other obligations under this Agreement and the Other Manitok Agreements;
 - (x) **"Other Manitok Agreements"** means, collectively, each of the Stolberg and Entice Areas Rental Agreement, the Wayne Joint Venture Agreement, the Wayne Rental Agreement, and any other agreement or instrument entered into by the Parties in connection therewith;
 - (hh) **"Stolberg and Entice Areas Rental Agreement"** means the rental agreement entered into by the Parties, dated December 30, 2014, as amended from time to time;

- (ll) **“Wayne Joint Venture Agreement”** means the joint venture agreement entered into by the Parties, dated June 12, 2015; and
- (mm) **“Wayne Rental Agreement”** means the rental agreement entered into by the Parties, dated June 12, 2015.

3. Confirmation

Each of the Parties acknowledges and agrees that the Stolberg Area JVA, as amended by this First Amending Agreement, is and will continue to be in full force and effect, and is hereby ratified and confirmed, and the rights and obligations of all parties thereunder will not be affected in any manner by the provisions of this First Amending Agreement, except as expressly provided in Section 2 of this First Amending Agreement.

4. Assurances

At any time or from time to time after the date hereof, the Parties agree to co-operate with each other, and at the request of any other Party, to execute and deliver any further instruments or documents and to take all such further action as the other Party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the Parties.

5. Counterparts

This First Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile or other electronic transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this First Amending Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____



Massimo M. Geremia
President & CEO

Per: _____

STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

THIS SECOND AMENDING AGREEMENT dated as of the 29th day of June, 2015

BETWEEN:

MANITOK ENERGY INC.,
a corporation incorporated under the laws of Alberta
("Manitok")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited
partnership formed under the laws of Alberta ("SAFM LP")

WHEREAS Manitok and SAFM LP are parties to a joint venture agreement dated December 30, 2014, as amended by a First Amending Agreement dated June 12, 2015 (the "Stolberg and Entice Area Joint Venture Agreement");

AND WHEREAS Manitok and SAFM LP wish to enter into this Second Amending Agreement to set forth certain changes to the Stolberg and Entice Area Joint Venture Agreement and to otherwise confirm the provisions of the amended Stolberg and Entice Area Joint Venture Agreement;

AND WHEREAS pursuant to section 11.7 of the Stolberg and Entice Area Joint Venture Agreement, the Stolberg and Entice Area Joint Venture Agreement may only be amended or varied if such amendment or variation is evidenced in writing and executed by the parties thereto;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the mutual benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the Parties agree as set forth below.

1. Definitions

All capitalized terms used in this Second Amending Agreement shall, unless otherwise defined herein, have the meanings herein given to them in the Stolberg and Entice Area Joint Venture Agreement, and:

"Parties" means the parties which are signatories to this Second Amending Agreement.

"Second Amending Agreement" means this second amending agreement.

"Stolberg and Entice Area Joint Venture Agreement" has the meaning given to it in the recitals.

2. Amendment to Stolberg and Entice Area Joint Venture Agreement

Effective as of the date of this Second Amending Agreement, the Stolberg and Entice Area Joint Venture Agreement is amended

- (a) by adding the following definitions to Section 1.1:
 - (ee) “**SAFM Option**” has the meaning ascribed to it in Section 4.4 hereof;
- (b) by adding “(and shall if required by SAFM LP following a Change of Control)” to Section 4.3 immediately before the phrase “exercise the Manitok Option”;
- (c) by deleting Section 4.4 in its entirety and replacing it with the following:

Subject to the terms and conditions of this Section 4.4 and upon Payout, SAFM LP shall have the option (the “**SAFM Option**”) to require Manitok to purchase the Participating Interest of SAFM LP at any time on or after Payout for consideration equal to the present value of the remaining Facilities Tariff payments payable to SAFM LP in the ordinary course to the date the SAFM Option is exercised, until termination pursuant to Section 9.1(a), calculated using a 16% discount rate (the “**Redemption Value**”). SAFM LP may exercise the option by giving ninety (90) days written notice thereof to Manitok (in this Section 4.4, “**Notice of Exercise**”). Manitok shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to Manitok, as of the date of the Notice of Exercise, and unencumbered (subject only to the Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- (d) by deleting Section 7.2 in its entirety and replacing it with the following:

Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If (a) any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the “**Cure Period**”), or (b) following an occurrence of a Change of Control, SAFM LP requests Manitok to exercise the Manitok Option pursuant to Section 4.3 and Manitok does not comply with such request within five (5) business days (the “**Manitok Option Default Event**”), then SAFM LP shall have the right, upon (i) the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), or (ii) such Manitok Option Default Event, as applicable, to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. Notwithstanding the foregoing, in the event that (a) the Manitok Option Default Event occurs as a result of Manitok’s

primary lender refusing to provide consent and (b) ManitoK is not otherwise in default under this Agreement, then, rather than five (5) business days, ManitoK shall have fifteen (15) days to comply with SAFM LP's request to exercise the ManitoK Option pursuant to Section 4.3. SAFM LP and ManitoK shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of ManitoK's Petroleum Substances at the Facilities.

- (e) by adding ", the SAFM Option" to Section 9.1(b) after the word "Option";
- (f) by deleting "or" from the end of subsection 9.1(c);
- (g) by replacing the "." in subsection 9.1(d) with "; or";
- (h) by adding the following as subsection (e) to Section 9.1:

the date on which there occurs any transfer or sale of the issued and outstanding share capital of ManitoK that would result in a Change of Control of ManitoK,

- (i) by adding ", the SAFM Option" to Section 9.3 after the phrase "Section 4.3"; and
- (j) by deleting Section 9.4 in its entirety and replacing it with the following:

In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(c), 9.1(d) or 9.1(e), ManitoK shall, promptly on request by SAFM LP and subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

Each of the Parties acknowledges and agrees that the Stolberg and Entice Area Joint Venture Agreement, as amended by this Second Amending Agreement, is and will continue to be in full force and effect, and is hereby ratified and confirmed, and the rights and obligations of all parties thereunder will not be affected in any manner by the provisions of this Second Amending Agreement, except as expressly provided in Section 2 of this Second Amending Agreement.

3. Assurances

At any time or from time to time after the date hereof, the Parties agree to co-operate with each other, and at the request of any other Party, to execute and deliver any further instruments or documents and to take all such further action as the other Party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the Parties.

4. Counterparts

This Second Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile or other electronic transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this Second Amending Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed and delivered this Second Amending Agreement on the day and year first written above.

~~MANITOK ENERGY INC.~~

Per: 

**Massimo M. Geremia
President & CEO**

Per: 

**Robert G. Dion
Vice President, Finance & CFO**

~~STREAM ASSET FINANCIAL MANITOK LP,~~
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

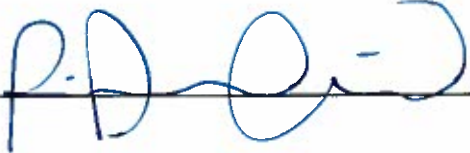
IN WITNESS WHEREOF, the Parties have executed and delivered this Second Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

TAB C

WAYNE AREA

RENTAL AGREEMENT

THIS AGREEMENT made effective as of the 12th day of June, 2015

BETWEEN:

MANITOK ENERGY INC. a body corporate existing under the laws of Alberta (hereinafter referred to as "**Manitok**")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited partnership formed under the laws of Alberta (hereinafter referred to as "**SAFM LP**")

WHEREAS Manitok and SAFM LP have agreed to enter into this Agreement for the purposes of owning, renting and operating the Facilities;

AND WHEREAS Manitok has agreed to sell the Facilities to SAFM LP and SAFM LP has agreed to pay to Manitok the Fair Market Value of the Facilities pursuant to the terms and conditions hereinafter set forth;

AND WHEREAS the Facilities are designed to process and transport Petroleum Substances;

AND WHEREAS Manitok has agreed to use the Facilities to process and transport Petroleum Substances which it owns or controls or becomes entitled to be owned or controlled within the Wayne Area and SAFM LP has agreed to rent to Manitok the Facilities to process and transport such Petroleum Substances owned or controlled by Manitok, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the premises hereto and the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

- 1.1** In this Agreement, including this Section 1.1, the recitals and the Schedules hereto, unless the context otherwise requires:
- (a) "**Agreement**", "**hereto**", "**hereof**", "**herein**", "**hereby**", "**hereunder**" and similar terms mean and refer to this Rental Agreement and all written instruments made by the parties hereto to supplement, amend or confirm this Agreement;

- (b) **“Change of Control”** means the occurrence, in a single transaction or in a series of related transactions, of any of the following:
- (i) the sale of fifty percent (50%) or more of the common shares of the Corporation excluding, however, any sale to an Affiliate (as defined in the *Business Corporations Act* (Alberta));
 - (ii) a merger, consolidation or similar transaction involving Manitok (other than a merger, consolidation or similar transaction between Manitok and an Affiliate) in which, immediately after such transaction, less than 50% of the outstanding voting securities of the surviving or resulting entity are then beneficially owned, directly or indirectly, in the aggregate by the holders of the common shares of the Corporation immediately prior to such merger, consolidation or other transaction; or
 - (iii) sale of substantially all of Manitok’s assets; but does not include;
 - (iv) creation of a new “Control Person” as such term is defined under the *Securities Act* (Alberta);
- (c) **“Collateral Documents”** has the meaning set forth in Section 3.2 hereof;
- (d) **“Confidential Information”** means all information of a Party, including without limitation: written communications, computer programs, photographs, financial and accounting books and records, specifications, reports, products, know-how, processes, technology, practices, correspondence, documents, and other information, whether written or otherwise, that is prepared or received by a Party in connection with this Agreement and the payment to Manitok for value attributable to the Facilities, but shall not include information that:
- (i) is now or becomes in the public domain without the wrongful act or breach of this Agreement by another party;
 - (ii) is already known by the receiving Party at the time of disclosure, or is rightfully received from a third party on a non-confidential basis, as demonstrated by reasonable evidence; or
 - (iii) is approved for release by the prior express written authorization of the Party to whom such confidential information belongs;
- (e) **“Cure Period”** has the meaning ascribed to it in Section 7.2 hereof;
- (f) **“Disposition Payment”** has the meaning ascribed to it in Section 10.2(g)(i)(E);
- (g) **“Effective Date”** means June 12, 2015;

- (h) “**Facilities**” means the 1-20 oil battery and sour gas plant operating under AER License Number 0003819, all as more particularly described in Schedule “A”; and (iii) all present and future contractual rights related to those facilities, including any third party agreements to process and transport Petroleum Substances through the Facilities;
- (i) “**Facilities Capacity**” means with respect to the Facilities, as such Facilities exist on the date of this Agreement, the daily volumetric capacity of such Facilities;
- (j) “**Facilities Rental**” means \$93,750, plus GST, payable each month by Manitoak to SAFM LP pursuant to Section 7.1, as adjusted downwards from time to time following any Disposition Payments, as agreed to between the Parties in writing;
- (k) “**Fair Market Value**” means with respect to the Facilities the price determined by a third party appraiser mutually acceptable to Manitoak and SAFM LP at which a willing buyer would pay a willing seller (which is not a related party of the buyer) in the market for the Facilities;
- (l) “**GST**” means the goods and services tax payable pursuant to the *Excise Tax Act* (Canada) or such other similar, amended or replacement legislation in force from time to time;
- (m) “**Insolvency Event**” means when a Party hereto makes an assignment for the benefit of its creditors generally or files a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction, or a receiving order is made or a petition is filed under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction against a Party hereto;
- (n) “**Lenders**” has the meaning ascribed to it in Section 9.6 hereof;
- (o) “**Manitoak Option**” has the meaning ascribed to it in Section 4.3 hereof;
- (p) “**Manitoak ROFR**” has the meaning ascribed to it in Section 4.2 hereof;
- (q) “**Manager**” means Manitoak as operator of the Facilities;
- (r) “**Material Agreement or Instrument**” means, any agreement or instrument that Manitoak is a party to under which the amount of aggregate debt or other obligations of Manitoak at any given time exceeds 50% of the amount of outstanding aggregate debt and other obligations under this Agreement and the Other Manitoak Agreements;
- (s) “**No Interest Letter**” has the meaning ascribed to it in Section 9.6 hereof;

- (t) **“Notice Of Exercise”** has the meaning ascribed to it in Section 4.3 and 4.4 hereof;
- (u) **“Operating Costs”** means all operating costs and expenses, including maintenance capital expenditures incurred in connection with the ownership, operation, testing, repair and maintenance of the Facilities, including, without limiting the generality of the foregoing, property taxes, surface rentals, fire and liability insurance, property insurance, boiler and machinery insurance, general liability insurance and pollution liability insurance, the cost of acquiring materials and supplies (excluding Petroleum Substances) consumed in the normal operation of the Facilities and overhead and administrative expenses;
- (v) **“Option Exercise Price”** has the meaning ascribed to it in Section 4.3 hereof;
- (w) **“Other Manitok Agreements”** means, collectively, each of the Stolberg Area Joint Venture Agreement, the Stolberg and Entice Areas Rental Agreement, the Wayne Joint Venture Agreement, and any other agreement or instrument entered into by the Parties in connection therewith;
- (x) **“Payout”** means the first day of the month next following the date that the sum of the aggregate Facilities Rental first equals or exceeds the Payout Value;
- (y) **“Payout Value”** means the amount equal to 110% of the Purchase Amount;
- (z) **“Participating Interest”** has the meaning ascribed to it in Section 2.2(a);
- (aa) **“Parties”** means Manitok and SAFM LP, and **“Party”** shall mean either one of them;
- (bb) **“Permitted Encumbrances”** means, at any time:
 - (i) liens for taxes, assessments and governmental charges which are not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (ii) mechanics’, builders’, materialmen’s or similar liens for services rendered or goods supplied for which payment is not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (iii) easements, rights of way, servitudes and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains and electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables;

- (iv) the right reserved to or vested in any governmental authority by the terms of any lease, license, franchise, grant or permit or by any applicable law, to terminate any such lease, license, franchise, grant or permit;
 - (v) liens or security granted in the ordinary course of business to a public utility, municipality or governmental authority in connection with operations pertaining to the Facility; and
 - (vi) encumbrances granted by SAFM LP or granted at the direction of SAFM LP pursuant to Section 3.4(c);
- (cc) **“Petroleum Substances”** means petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing;
- (dd) **“Purchase Amount”** means the amount of \$7,500,000 to be paid by SAFM LP to Manitoak pursuant to Section 3.1 hereof plus any applicable GST and any applicable Sales Taxes;
- (ee) **“Purchase Option”** has the meaning ascribed to it in Section 9.4 hereof;
- (ff) **“Rental Objectives”** has the meaning ascribed to it in Section 2.2 hereof;
- (gg) **“Sales Taxes”** means sales taxes, value added taxes, business transfer taxes or any other taxes, other than GST;
- (hh) **“Stolberg Area Joint Venture Agreement”** means the joint venture agreement entered into by the Parties, dated December 30, 2014, as amended from time to time;
- (ii) **“Stolberg and Entice Areas Rental Agreement”** means the rental agreement entered into by the Parties, dated December 30, 2014, as amended from time to time;
- (jj) **“Subject Interest”** has the meaning ascribed to it in Section 4.2 hereof;
- (kk) **“Subject Month”** has the meaning ascribed to it in Section 7.1 hereof;
- (ll) **“Wayne Area”** means, collectively, the areas of Alberta set forth in Schedule “E” attached hereto; and
- (mm) **“Wayne Joint Venture Agreement”** means the joint venture agreement entered into by the Parties as of the date of this Agreement.

1.2 Time shall, in all respects, be of the essence in each of the terms, covenants, obligations and conditions in this Agreement.

- 1.3 The division of this Agreement into articles, sections and subsections and the provision of headings for any division of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.4 Any word contained herein importing the singular shall include the plural and vice versa and any word importing gender shall include masculine, feminine and neuter.
- 1.5 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 and the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or in connection with this Agreement or any of the transactions contemplated hereby.
- 1.6 Any reference in this Agreement to “generally accepted accounting principles” or “IFRS” means International Financial Reporting Standards or generally accepted accounting principles applicable to public companies in Canada at the relevant time.
- 1.7 All dollar amounts referred to in this Agreement are stated in Canadian dollars.
- 1.8 All amounts hereunder are exclusive of GST and any applicable Sales Taxes.
- 1.9 The following are the schedules annexed to and incorporated in this Agreement by reference and deemed to be a part hereof;
- (a) Schedule “A” – Description of the Facilities;
 - (b) Schedule “B” – Assignment and Declaration of Trust;
 - (c) Schedule “C” – Collateral Documents;
 - (d) Schedule “D” – Insurance Coverage;
 - (e) Schedule “E” –Wayne Area; and
 - (f) Schedule “F” – Illustrative Calculations of Option Exercise Price.
- 1.10 References to Manitok herein include Manitok in its capacity as Manager and/or operator of the Facilities.

ARTICLE 2
RENTAL OBJECTIVES

- 2.1 The Parties shall limit the operations under this Agreement to the Rental Objectives (as that term is defined in Section 2.2).
- 2.2 The purpose, nature and character of the business to be performed under this Agreement shall be limited:

- (a) to create for SAFM LP a 100% undivided beneficial ownership interest in the Facilities (the “**Participating Interest**”);
- (b) to permit the processing of Petroleum Substances owned or controlled by Manitoak and other parties from the Wayne Area;
- (c) to provide for the ongoing rental, operation, testing, repair and maintenance of the Facilities; and
- (d) to engage in such other activities incidental or ancillary to the matters referred to in paragraph (a), (b) and (c) above,

all of which are collectively referred to in this Agreement as the “**Rental Objectives**”.

- 2.3 This Agreement does not create a partnership, agency or other fiduciary relationship between the Parties. No Party shall be considered to be an agent or representative of any other Party or have any authority or power to act for or to undertake any obligation on behalf of the other Parties, except as expressly contained in this Agreement.
- 2.4 Each Party shall have the absolute right to commence, continue, expand, diminish or cease to carry on any business (provided such cessation of business would not affect such Party’s obligations under this Agreement) or undertaking whatsoever (including the acquisition, development, leasing, sale, operation and management of any oil and gas properties and facilities) and to engage in undertakings separate and apart from those relating to the Rental Objectives without any accountability to any other Party. Other than as indicated on Schedule “A” of this Agreement, a Party shall not, by reason of this Agreement, have any interest in any other property now owned or hereafter acquired by any other Party or in any other undertaking of other Parties, whether or not similar to the Rental Objectives.
- 2.5 Pursuant to this Agreement, the Parties agree to file a joint election pursuant to Section 16.1 of the *Income Tax Act* (Canada), if appropriate.

ARTICLE 3

REIMBURSEMENT OF VALUE, RENTAL AND OPERATION OF THE FACILITIES

- 3.1 SAFM LP covenants to pay to Manitoak the Purchase Amount. SAFM LP shall pay the Purchase Amount on the Effective Date by way of wire transfer payable to Manitoak.
- 3.2 Upon payment by SAFM LP of the Purchase Amount pursuant to Section 3.1 hereof, SAFM LP shall have purchased and shall be entitled to its Participating Interest in the Facilities. The Participating Interest of SAFM LP shall be held subject to all the terms and provisions of all licenses and permits issued by regulatory authorities in respect of the Facilities and any other agreements or instruments relating to the ownership and operation of the Facilities, all as described in Schedule “C” (the

“**Collateral Documents**”), but SAFM LP shall not, except as expressly provided in Schedule “C”, have any liabilities or obligations in respect thereof. SAFM LP is entitled to obtain a copy of any Collateral Documents upon written request to Manitok.

3.3 Notwithstanding any other provision of this Agreement, but subject to payment by SAFM LP of the Purchase Amount, Manitok shall pay and shall indemnify and hold SAFM LP harmless from and against all Operating Costs incurred or for which a liability arose prior to or following the Effective Date and on or before the date on which Manitok ceased to have an interest in the Facilities. Manitok further agrees to indemnify and save harmless SAFM LP from all claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, accrued and future asset retirement, abandonment and reclamation obligations, costs and expenses arising directly or indirectly in connection with the ownership, testing, repair, maintenance and operation of the Facilities prior to, on, or following the Effective Date and on or before the date on which Manitok ceases to have an interest in the Facilities, regardless of whether such claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, obligations, costs or expenses are known or unknown at the time Manitok ceased to have an interest in the Facilities.

3.4 During the term of this Agreement, Manitok:

- (a) shall retain legal title to the Facilities and shall hold SAFM LP’s Participating Interest in the Facilities as bare trustee for the benefit of SAFM LP;
- (b) shall not, except for Permitted Encumbrances and as herein provided, sell, sub-lease, mortgage, encumber or otherwise dispose of the Facilities without the written consent of SAFM LP;
- (c) shall, in its capacity as bare trustee, mortgage and encumber the Facilities as reasonably directed by SAFM LP from time to time; and
- (d) shall not, without the prior written consent of SAFM LP, agree to or cause any amendment, modification or alteration of the underlying Collateral Documents.

On the Effective Date, Manitok shall execute an Assignment and Declaration of Trust in the form attached as Schedule “B”.

3.5 Notwithstanding any other provision contained in this Agreement to the contrary, Manitok shall pay to SAFM LP an amount equal to any and all GST and any applicable Sales Taxes imposed on SAFM LP with respect to the Facilities Rental payable by Manitok under this Agreement, it being the intention of the parties that SAFM LP shall be fully reimbursed by Manitok with respect to any and all GST and any applicable Sales Taxes payable by SAFM LP.

3.6 It is the intention of the Parties to jointly elect under subsection 167(1) of the *Excise Tax Act* removing the requirement for SAFM LP to pay GST in respect of the

Facilities. SAFM LP acknowledges that it will file this election with the reporting period during which the GST would have been payable.

ARTICLE 4 TRANSACTIONS INVOLVING THE PARTICIPATING INTEREST

- 4.1** Subject to Section 3.4(c) and Section 4.5 and anything contained in the Collateral Documents, SAFM LP shall not assign, transfer, convey or otherwise dispose of its Participating Interest or any portion thereof without the prior written consent of Manitoak. The consent of Manitoak may not be unreasonably withheld provided SAFM LP has complied with Section 4.2 and the assignee or transferee executes transfer documentation and an acknowledgement in which the transferee or assignee agrees, among other things, to be bound by the terms of this Agreement, and the No Interest Letter, and to hold its Participating Interest subject to the terms of any Collateral Documents and any other documentation required by the Collateral Documents. Notwithstanding the foregoing, SAFM LP may assign, transfer, convey or otherwise dispose of its aggregate Participating Interest or any portion thereof to any affiliated subsidiary or entity under the management of SAFM LP without the prior written consent of Manitoak, provided that such affiliated subsidiary or entity is bound by the terms of this Agreement and the No Interest Letter.
- 4.2** If SAFM LP wishes to assign, sell or dispose of, or has received an offer which it is willing to accept for the assignment, sale or disposition of all or part of its Participating Interest (in this Section 4.2 called the "**Subject Interest**"), SAFM LP shall give written notice thereof to Manitoak. SAFM LP's notice shall contain the terms and conditions of the proposed assignment, sale or disposition, including the consideration to be received for the subject interest (including a bona fide estimate of the value of any non-cash consideration) and the name of the offering party (any such person being an "**Offering Party**"). If the Offering Party is not an affiliated subsidiary or entity under the management of SAFM LP, Manitoak shall have the right for a period of forty-five (45) days after receipt of the written notice from SAFM LP to elect in writing to acquire the Subject Interest from SAFM LP on the terms and conditions contained in the notice (the "**Manitoak ROFR**"). Manitoak, if it so elects, shall be obligated to acquire the subject interest in its entirety within a period of forty-five (45) days after the Manitoak ROFR election date. If Manitoak declines or fails to elect within the said notice period to acquire the subject interest, SAFM LP shall, subject to Section 4.1, be free for a period of sixty (60) days following the expiry of the notice period, to assign, sell or dispose of the subject interest on the terms and conditions and to the Offering Party stipulated in its offer, but not after the said 60 day period, nor otherwise than as so stipulated, without again complying with the provisions of this Section 4.2.
- 4.3** Subject to the terms and conditions in this Section 4.3, Manitoak shall have the option (the "**Manitoak Option**") to acquire the Participating Interest of SAFM LP at any time during the term of this Agreement for the Option Exercise Price described below. Manitoak may exercise the Manitoak Option by giving not less than thirty (30) days

written notice thereof to SAFM LP (in this Section 4.3, the “**Notice Of Exercise**”) and by concurrently therewith delivering a certified cheque or bank draft to SAFM LP for an amount (in this Section 4.3, the “**Option Exercise Price**”) sufficient to cause SAFM LP to receive an annual yield on the Purchase Amount (taking into account all amounts received by SAFM LP on account of the Facilities Rental, any Disposition Payments and the amount payable to SAFM LP pursuant to Section 9.4) equal to 14.5% (calculated in accordance with the illustrative calculation set forth in Schedule “F”), calculated daily from the Effective Date to the later of the date of such acquisition and the date that is four years after the Effective Date, or prior to five years subject to written consent of SAFM LP. Upon any such exercise of the Manitok Option and payment in full of the Option Exercise Price as aforesaid by way of bank draft or certified cheque, SAFM LP shall assign to Manitok, as of the date of the Notice Of Exercise, and unencumbered (subject only to the Permitted Encumbrances, other than encumbrances granted at the direction of SAFM LP pursuant to Sections 3.4(c) and 4.5 hereof, and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

4.4 Subject to the terms and conditions in this Section 4.4, if:

- (a) there shall occur any transfer or sale of the issued and outstanding share capital of Manitok that would result in a Change of Control of Manitok; or
- (b) Manitok exercises its Manitok Option which, for certainty, may be exercised after Manitok has received a Notice Of Exercise from SAFM LP pursuant to this Section 4.4 but prior to payment of the Redemption Value (defined below) by Manitok to SAFM LP,

then SAFM LP shall have the option to require Manitok to purchase the Participating Interest of SAFM LP at any time during the term of this Agreement and, in the circumstances described in Section 4.4(b), following Payout for consideration equal to the Purchase Amount less any Disposition Payments plus the present value of the remaining Facilities Rental payments payable to SAFM LP in the ordinary course to the date the option is exercised, until termination pursuant to Section 9.1(a), calculated using a 16% discount rate (collectively, the “**Redemption Value**”). SAFM LP may exercise the option by giving sixty (60) days written notice thereof to Manitok (in this Section 4.4, “**Notice Of Exercise**”). Manitok shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to Manitok, as of the date of the Notice of Exercise, and unencumbered (subject only to the Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- 4.5 Manitok hereby consents to SAFM LP encumbering the Facilities and its Participating Interest (and any subsequent assignment of the Facilities and its Participating Interest in connection with any enforcement of such encumbrances) in connection with any financing thereof by SAFM LP provided that any holder of such encumbrance shall acknowledge that its interest in the Facilities and the Participating Interest is subject to the terms of this Agreement. Advance notice of any contemplated financing shall be provided to Manitok and the details of any such encumbrances shall be provided by SAFM LP to Manitok forthwith upon Manitok's request. All such encumbrances shall be discharged concurrently with any disposition of all of its Participating Interest to Manitok pursuant to the provisions of this Article 4.
- 4.6 Manitok shall not materially expand, supplement, replace, reconfigure or rebuild the Facilities without the consent of SAFM LP, and such consent shall not be unreasonably withheld.

ARTICLE 5 MANAGER

- 5.1 Manitok shall be Manager and operator of the Facilities to make all decisions and elections and to perform all duties with respect to the ownership and operation of the Facilities, including, without limiting the generality of the foregoing, all decisions and elections required to be made and all duties required to be performed by SAFM LP pursuant to this Agreement and any decisions or elections required to be made and all duties required to be performed pursuant to any Collateral Documents. The Manager shall be an independent contractor in conducting the management of the Facilities. SAFM LP agrees that it shall be bound by all decisions and elections made by the Manager in respect of the operation of the Facilities and that it shall not bring or have any claim or action against the Manager for any decision or election made or duty performed by the Manager provided such decision or election is made or such duty performed in good faith and without wilful misconduct or gross negligence.
- 5.2 In addition, by executing this Agreement, SAFM LP hereby appoints and constitutes Manitok, or any successor manager, as applicable, as its true and lawful agent and attorney in fact to act for the purpose of executing on behalf of SAFM LP any transfer documents required to be executed by SAFM LP pursuant to Section 9.2 and 9.4 upon termination of this Agreement. The limited power of attorney granted hereby is coupled with an interest and shall survive and not be affected by the subsequent death, incapacity, disability, bankruptcy, liquidation or dissolution, as applicable, of SAFM LP, and shall extend to each of SAFM LP's successors, permitted assigns, heirs, executors and legal representatives, as applicable.
- 5.3 The Manager, except as expressly provided elsewhere in this Agreement, and at its own cost and expense:
- (a) will provide office space, equipment and accounting, engineering and clerical staff necessary for the ownership and operation of the Facilities. SAFM LP is not required to engage employees for its own account;

- (b) will keep and maintain at all times true and accurate books, records and accounts containing full and complete particulars of all operations, receipts and disbursements relating to the Participating Interest and the contractual rights of the Parties hereunder and, upon request by SAFM LP, shall make available such books, records and accounts to SAFM LP or its agents, at all reasonable times;
- (c) will conduct and cause to be conducted all operation of the Facilities hereunder in the manner of a reasonable and prudent operator and in accordance with good industry practice;
- (d) except as otherwise provided herein, will maintain the interest of SAFM LP in the Facilities and the interest of Manitok in all land and equipment used in connection therewith free from all liens, charges and encumbrances except for Permitted Encumbrances and such liens, charges or encumbrances which may be created or granted by SAFM LP in accordance with the terms of this Agreement;
- (e) will comply in all material respects with all of the terms of any Collateral Documents and obtain and maintain in good standing all required permits and approvals;
- (f) will procure and maintain insurance (and SAFM LP (or a nominee thereof) shall be listed as first loss payee on each certificates of insurance) against such risks and in such amounts as would a reasonably prudent operator engaged in the ownership, operation of a facility similar to the Facilities, including property insurance, boiler and machinery insurance, general liability insurance, business interruption insurance and pollution liability insurance, and which insurance in any event shall provide for coverage and deductibles no less favourable to the insured than are set forth in Schedule "D";
- (g) shall exercise the powers and discharge the duties of Manager and in this respect will manage, control and operate the Facilities and will cause to be done any and all acts necessary, appropriate or incidental to carrying out the purpose and business of the Rental Objectives and will do so honestly and in good faith;
- (h) will provide from time to time the representatives of SAFM LP, upon reasonable notice by SAFM LP to the Manager, access to the Facilities to enable SAFM LP to inspect and ensure proper care and maintenance of the equipment listed in Schedule "A"; and
- (i) will provide to SAFM LP such information regarding the ownership and operation of the Facilities as SAFM LP may from time to time request.

5.4 The Manager shall ensure that the proceeds of all policies of insurance referred to in Section 5.3(f) are used to rebuild or refurbish the Facilities as promptly as reasonably

practicable, as may be necessary to restore the Facilities to no lesser than the operating specifications as of the date hereof.

- 5.5 Notwithstanding anything else herein contained but subject to the No Interest Letter, only in the event of a material breach of this Agreement (which is not cured within 30 days of notice of default being received by ManitoK), SAFM LP shall have the right to take over management of the Facility and/or terminate this Agreement and ManitoK will enter an industry standard operating agreement and processing agreement with SAFM LP to continue processing ManitoK's Petroleum Substances at the Facility.

ARTICLE 6 USE OF FACILITIES

- 6.1 In consideration for the payment set out in Section 7.1, ManitoK shall have possession and use of the Facilities for the term of this Agreement.
- 6.2 ManitoK shall have possession and use of the Facilities on an "as is-where is" basis and SAFM LP shall not be responsible to ManitoK for quality or performance of the Facilities rented to ManitoK hereunder.
- 6.3 For such periods of time where ManitoK was Manager or operator of the Facility, ManitoK shall, at its sole risk and expense, be responsible for maintaining all facilities and equipment as may be necessary to process Petroleum Substances produced in the Wayne Area to the extent required to enable such substances to be processed through the Facilities.
- 6.4 ManitoK hereby agrees to, and to cause its affiliates to use SAFM LP's Facilities Capacity, for so long as the Facilities are safely processing Petroleum Substances and all necessary permits issued by applicable regulatory authorities remain in good standing, to process and transport Petroleum Substances which ManitoK or any of its affiliates owns or controls or becomes entitled to own or control within the Wayne Area. In the event of a sale or transfer of lands within the Wayne Area owned by ManitoK to a third party, a term and condition of such sale or transfer shall require the third party to agree to the Petroleum Substances reserves dedication under this Section 6.4 or exercise the ManitoK Option pursuant to Section 4.3 such that the acquisition pursuant to the exercise of the ManitoK Option is completed concurrently with such sale or transfer.
- 6.5 It is understood and agreed that SAFM LP shall not acquire title to any Petroleum Substances but only that it shall have possession thereof for the purposes of Section 7.3 hereof. It is further understood and agreed that Petroleum Substances owned by ManitoK may be commingled with Petroleum Substances owned by other producers.
- 6.6 For such periods of time where ManitoK was Manager or operator of the Facility, SAFM LP shall have no responsibility or liability whatsoever arising as a result of, and ManitoK shall indemnify SAFM LP against liability for:

- (a) losses or damages incurred or sustained in connection with the ownership, maintenance and operation of the Facilities;
 - (b) changes in the quality or characteristics of ManitoK's Petroleum Substances or for any losses or damages resulting from the commingling of ManitoK's Petroleum Substances with other Petroleum Substances;
 - (c) any loss or destruction of Petroleum Substances owned by ManitoK or any environmental damage that may ensue as a result of any mechanical or structural failure in the operation of the Facilities;
 - (d) all royalties, overriding royalties, production payments and all other taxes and payments chargeable against ManitoK's share of Petroleum Substances;
 - (e) any costs, actions, claims or losses, express or implied, whatsoever suffered by or brought against SAFM LP resulting from any person, firm, corporation or body politic claiming an interest in the Petroleum Substances processed through the Facilities by ManitoK, any of its affiliates or any other person, firm, corporation or body politic; and
 - (f) any and all losses caused by, resulting or arising from or otherwise relating to, directly or indirectly, a breach of any environmental laws or directives.
- 6.7 The rights and obligations of the Parties contained in this Article 6 shall remain in full force and effect until termination of this Agreement pursuant to Article 9, provided that Sections 6.3 and 6.6 shall survive any such termination.

ARTICLE 7 FACILITIES RENTAL

- 7.1 ManitoK shall pay to SAFM LP the Facilities Rental as a rental fee for the use of the Facilities. Commencing on the calendar month next following the Effective Date, ManitoK shall pay to SAFM LP on the last day (or the next business day thereafter if not a business day) of each month (on account of the Facilities Rental payable in respect of the month in which payment is incurred (the "**Subject Month**")) an amount equal to the Facilities Rental.
- 7.2 Should ManitoK fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to ManitoK, and ManitoK does not remedy such default within five (5) days of receipt of such written notice (the "**Cure Period**"), then SAFM LP shall have the right, upon the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from ManitoK that it will not be able to remedy the default), to terminate this Agreement, remove ManitoK as the Manager of the Facilities and make use of the Facilities as it deems

appropriate or liquidate a portion or all of the Facilities in its sole discretion. SAFM LP and ManitoK shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of ManitoK's Petroleum Substances at the Facilities.

- 7.3 If any amount payable hereunder is unpaid after the date for payment, ManitoK hereby grants SAFM LP a security interest and lien therefor on Petroleum Substances that are processed or transported through the Facilities as security for such obligations, limited to the unpaid amount to date and interest thereon and SAFM LP is further authorized to sell, for the best price obtainable in the open market, such quantity or quantities of such Petroleum Substances as shall be sufficient to pay such indebtedness plus the interest accrued thereon as aforesaid. However, such sales of ManitoK's Petroleum Substances shall first be made under the terms of any existing contracts for the sale thereof previously made by ManitoK in which event SAFM LP shall have the right to receive directly from the purchasers of those Petroleum Substances the proceeds from the sales thereof up to the amount owing by ManitoK plus interest at the rate provided herein and such purchaser shall be entitled to rely on SAFM LP's statements concerning the existence and the amount owing by ManitoK to SAFM LP. SAFM LP shall use commercially reasonable efforts to obtain an acknowledgment from each purchaser under existing contracts of its existing rights to obtain proceeds from a sale of ManitoK's Petroleum Substances in connection with the service of notice of default upon ManitoK in respect of this Section 7.3. The exercise of the lien hereunder and the interest accruing thereon as aforesaid provided in this Section 7.3 by SAFM LP shall not prejudice or exhaust any other rights or remedies of SAFM LP and shall be in addition to any other rights or remedies SAFM LP may have to secure payment of any and all amounts payable to it hereunder and SAFM LP may pursue any and all of such rights both before and after exercise of the lien.

ARTICLE 8 CONFIDENTIALITY

- 8.1 The Parties agree that all Confidential Information they may receive as a result of or in connection with the work carried out under this Agreement shall be the exclusive property of the Parties hereto, shall be classified as confidential and treated as proprietary, and shall not be shared or traded with any other person whatsoever, except as permitted hereunder.
- 8.2 Each Party agrees that it will comply with all confidentiality provisions contained in any contract between the Parties hereto and a third party made in connection with this Agreement or the Rental Objectives, as if it were a party to such contract, during the term of this Agreement, as well as subsequent to the termination of this Agreement.
- 8.3 Notwithstanding the provisions of Sections 8.1 and 8.2, any Party, without the consent of the other, may at any time provide disclosure as required in the following circumstances: (i) disclosure to duly organized stock exchanges or other regulatory bodies; (ii) disclosure required by governments, their agencies or other regulatory

- authorities having or purporting to have jurisdiction; (iii) disclosure required by any financial institution with whom a Party is attempting to obtain financing or has existing financing arrangements; (iv) disclosure to its legal and financial advisors, provided such disclosure is made under a duty of confidentiality; (v) disclosure required by law; or (vi) disclosure by SAFM LP to a prospective purchaser of a Participating Interest or a prospective replacement operator or Manager of the Facilities, provided such disclosure is made under a duty of confidentiality.
- 8.4 The Parties shall take all reasonable steps to ensure the observance of the restrictions set forth in this Article 8 by the Parties, and by their employees, officers and directors, and shall take all reasonable steps to minimize the risk of disclosure of Confidential Information by such persons.
- 8.5 The obligation of confidentiality contained herein shall survive the termination of this Agreement for a period of one year.
- 8.6 The Parties shall consult with one another before making, and shall agree upon the content of, any news release or other public disclosure in connection with this Agreement.

ARTICLE 9 TERMINATION

- 9.1 Except as otherwise provided herein, this Agreement shall continue until the earlier of:
- (a) the expiration of eight years after the date hereof and the payment of all amounts (including all 96 payments of the Facilities Rental pursuant to Section 7.1) payable by Manitok hereunder;
 - (b) such date that the Manitok Option or the Manitok ROFR is exercised and completed;
 - (c) such date, subject to the No Interest Letter, as shall be determined by SAFM LP in the event that Manitok is in default of:
 - (i) payment of any Facilities Rental payable to SAFM LP pursuant to Article 7;
 - (ii) payment when due (whether at maturity, upon acceleration or otherwise) of any Other Manitok Agreements or any debt or other obligations under any Material Agreement or Instrument, including any of, unless the default has been remedied or waived in accordance with the provisions of the relevant agreement or instrument prior to the acceleration of any debt service maintenance obligations;
 - (iii) fulfilling its obligation to process, and causing its affiliates to process, its and their own Petroleum Substances through the Facilities in

accordance with Section 6.4 of this Agreement or pursuant to equivalent obligations in any of the Other Manitok Agreements; or

- (iv) any other material obligation of Manitok set forth herein, or under any of the Other Manitok Agreements,

and Manitok has not remedied the default within 15 days of written notice of default being received by Manitok; or

- (d) the date that Manitok suffers an Insolvency Event.

Any such termination shall not affect the rights and remedies of Manitok and SAFM LP that accrued prior to such termination, or that arise as a result thereof.

9.2 In the event of termination of this Agreement in connection with the exercise by Manitok of its Manitok Option pursuant to Section 4.3 or the Manitok ROFR, SAFM LP shall assign, transfer and convey all of its Participating Interest including its right, title and interest in the Facilities, free and clear of all mortgages (except for Permitted Encumbrances and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.2 of this Agreement) and security interests created by, through or under SAFM LP (other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.5 hereof and Collateral Documents), to Manitok, together with all benefits and advantages to be derived therefrom, and Manitok shall accept such assignment and transfer of the Participating Interest and interest of SAFM LP in the Facilities in consideration for the payment of the Option Exercise Price or the Manitok ROFR price by Manitok to SAFM LP and the assumption by Manitok, and the release or indemnification by Manitok of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities.

9.3 In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(a) and Manitok has not exercised its option to acquire the Participating Interest and the Facilities pursuant to Section 9.4, or Sections 9.1(c) or 9.1(d), Manitok shall, subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

9.4 Manitok shall have the option (the "**Purchase Option**"), upon the termination of this Agreement in connection with Section 9.1(a), to purchase 100% of the Facilities for a purchase price equal to the greater of: (i) \$6,750,000, or (ii) such Fair Market Value to be determined no later than the termination date of this Agreement by an independent third party appraiser to be mutually agreed upon by the Parties hereto. Upon the completion of the transaction resulting from the exercise of such Purchase Option, SAFM LP shall assign, transfer and convey all of its Participating Interest, including its right, title and interest in the Facilities, free and clear of all mortgages and security interests created by, through or under SAFM LP (except for Permitted Encumbrances other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.5 thereof and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.3 of this Agreement) and security interests

created by, through or under SAFM LP, to ManitoK, together with all benefits and advantages to be derived therefrom, and ManitoK shall accept such assignment and transfer of the Participating Interest and the interest of SAFM LP in the Facilities in consideration for payment of the Purchase Option and the assumption by ManitoK, and the release or indemnification by ManitoK of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities. If ManitoK does not exercise the foregoing Purchase Option, then SAFM LP and ManitoK shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of ManitoK's Petroleum Substances at the Facilities.

- 9.5 In connection with the foregoing, ManitoK shall execute undated, registerable conveyances of the legal title to the Facilities and shall deliver such conveyances to legal counsel to SAFM LP to be held in trust and on the condition that such conveyances of legal title pursuant to Section 9.3 can only be utilized following a termination of this Agreement (i) pursuant to Sections 9.1(a) and ManitoK has not exercised its rights under Section 9.4, 9.1(c) or 9.1(d), or (ii) if, in respect of the exercise by ManitoK of its ManitoK Option pursuant to Section 4.3, ManitoK fails to make payment of the Option Exercise Price payable to SAFM LP pursuant to Section 4.3.
- 9.6 SAFM LP acknowledges that ManitoK is subject to a credit agreement dated as of May 29, 2015 (together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto) among ManitoK and National Bank of Canada and those other banks and other financial institutions from time to time party thereto as lenders (the "**Lenders**"), and, further to the No Interest Letter described below, ManitoK will assign and grant a security interest to the Lenders in all of its right, title, estate and interest in this Agreement. The Parties agree that this Agreement shall not be effective until the effective date of a no interest letter (the "**No Interest Letter**") to be entered into among SAFM LP, ManitoK, and a future lender of SAFM LP, which No Interest Letter will provide for, among other matters, the following, all notwithstanding anything to the contrary contained in this Agreement:
- (a) the Lenders shall have the right to receive all notices delivered by or on behalf of SAFM LP to ManitoK, including default notices, and SAFM LP shall provide copies of such notices to the Lenders concurrently with delivery of the same to ManitoK;
 - (b) the Lenders or their designee shall be entitled to cure any default of ManitoK hereunder without liability, and the Lenders or their designee shall be entitled to an additional cure period to cure, at the Lenders' discretion, any default which is not cured during ManitoK's Cure Period set forth in this Agreement;
 - (c) the Lenders shall be entitled to enforce their security interest in this Agreement, including the right to step in as ManitoK, appoint a receiver, assign this Agreement to a third party, and other enforcement rights, and

SAFM LP shall agree to the grant of security interest by Manitok and consent to and cooperate in the exercise of such remedies;

- (d) and any other terms requested by the Lenders, acting reasonably.

**ARTICLE 10
REPRESENTATIONS, WARRANTIES AND COVENANTS**

10.1 SAFM LP represents, warrants and acknowledges to Manitok that:

- (a) it is a limited partnership duly formed under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and this Agreement constitutes a legal, valid and binding contract of SAFM LP enforceable against it in accordance with its terms and will not result in a violation of any of SAFM LP's constating documents, any of the terms or provisions of any law applicable to SAFM LP or any agreement to which SAFM LP is a party or by which it is bound;
- (b) the head office or principal place of business of SAFM LP is located at the address set forth in Section 11.5 and SAFM LP is acting as principal for its own account, and not for the benefit of any other person;
- (c) SAFM LP has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Facilities, is capable of assessing the proposed investment as a result of its management experience or as a result of advice received from a person registered under applicable securities legislation, is aware of the risks relating to an investment in the Facilities and is able to bear the economic risk of loss of its investment in the Facilities; and
- (d) SAFM LP is aware that applicable securities laws prohibit any person who has material, non-public information concerning Manitok from purchasing or selling securities of Manitok or from communicating such information to any other person before the material fact or material change has been generally disclosed.

10.2 Manitok represents, warrants and acknowledges to, and covenants and agrees with, SAFM LP that:

- (a) Manitok is a corporation duly incorporated under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof and this Agreement constitutes a legal, valid and binding contract of Manitok enforceable against it in accordance with its terms and will not result in a violation of any of Manitok's constating documents, any of the

terms or provisions of any law applicable to ManitoK or any agreement to which ManitoK is a party or by which it is bound;

- (b) except for Permitted Encumbrances, ManitoK has not done any act or thing whereby title to the Facilities may be encumbered, alienated, cancelled or determined, and the Facilities are free and clear of all liens, charges and encumbrances;
- (c) ManitoK is not in default under any title and operating documents pertaining to the Facilities, and has not failed to comply with, perform, observe or satisfy, in all material respects, any term, condition, obligation or liability which has heretofore arisen under the provisions of any of such title and operating documents;
- (d) ManitoK has not received from any third party or government authority notice of material violation of or default under any title and operating document, permit, applicable law or other obligation, agreement, document, order, writ, injunction or decree of any government authority that relates to the Facilities and, to ManitoK's knowledge, no particular circumstance presently exists which may give rise to any such violation or default and, additionally, to ManitoK's knowledge, there are no such outstanding defaults or notices of default in relation to any third party or governmental authority;
- (e) all construction and operations in respect of the Facilities have been conducted in accordance with good oilfield industry practices, and to ManitoK's knowledge, all applicable law, all permits and the requirements of all government authorities have been complied with in all material respects with respect to the construction and operation of the Facilities;
- (f) ManitoK has not received notice from any third party claiming an interest in and to the Facilities adverse to the interest of ManitoK and ManitoK has no reason to believe that any such claim may be made;
- (g) from the date of this Agreement until such time as the amount of the total proved plus probable reserve value of ManitoK (discounted at 10% per annum) is greater than eight times the outstanding aggregate debt and other obligations under this Agreement and the Other ManitoK Agreements, ManitoK will:
 - (i) not, and take commercially reasonable efforts to direct its affiliates not to, sell or otherwise dispose of any of its or their right, title and interest in and to any of the producing petroleum and natural gas assets of ManitoK, other than:
 - (A) in respect of a sale or disposition of such petroleum and natural gas assets in the Stolberg Area as permitted under the terms of the Stolberg Joint Venture Agreement;

- (B) sale of certain royalty interests to Freehold Royalties Partnership and/or its affiliates, pursuant to a Production Volume Royalty Agreement dated June 11, 2015;
- (C) sale of Petroleum Substances in the ordinary course of business;
- (D) a grant of security which expressly excludes the Facilities; or
- (E) in respect of a sale or disposition of such petroleum and natural gas assets whereby 15% of the net proceeds from such sale or disposition is paid to SAFM LP on or prior to the date that is 30 days from the completion of such sale or disposition (a "**Disposition Payment**"); provided, however, that:
 - (i) such Disposition Payments are first applied to the payment of obligations under the Stolberg and Entice Areas Rental Agreement, second to the payment of obligations under the Stolberg Joint Venture Agreement, third to the payment of obligations under this Agreement and finally to the payment of obligations under the Wayne Joint Venture Agreement;
 - (ii) Disposition Payments must not be less than \$1,000,000, paid in tranches of not less than \$100,000; and
 - (iii) with each Disposition Payment, Manitok must deliver payment sufficient to cause SAFM LP to receive its annual yield equal to such percentage as is set forth in Section 4.3 of each applicable Other Manitok Agreement or this Agreement; and
- (F) a sale consented to in writing by SAFM LP (such consent not to be unreasonably withheld);

provided that no such sale or disposition of any producing petroleum and natural gas assets may be effected if following completion of such sale or disposition the amount of the total proved plus probable reserve value of Manitok (discounted at 10% per annum) would not be greater than eight times the outstanding aggregate debt and other obligations under this Agreement and the Other Manitok Agreements less any Disposition Payments; and

- (ii) on or prior to the date that is 120 days after the end of each fiscal year, deliver to SAFM LP the annual reserves values prepared by Manitok's independent engineers.

**ARTICLE 11
GENERAL**

- 11.1** No waiver by or on behalf of any Party hereto of any breach of a provision of this Agreement shall be binding upon that Party unless it is expressed in writing and duly executed by that Party or signed by its fully authorized representatives, and such a waiver shall not operate as a waiver of any future breach, whether of a like or different character.
- 11.2** Each of the Parties acknowledges and agrees that if any covenant, obligation, term or condition of this Agreement or the application thereof to any person or circumstances shall to any extent be illegal, invalid or unenforceable, then the remainder of this Agreement or the application of such covenant, obligation, term or condition to persons or circumstances other than those as to which it is held, illegal, invalid or unenforceable shall not be affected thereby and each covenant, obligation, term and condition of this Agreement shall be separately legal, valid and enforceable to the fullest extent permitted by law.
- 11.3** The Parties hereto shall from time to time and at all times do all such further acts and execute and deliver all such further deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.
- 11.4** The Parties hereto have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement and no implied covenant, condition, term or reservation shall be read into this Agreement relating to or concerning such subject matter.
- 11.5** All notices, payments and communications hereunder shall be in writing and in lieu of personal service may be given or made by facsimile, email or mail. Notices or communications shall be deemed to have been received one (1) business day after the sending thereof in the case of a facsimile or email and four (4) business days after the date of mailing, in the case of mailing, in either case, excluding Saturdays, Sundays and statutory holidays. The contact information appearing below shall be used for the purpose of notices and communications, but any Party may change its contact information by notice to the other Parties in accordance with this Section 11.5.

Manitok: Manitok Energy Inc.
Suite 2600, 585 8th Avenue S.W.
Calgary, Alberta
T2P 1G1

Attention: Vice President, Finance and CFO
E-mail: rdion@manitok.com
Fax No.: (403) 984-1749

SAFM LP: Stream Asset Financial ManitoK LP

c/o Stream Asset Financial ManitoK Corp.
401, 322 11th Avenue S.W.
Calgary, Alberta T2R 0C5

Attention: President
E-mail: rdunfield@streamasset.ca


- 11.6** This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.
- 11.7** No amendment or variation of the provisions of this Agreement shall be binding upon any Party unless it is evidenced in writing and, subject to Section 5.2, it is executed by the Party.
- 11.8** ManitoK shall pay all legal and due diligence expenses of SAFM LP up to a maximum of \$100,000.00.
- 11.9** This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together constitute the one and the same agreement.

The remainder of this page intentionally left blank. Signature page follows.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____


Massimo M. Geremia
President & CEO

Per: _____

STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

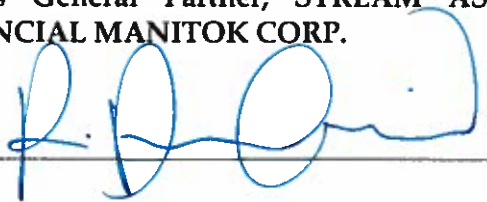
IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

SCHEDULE "A" attached to and forming part of WAYNE AREAS RENTAL AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

DESCRIPTION OF FACILITIES

- Wayne oil battery located at LSD 028-21-W4M

Map Description

#1 01-20-28-21W4 Sour Oil Battery

8 x 2000 barrel tanks

2 treaters 96" x 40'

Acid gas injection compressor 600hp, 5 stage recip

Sour Sales compressor 800hp, 5 stage Ram 54

Amine Skid

Re-fridge Skid

Acid Gas Dehy

Inlet buildings with slug catcher and inlet exchanger

2 LPG Bullets

Truck In Preheat exchanger building

Pump Skid building

Water injection, 1 main pump and 2 boost pumps

High pressure and low pressure flare system c/w Flare knock out

#2 08-23-28-21W4 Sour Oil Satellite

Inlet building (switching valves for testing, pigging)

Group and Test building with emulsion pumps

Free Water Knock Out

Water injection, 2 main pumps and 2 boost pumps

Flare system c/w above ground Flare knock out

SCHEDULE "B" attached to and forming part of WAYNE AREAS RENTAL AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ASSIGNMENT AND DECLARATION OF TRUST

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MANITOK ENERGY INC. (the "**Trustee**") hereby assigns, transfers and conveys to STREAM ASSET FINANCIAL MANITOK LP (the "**Beneficiary**") an undivided 100.00% direct interest in and to the Facilities, as defined in the Wayne Area Rental Agreement dated as of the ___ day of June, 2015 (as amended, modified, supplemented, restated or replaced, from time to time, the "**Rental Agreement**"), held for and on behalf of the Beneficiary under the terms of the Rental Agreement.

The Trustee hereby acknowledges that it stands possessed of an undivided 100.00% interest in the said Facilities, as bare trustee for the Beneficiary, subject to all of the terms, provisions and conditions contained in the Rental Agreement.

The Trustee hereby undertakes and agrees to promptly take all steps necessary or advisable to assign, transfer and convey to the Beneficiary or its designee the whole of the interest of the Trustee as bare trustee in and to the Facilities, free and clear of all mortgages, charges, liens and security interests, other than Permitted Encumbrances (as defined in the Rental Agreement), upon receipt from the Beneficiary of written notice advising the Trustee that the Rental Agreement has been terminated pursuant to Sections 9.1(a) (and the Manitok Option, as defined in the Rental Agreement, has not been exercised), 9.1(c) or 9.1(d) thereof and demanding, in accordance with Section 9.2 of the Rental Agreement, that the interest of the Trustee be so assigned, transferred and conveyed.

Dated effective as of the ____ day of June, 2015.

MANITOK ENERGY INC.

Per _____

Per: _____

SCHEDULE "C" attached to and forming part of WAYNE AREAS RENTAL AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

COLLATERAL DOCUMENTS

(See attached.)



[Menu](#) [Inbox](#) [Help](#) [Contacts](#) [Logout](#)

AB BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 3

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F <input type="text"/>				1	20	28	21	W 4 <input type="text"/>
<input type="button" value="Go"/>								

Type	Licence #	Location	Licence Status	Licence Status Date
------	-----------	----------	----------------	---------------------

Type	Licence #	Location	Licence Status	Licence Status Date
F	0003817	00-01-20-028-21 W4	AMENDED	
F	0003818	02-01-20-028-21 W4	AMENDED	
F	0003819	03-01-20-028-21 W4	ISSUED	

Licence Type:	F	Location:	03-01-20-028-21 W4
Licence Number:	0003819	Licence Status:	ISSUED
Licence Issue Date:	2001-03-01	Licence Status Date:	
Licensee:	0026 ENCANA CORPORATION	Energy Development Category:	421-Oil Battery - multiwell

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABBT0049441	322	PCP WAYNE ROSEDALE 01-20	ACTIVE	2014-08-01

[\[Menu-Inbox-Help-Contacts-Logout\]](#)
[\[Top-AB\]](#)



[Menu](#) [Inbox](#) [Help](#) [Contacts](#) [Logout](#)

AB BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 2

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F <input type="text" value=""/>				8	23	28	21	W <input type="text" value="4"/>
<input type="button" value="Go"/>								

Type	Licence #	Location	Licence Status	Licence Status Date
F	0003822	02-08-23-028-21 W4	ISSUED	
F	0003824	00-08-23-028-21 W4	AMENDED	

Licence Type:	F	Location:	02-08-23-028-21 W4
Licence Number:	0003822	Licence Status:	ISSUED
Licence Issue Date:	2001-03-01	Licence Status Date:	
Licensee:	0026 ENCANA CORPORATION	Energy Development Category:	450-Oil satellite - single or multiwell

[\[Menu-Inbox-Help-Contacts-Logout\]](#)
[\[Top-AB\]](#)

MIDSTREAM/JOINT INTEREST COMMERCIAL ARRANGEMENTS

1. SERVICE & MISCELLANEOUS AGREEMENTS

Comments:

- 17 Service Agreements, terminable upon 30 days notice
 - a. ManitoK Energy Inc. as Service Receiver – 3
 - b. ManitoK Energy Inc. as Service Provider – 14
- No material contracts

a) ManitoK Energy Inc. as Service Receiver (Subject to Revision)

Agreement Name	Status	Service Provider	Service Receiver	Agreement Type
Gas Transportation Agreement	Assigned	TAQA North	ManitoK Energy Inc.	GAS HANDLING AGREEMENT
Hussar 12-12-25-22W4M Battery Well Effluent Processing And Water Disposal Agreement	Assigned	Logic Energy Ltd	ManitoK Energy Inc.	EFFLUENT HANDLING AGREEMENT
Rockyford 14-22 Battery Effluent Handling Agreement	Assigned	Breeze Resources Partnership	ManitoK Energy Inc.	EFFLUENT HANDLING AGREEMENT

b) ManitoK Energy Inc. as Service Provider (Subject to Revision)

Agreement Name	Status	Service Provider	Service Receiver	Agreement Type
Wayne North Area Well Effluent Processing & Water/ Acid Gas Disposal Agreement	Assigned	ManitoK Energy Inc.	Bounty Developments Ltd	EFFLUENT HANDLING AGREEMENT
Contract Operating Agreement	Assigned	ManitoK Energy Inc.	TAQA North	CONTRACT WELLS/FACILITIES OPERATING AGREEMENT
Contract Operating Agreement	Assigned	ManitoK Energy Inc.	Bounty Developments Ltd	CONTRACT WELLS/FACILITIES OPERATING AGREEMENT
Wayne North Area Well Effluent & Solution Gas Handling And Acid Gas/Water Disposal Agreement	Assigned	ManitoK Energy Inc.	TAQA North	EFFLUENT HANDLING AGREEMENT
Oil Pipeline Tie-In Agreement	Assigned	ManitoK Energy Inc.	TAQA North	PIPELINE TIE-IN AGREEMENT
Emulsion Handling Agreement (Trucked)	Assigned	ManitoK Energy Inc.	Bounty Developments Ltd	EFFLUENT HANDLING AGREEMENT

Agreement Name	Status	Service Provider	Service Receiver	Agreement Type
Wayne North Area Facilities Well Effluent Processing and Water/Acid Gas Disposal Agreement	Assigned	Manitok Energy Inc.	Vanguard Exploration Corp	EFFLUENT HANDLING AGREEMENT
Oil Pipeline Tie-in Agreement - Wayne North Area	Assigned	Manitok Energy Inc.	Spyglass Resources Corp	PIPELINE TIE-IN AGREEMENT
Wayne North Area Facilities Well Effluent Processing and Water/Acid Gas Disposal Agreement	Assigned	Manitok Energy Inc.	Spyglass Resources Corp	EFFLUENT HANDLING AGREEMENT
Contract Wells/Facilities Operating Agreement - Wayne North Area	Assigned	Manitok Energy Inc.	Spyglass Resources Corp	CONTRACT WELLS/FACILITIES OPERATING AGREEMENT
Wayne Oil Facility Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	TimberRock Energy Corp	EFFLUENT HANDLING AGREEMENT
Wayne Oil Battery Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	Traverse Energy Ltd	EFFLUENT HANDLING AGREEMENT
Wayne Oil Battery Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	Cenovus Energy Inc	EFFLUENT HANDLING AGREEMENT
Wayne Oil Battery Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	Ember Resources Inc	EFFLUENT HANDLING AGREEMENT

SCHEDULE "D" attached to and forming part of WAYNE AREAS RENTAL AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

INSURANCE COVERAGE

(See attached.)



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue SW
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

CERTIFICATE ISSUED TO: Stream Asset Financial Manitoak LP

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE AS HEREIN DESCRIBED HAVE BEEN ISSUED TO THE INSURED NAMED BELOW AND ARE IN FORCE AT THIS DATE.

NAME OF INSURED: Manitoak Energy Inc.
ADDRESS OF INSURED: Suite 2600, 585-8th Avenue SW
Calgary, Alberta T2P 1G1
REGARDING: 01-20-28-21W4 Sour Oil Battery
08-23-28-21W4 Sour Oil Satellite

COMMERCIAL GENERAL LIABILITY

LIMIT OF LIABILITY: \$5,000,000 CDN any one loss and/or series of losses arising out of any one event or occurrence
Includes: Sudden & Accidental Pollution
INSURER: Energy Insurance Group
POLICY NUMBERS: LI1797610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

PROPERTY INSURANCE

LIMIT OF LIABILITY: As per Schedule on file with Insurer
Includes: All Risk except as excluded, Full Replacement Cost, Business Interruption, Boiler and Machinery
INSURER: Energy Insurance Group
POLICY NUMBERS: PR7526610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

Where required by contract and applicable by statute, the following are hereby understood and agreed:

Stream Asset Financial Manitoak LP is added as First Loss Payee and Lessor on the Property Insurance but only as their interest may appear with respect to the operations of the Named Insured and with respect to the property listed above.

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: May 28, 2015

BROKER: Gallagher Energy Risk Services

Authorized Representative



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue SW
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

CERTIFICATE ISSUED TO:

Stream Asset Financial Manitoak LP

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE AS HEREIN DESCRIBED HAVE BEEN ISSUED TO THE INSURED NAMED BELOW AND ARE IN FORCE AT THIS DATE.

NAME OF INSURED:
ADDRESS OF INSURED:

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

REGARDING:

01-04-026-21W4 Single Well Oil Battery	08-02-028-22W4 Single Well Oil Battery	14-09-026-21W4 Single Well Oil Battery
01-14-028-21W4 Single Well Oil Battery	08-03-028-21W4 Single Well Oil Battery	14-14-028-21W4 Single Well Oil Battery
01-19-025-21W4 Single Well Oil Battery	08-18-025-21W4 Single Well Oil Battery	14-20-027-22W4 Single Well Oil Battery
01-33-025-21W4 Single Well Oil Battery	08-20-028-21W4 Single Well Oil Battery	14-22-028-21W4 Single Well Oil Battery
02-02-024-24W4 Single Well Oil Battery	08-23-028-21W4 Single Well Oil Battery	14-24-028-22W4 Single Well Oil Battery
02-07-028-20W4 Single Well Oil Battery	08-32-023-21W4 Single Well Oil Battery	14-27-027-22W4 Single Well Oil Battery
02-20-028-21W4 Single Well Oil Battery	09-02-028-22W4 Single Well Oil Battery	14-35-027-22W4 Single Well Oil Battery
02-28-024-21W4 Single Well Oil Battery	09-07-028-20W4 Single Well Oil Battery	15-02-028-21W4 Single Well Oil Battery
04-12-028-20W4 Single Well Oil Battery	09-14-028-21W4 Single Well Oil Battery	15-12-028-21W4 Single Well Oil Battery
05-02-028-22W4 Single Well Oil Battery	10-06-028-20W4 Single Well Oil Battery	15-19-025-21W4 Single Well Oil Battery
05-10-028-22W4 Single Well Oil Battery	10-10-028-22W4 Single Well Oil Battery	15-24-027-22W4 Single Well Oil Battery
05-12-028-22W4 Single Well Oil Battery	10-13-028-22W4 Single Well Oil Battery	15-27-027-22W4 Single Well Oil Battery
05-13-028-21W4 Single Well Oil Battery	10-25-028-22W4 Single Well Oil Battery	15-33-025-21W4 Single Well Oil Battery
05-18-028-20W4 Single Well Oil Battery	10-33-025-21W4 Single Well Oil Battery	15-36-027-22W4 Single Well Oil Battery
05-30-025-21W4 Single Well Oil Battery	10-35-027-23W4 Single Well Oil Battery	16-11-028-21W4 Single Well Oil Battery
05-30-027-22W4 Single Well Oil Battery	11-07-028-20W4 Single Well Oil Battery	16-12-028-21W4 Single Well Oil Battery
06-09-029-21W4 Single Well Oil Battery	11-12-028-21W4 Single Well Oil Battery	16-17-023-23W4 Single Well Oil Battery
06-16-024-22W4 Single Well Oil Battery	11-24-028-22W4 Single Well Oil Battery	16-28-027-22W4 Single Well Oil Battery
06-19-025-21W4 Single Well Oil Battery	11-27-027-22W4 Single Well Oil Battery	
06-28-027-21W4 Single Well Oil Battery	12-07-028-20W4 Single Well Oil Battery	
06-32-025-23W4 Single Well Oil Battery	12-34-028-21W4 Single Well Oil Battery	
06-35-027-23W4 Single Well Oil Battery	12-35-027-23W4 Single Well Oil Battery	
07-02-028-22W4 Single Well Oil Battery	13-01-028-22W4 Single Well Oil Battery	
07-09-029-21W4 Single Well Oil Battery	13-19-025-21W4 Single Well Oil Battery	
07-16-028-22W4 Single Well Oil Battery	13-35-027-22W4 Single Well Oil Battery	
07-19-025-21W4 Single Well Oil Battery	14-06-028-20W4 Single Well Oil Battery	

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: May 28, 2015

BROKER: Gallagher Energy Risk Services

Authorized Representative



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue SW
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

COMMERCIAL GENERAL LIABILITY

LIMIT OF LIABILITY: \$5,000,000 CDN any one loss and/or series of losses arising out of any one event or occurrence
Includes: Sudden & Accidental Pollution

INSURER: Energy Insurance Group

POLICY NUMBERS: LI1797610

EFFECTIVE DATE: October 1, 2014

EXPIRY DATE: October 1, 2015

PROPERTY INSURANCE

LIMIT OF LIABILITY: As per Schedule on file with Insurer
Includes: All Risk except as excluded, Full Replacement Cost, Business Interruption, Boiler and Machinery

INSURER: Energy Insurance Group

POLICY NUMBERS: PR7526610

EFFECTIVE DATE: October 1, 2014

EXPIRY DATE: October 1, 2015

Where required by contract and applicable by statute, the following are hereby understood and agreed:

Stream Asset Financial Manitoak LP is added as First Loss Payee and Lessor on the Property Insurance but only as their interest may appear with respect to the operations of the Named Insured and with respect to the property listed above.

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: May 28, 2015

BROKER: Gallagher Energy Risk Services

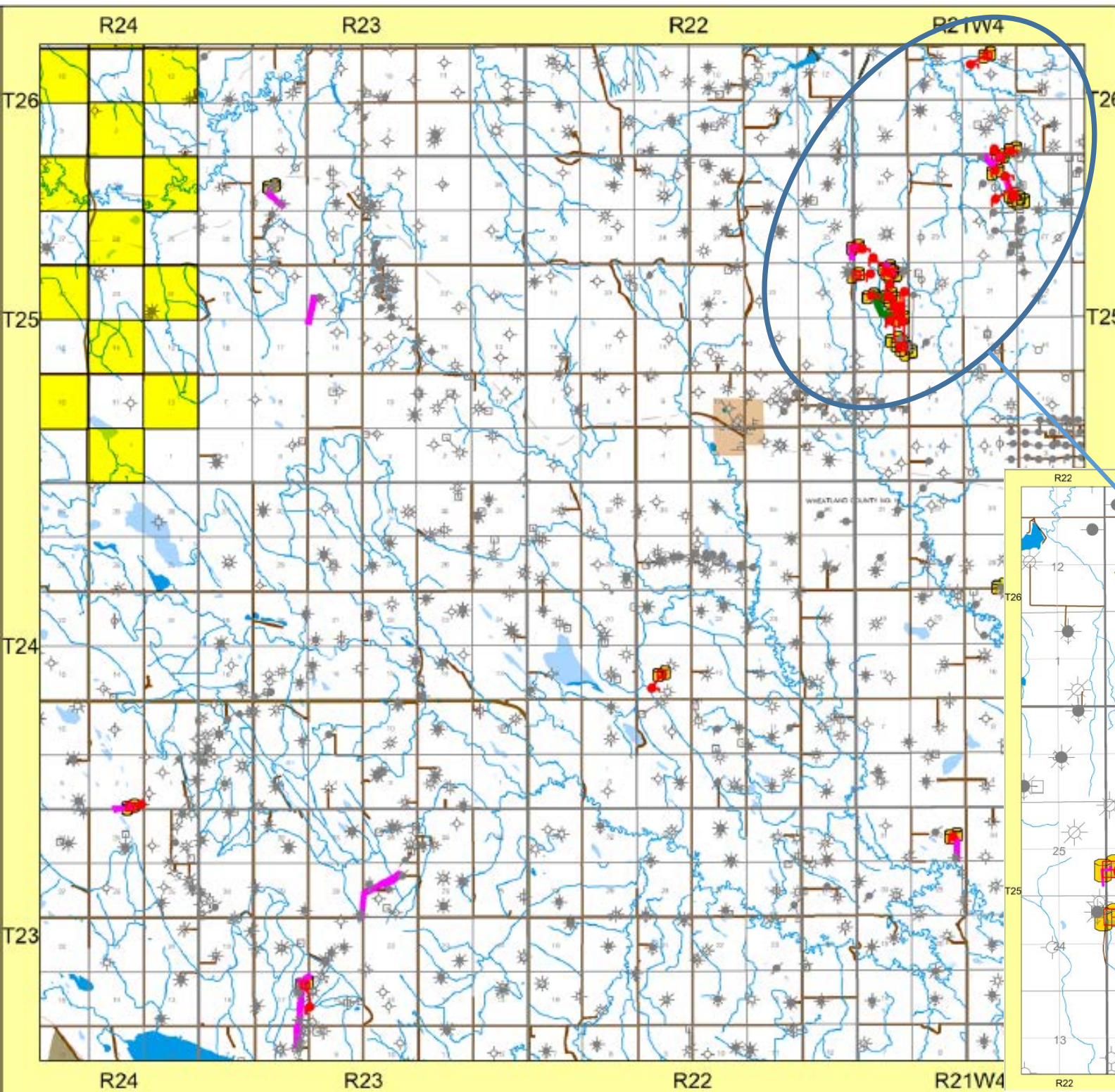
Authorized Representative

SCHEDULE "E" attached to and forming part of WAYNE AREAS RENTAL AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

WAYNE AREA

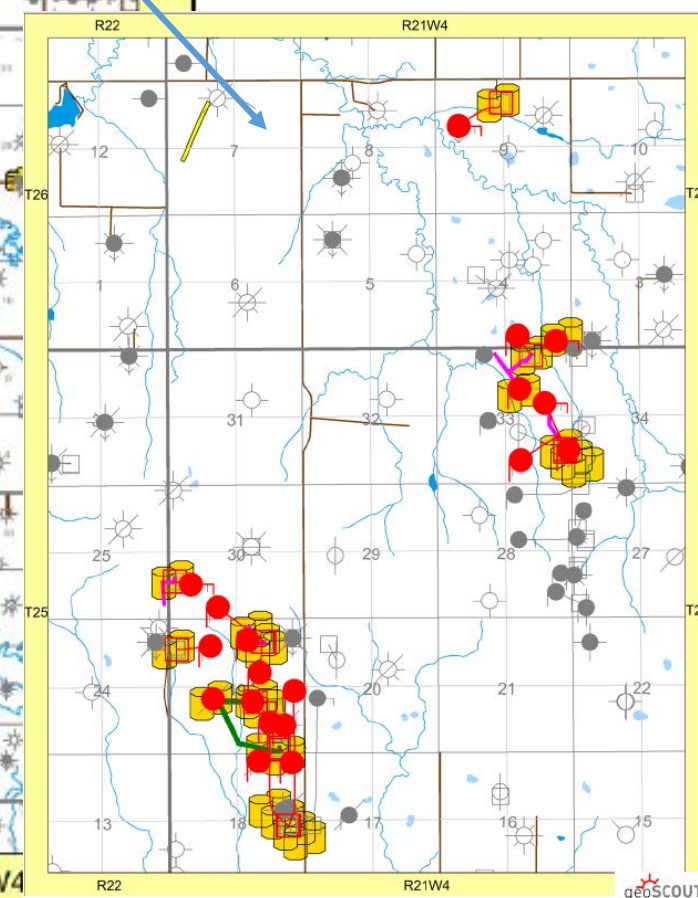
(See attached.)

Rockyford Facilities













Legend:

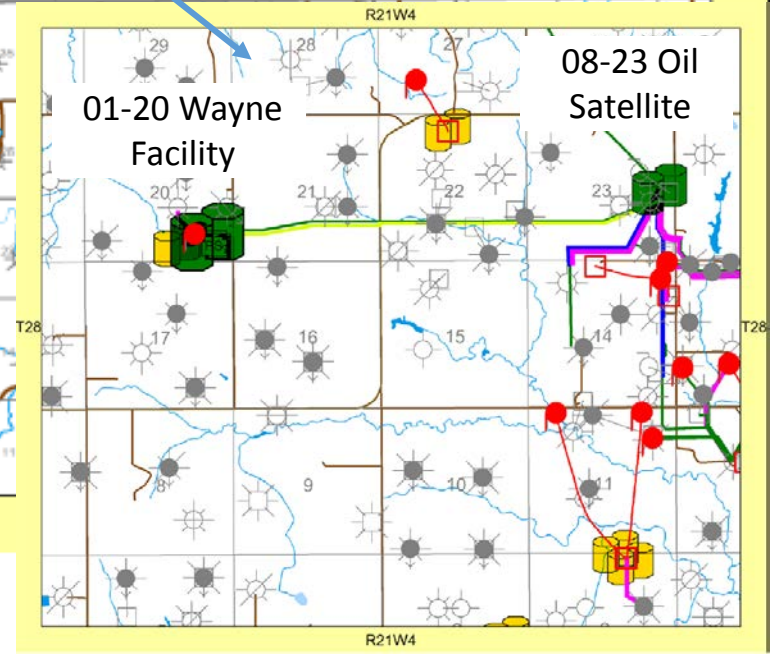
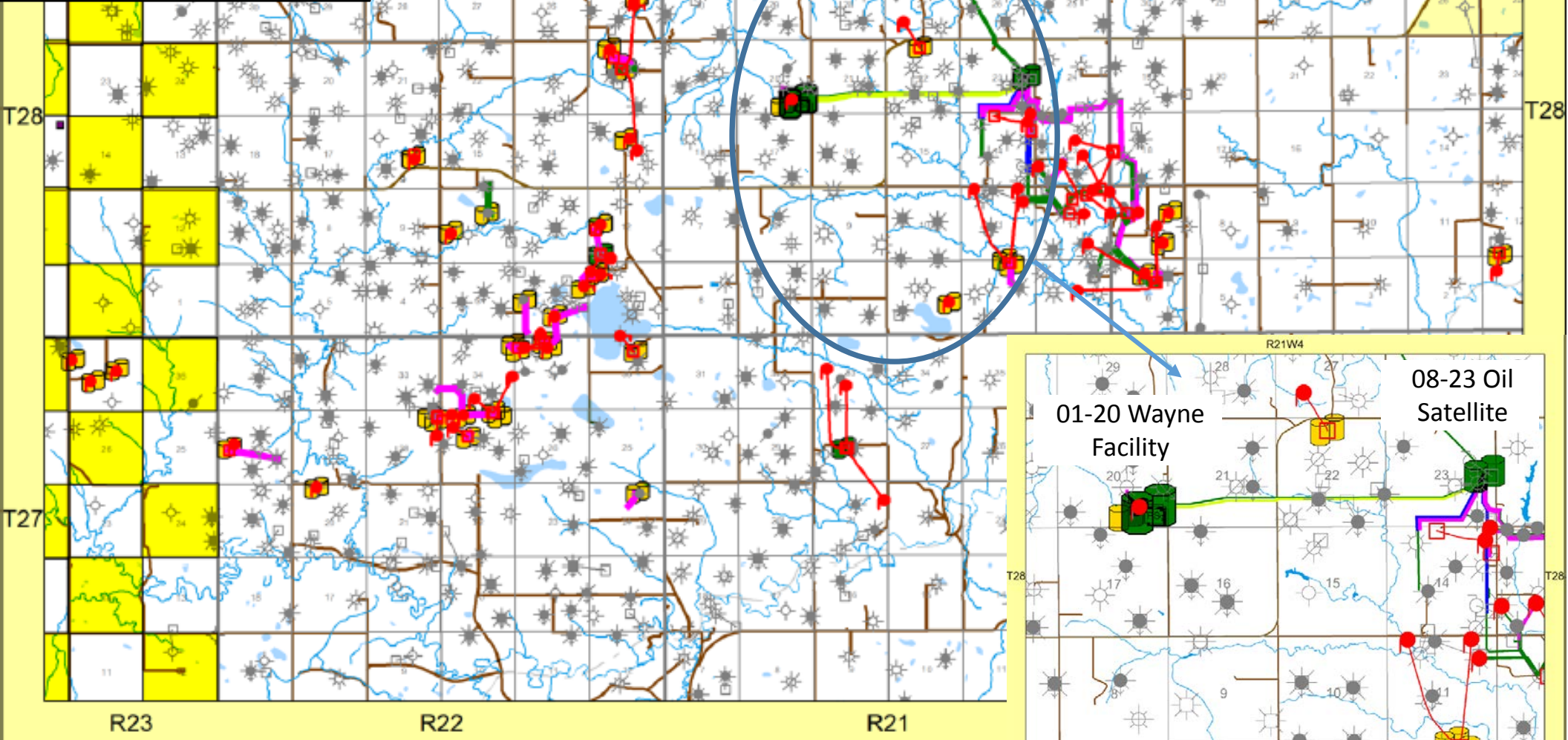
- Producing Oil Wells (Duke Deal) ●
- Wells with Production from GLCC and ELRL ●
- Basal Quartz Hz Wells ● — ●
- Duke Gas Pipelines —
- Duke Emulsion Pipelines —
- Duke Water Pipelines —
- Duke Sour Gas Pipeline —
- Inter Pipeline Oil Sale Line —
- Single Well Battery ■ (27)



Wayne Facilities

Legend:

- Producing Oil Wells (Duke Deal) 
- Wells with Production from GLCC and ELRL 
- Encana Basal Quartz Hz Wells 
- Duke Gas Pipelines 
- Duke Emulsion Pipelines 
- Duke Water Pipelines 
- Duke Sour Gas Pipeline 
- Inter Pipeline Oil Sale Line 
- Single Well Battery  (39)
- Multi Well Battery  (4)
 - 01-20 Wayne Facility
 - 08-23 Oil Satellite
 - 2 other multi well batteries (06-28 and 04-12)



SCHEDULE "F" attached to and forming part of WAYNE AREAS RENTAL AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ILLUSTRATIVE CALCULATION OF OPTION EXERCISE PRICE



Annual Tariff	1,125,000
Placement	7,500,000
Payback	6.7 years
	80.0 months

Maintenance yield data	
Period	5.0 years
Minimum yield	14.50%
Total	5,437,500

Yield Calc	Simple
------------	--------

Minimum total repay 12,937,500

Period	Aggregate payments	Repay Face Value	Yield Maintenance	Total Payment
1	1,125,000	6,375,000	5,437,500	11,812,500
2	2,250,000	5,250,000	5,437,500	10,687,500
3	3,375,000	4,125,000	5,437,500	9,562,500
4	4,500,000	3,000,000	5,437,500	8,437,500
5	5,625,000	1,875,000	5,437,500	7,312,500
6	6,750,000	750,000	5,437,500	6,187,500
7	7,875,000	-	5,062,500	5,062,500
8	9,000,000	-	3,937,500	3,937,500
9	10,125,000	-	2,812,500	2,812,500
10	11,250,000	-	1,687,500	1,687,500
11	12,375,000	-	562,500	562,500
12	13,500,000	-	-	-
13	14,625,000	-	-	-
14	15,750,000	-	-	-
15	16,875,000	-	-	-
16	18,000,000	-	-	-
17	19,125,000	-	-	-
18	20,250,000	-	-	-
19	21,375,000	-	-	-
20	22,500,000	-	-	-

THIS FIRST AMENDING AGREEMENT dated as of the 29th day of June, 2015

BETWEEN:

MANITOK ENERGY INC.,
a corporation incorporated under the laws of Alberta
("Manitok")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited
partnership formed under the laws of Alberta ("SAFM LP")

WHEREAS Manitok and SAFM LP are parties to a rental agreement dated June 12, 2015 (the "Wayne Area Rental Agreement");

AND WHEREAS Manitok and SAFM LP wish to enter into this First Amending Agreement to set forth certain changes to the Wayne Area Rental Agreement and to otherwise confirm the provisions of the amended Wayne Area Rental Agreement;

AND WHEREAS pursuant to section 11.7 of the Wayne Area Rental Agreement, the Wayne Area Rental Agreement may only be amended or varied if such amendment or variation is evidenced in writing and executed by the parties thereto;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the mutual benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the Parties agree as set forth below.

1. Definitions

All capitalized terms used in this First Amending Agreement shall, unless otherwise defined herein, have the meanings herein given to them in the Wayne Area Rental Agreement, and:

"Parties" means the parties which are signatories to this First Amending Agreement.

"First Amending Agreement" means this first amending agreement.

"Wayne Area Rental Agreement" has the meaning given to it in the recitals.

2. Amendment to Wayne Area Rental Agreement

Effective as of the date of this First Amending Agreement, the Wayne Area Rental Agreement is amended

(a) by deleting Section 4.4 in its entirety;

- (b) by renumbering the existing Sections 4.5 and 4.6 as Sections 4.4 and 4.5, respectively;
- (c) by replacing the phrase "Section 4.5" in Section 4.1 with "Section 4.4";
- (d) by deleting Section 7.2 in its entirety and replacing it with the following:

Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If (a) any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the "**Cure Period**"), or (b) following an occurrence of a Change of Control, SAFM LP requests Manitok to exercise the Manitok Option pursuant to Section 4.3 and Manitok does not comply with such request within five (5) business days (the "**Manitok Option Default Event**"), then SAFM LP shall have the right, upon (i) the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), or (ii) such Manitok Option Default Event, as applicable, to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. Notwithstanding the foregoing, in the event that (a) the Manitok Option Default Event occurs as a result of Manitok's primary lender refusing to provide consent and (b) Manitok is not otherwise in default under this Agreement, then, rather than five (5) business days, Manitok shall have fifteen (15) days to comply with SAFM LP's request to exercise the Manitok Option pursuant to Section 4.3. SAFM LP and Manitok shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of Manitok's Petroleum Substances at the Facilities.

- (e) by deleting "or" from the end of subsection 9.1(c);
- (f) by replacing the "." in subsection 9.1(d) with "; or";
- (g) by adding the following as subsection (e) to Section 9.1:

the date on which there occurs any transfer or sale of the issued and outstanding share capital of Manitok that would result in a Change of Control of Manitok,

- (h) by deleting Section 9.3 in its entirety and replacing it with the following:

In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(a) or 9.1(e) and where Manitok has not exercised its option to acquire the Participating Interest and the Facilities pursuant to Section 9.4, or in the event of termination of this Agreement pursuant to Sections 9.1(c) or 9.1(d), Manitok

shall, promptly on request by SAFM LP and subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

Each of the Parties acknowledges and agrees that the Wayne Area Rental Agreement, as amended by this First Amending Agreement, is and will continue to be in full force and effect, and is hereby ratified and confirmed, and the rights and obligations of all parties thereunder will not be affected in any manner by the provisions of this First Amending Agreement, except as expressly provided in Section 2 of this First Amending Agreement.

3. Assurances

At any time or from time to time after the date hereof, the Parties agree to co-operate with each other, and at the request of any other Party, to execute and deliver any further instruments or documents and to take all such further action as the other Party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the Parties.


4. Counterparts

This First Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile or other electronic transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this First Amending Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per:  _____

Massimo M. Geremia
President & CEO

Per:  _____

Robert G. Dion
Vice President, Finance & CFO

STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

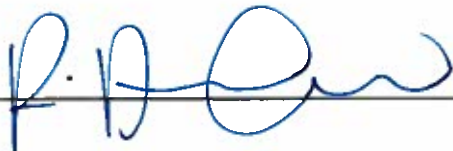
IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

TAB D

**WAYNE AREA
JOINT VENTURE AGREEMENT**

THIS AGREEMENT made effective as of the 12th day of June, 2015

BETWEEN:

MANITOK ENERGY INC. a body corporate existing under the laws of Alberta (hereinafter referred to as "**Manitok**")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited partnership formed under the laws of Alberta (hereinafter referred to as "**SAFM LP**")

WHEREAS Manitok is the owner and operator of the assets that make up the Facilities (as defined herein) located in the Wayne Area, as set forth in Schedule "A" to this Agreement;

AND WHEREAS Manitok and SAFM LP have agreed to form the Joint Venture for the purposes of financing, owning and operating the Facilities;

AND WHEREAS Manitok has agreed to contribute the Facilities and SAFM LP has agreed to pay Manitok for value attributable to the Facilities as part of the Joint Venture and pursuant to the terms and conditions hereinafter set forth;

AND WHEREAS the Facilities are designed to process and transport Petroleum Substances;

AND WHEREAS Manitok has agreed to use the Facilities to process and transport Petroleum Substances which it owns or controls or becomes entitled to be owned or controlled within the Wayne Area and SAFM LP has agreed to grant Manitok the possession and use of the Facilities to process and transport such Petroleum Substances owned or controlled by Manitok, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the premises hereto and the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 In this Agreement, including this Section 1.1, the recitals and the Schedules hereto, unless the context otherwise requires:

- (a) "**Agreement**", "**hereto**", "**hereof**", "**herein**", "**hereby**", "**hereunder**" and similar terms mean and refer to this Joint Venture Agreement and all written

instruments made by the parties hereto to supplement, amend or confirm this Agreement;

- (b) **“Change of Control”** means the occurrence, in a single transaction or in a series of related transactions, of any of the following:
 - (i) the sale of fifty percent (50%) or more of the common shares of the Corporation excluding, however, any sale to an Affiliate (as defined in the *Business Corporations Act* (Alberta));
 - (ii) a merger, consolidation or similar transaction involving Manitok (other than a merger, consolidation or similar transaction between Manitok and an Affiliate) in which, immediately after such transaction, less than 50% of the outstanding voting securities of the surviving or resulting entity are then beneficially owned, directly or indirectly, in the aggregate by the holders of the common shares of the Corporation immediately prior to such merger, consolidation or other transaction; or
 - (iii) sale of substantially all of Manitok’s assets; but does not include;
 - (iv) creation of a new “Control Person” as such term is defined under the *Securities Act* (Alberta);
- (c) **“Collateral Documents”** has the meaning set forth in Section 3.2 hereof;
- (d) **“Commitment Amount”** means the amount of \$12,500,000 to be contributed by SAFM LP pursuant to Section 3.1 hereof;
- (e) **“Confidential Information”** means all information of a Party, including without limitation: written communications, computer programs, photographs, financial and accounting books and records, specifications, reports, products, know-how, processes, technology, practices, correspondence, documents, and other information, whether written or otherwise, that is prepared or received by a Party in connection with this Agreement and the reimbursement of Manitok for value attributable to ownership and operation of the Facilities, but shall not include information that:
 - (i) is now or becomes in the public domain without the wrongful act or breach of this Agreement by another party;
 - (ii) is already known by the receiving Party at the time of disclosure, or is rightfully received from a third party on a non-confidential basis, as demonstrated by reasonable evidence; or
 - (iii) is approved for release by the prior express written authorization of the Party to whom such confidential information belongs;

- (f) **"Cure Period"** has the meaning ascribed to it in Section 7.2 hereof;
- (g) **"Disposition Payment"** has the meaning ascribed to it in Section 10.2(j)(i)(E);
- (h) **"Effective Date"** means June 12, 2015;
- (i) **"Facilities"** means, collectively, the assets set forth in Schedule "A" to this Agreement; and all present and future contractual rights related to those facilities, including any third party agreements to process and transport Petroleum Substances through the Facilities;
- (j) **"Facilities Capacity"** means with respect to the Facilities, as such Facilities exist on the date of this Agreement, the daily volumetric capacity of such Facilities;
- (k) **"Facilities Notice"** has the meaning ascribed to it in Section 4.6 hereof;
- (l) **"Facilities Project"** has the meaning ascribed to it in Section 4.6 hereof;
- (m) **"Facilities Tariff"** means \$156,250, plus GST, payable each month by Manitek to SAFM LP pursuant to Section 7.1, as adjusted downwards from time to time following any Disposition Payments, as agreed to between the Parties in writing;
- (n) **"Financed Capital"** has the meaning ascribed to it in Section 4.6 hereof;
- (o) **"GST"** means the goods and services tax payable pursuant to the *Excise Tax Act* (Canada) or such other similar, amended or replacement legislation in force from time to time;
- (p) **"Insolvency Event"** means when a Party hereto makes an assignment for the benefit of its creditors generally or files a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction, or a receiving order is made or a petition is filed under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or under substantially similar legislation in any other jurisdiction against a Party hereto;
- (q) **"Joint Venture"** means the joint venture formed by the Parties upon the execution of this Agreement;
- (r) **"Joint Venture Objectives"** has the meaning ascribed to it in Section 2.3 hereof;
- (s) **"Lenders"** has the meaning ascribed to it in Section 9.6 hereof;
- (t) **"Manitek Option"** has the meaning ascribed to it in Section 4.3 hereof;

- (u) **“Manitok ROFR”** has the meaning ascribed to it in Section 4.2 hereof;
- (v) **“Manager”** means Manitok as operator of the Facilities;
- (w) **“Material Agreement or Instrument”** means any agreement or instrument that Manitok is a party to under which the amount of aggregate debt or other obligations of Manitok at any given time exceeds 50% of the amount of outstanding aggregate debt and other obligations under this Agreement and the Other Manitok Agreements;
- (x) **“No Interest Letter”** has the meaning ascribed to it in Section 9.6 hereof;
- (y) **“Notice Of Exercise”** has the meaning ascribed to it in Section 4.3 and 4.4 hereof;
- (z) **“Operating Cash Flow”** means for any period:
 - (i) the consolidated revenue of Manitok from operations (including all net proceeds of any sales, any realized gains from hedging activities or permitted dispositions under this Agreement and excluding realized losses from hedging activities) for such period; less
 - (ii) royalties and other contractual obligations, the payment of which and compliance with which are necessary to preserve and maintain the consolidated Petroleum Substances rights of Manitok for such period; and
 - (iii) the reasonable general and administrative expenses and corporate operating costs (as reported in Manitok’s financial statements) of Manitok for such period, including debt service, or as agreed upon by SAFM LP; and
 - (iv) taxes applicable to such period;
- (aa) **“Operating Costs”** means all operating costs and expenses, including maintenance capital expenditures incurred in connection with the ownership, operation, testing, repair and maintenance of the Facilities, including, without limiting the generality of the foregoing, property taxes, surface rentals, fire and liability insurance, property insurance, boiler and machinery insurance, general liability insurance and pollution liability insurance, the cost of acquiring materials and supplies (excluding Petroleum Substances) consumed in the normal operation of the Facilities and overhead and administrative expenses;
- (bb) **“Option Exercise Price”** has the meaning ascribed to it in Section 4.3 hereof;
- (cc) **“Other Manitok Agreements”** means, collectively, the Stolberg Area Joint Venture Agreement, the Stolberg and Entice Areas Rental Agreement the

Wayne Rental Agreement, and any other agreement or instrument entered into by the Parties in connection therewith;

- (dd) **“Participating Interest”** has the meaning ascribed to it in Section 2.3(a);
- (ee) **“Parties”** means Manitok and SAFM LP, and **“Party”** shall mean either one of them;
- (ff) **“Payout”** means the first day of the month next following the date that the sum of the aggregate Facilities Tariff first equals or exceeds the Payout Value;
- (gg) **“Payout Value”** means the amount equal to 110% of the Commitment Amount;
- (hh) **“Permitted Encumbrances”** means, at any time:
 - (i) liens for taxes, assessments and governmental charges which are not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (ii) mechanics’, builders’, materialmen’s or similar liens for services rendered or goods supplied for which payment is not due or delinquent at such time, or the validity of which is being contested in good faith by Manitok;
 - (iii) easements, rights of way, servitudes and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains and electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables;
 - (iv) the right reserved to or vested in any governmental authority by the terms of any lease, license, franchise, grant or permit or by any applicable law, to terminate any such lease, license, franchise, grant or permit;
 - (v) liens or security granted in the ordinary course of business to a public utility, municipality or governmental authority in connection with operations pertaining to the Facility; and
 - (vi) encumbrances granted by SAFM LP or granted at the direction of SAFM LP pursuant to Section 3.4(c);
- (ii) **“Petroleum Substances”** means petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing;
- (jj) **“Redemption Value”** has the meaning ascribed to it in Section 4.4 hereof;

- (kk) **“Sales Taxes”** means sales taxes, value added taxes, business transfer taxes or any other taxes, other than GST;
 - (ll) **“Stolberg and Entice Areas Rental Agreement”** means the rental agreement entered into by the Parties, dated December 30, 2014, as amended from time to time;
 - (mm) **“Stolberg Joint Venture Agreement”** means the joint venture agreement entered into by the Parties, dated December 30, 2014, as amended from time to time;
 - (nn) **“Subject Interest”** has the meaning ascribed to it in Section 4.2 hereof;
 - (oo) **“Subject Month”** has the meaning ascribed to it in Section 7.1 hereof;
 - (pp) **“Wayne Area”** means, collectively, the areas of Alberta set forth in Schedule “E” attached hereto; and
 - (qq) **“Wayne Rental Agreement”** means the rental agreement entered into by the Parties as of the date of this Agreement.
- 1.2 Time shall, in all respects, be of the essence in each of the terms, covenants, obligations and conditions in this Agreement.
- 1.3 The division of this Agreement into articles, sections and subsections and the provision of headings for any division of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.4 Any word contained herein importing the singular shall include the plural and vice versa and any word importing gender shall include masculine, feminine and neuter.
- 1.5 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 and the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or in connection with this Agreement or any of the transactions contemplated hereby.
- 1.6 Any reference in this Agreement to “generally accepted accounting principles” or “IFRS” means International Financial Reporting Standards or generally accepted accounting principles applicable to public companies in Canada at the relevant time.
- 1.7 All dollar amounts referred to in this Agreement are stated in Canadian dollars.
- 1.8 All amounts hereunder are exclusive of GST and any applicable Sales Taxes.
- 1.9 The following are the schedules annexed to and incorporated in this Agreement by reference and deemed to be a part hereof;

- (a) Schedule "A" – Description of the Facilities;
- (b) Schedule "B" – Assignment and Declaration of Trust;
- (c) Schedule "C" – Collateral Documents;
- (d) Schedule "D" – Insurance Coverage;
- (e) Schedule "E" – Wayne Area; and
- (f) Schedule "F" – Illustrative Calculations of Option Exercise Price.

1.10 References to Manitok herein include Manitok in its capacity as Manager and/or operator of the Facilities.

ARTICLE 2 FORMATION OF JOINT VENTURE

2.1 Manitok and SAFM LP hereby form the Joint Venture for the purposes and in accordance with the terms and conditions contained herein. The Joint Venture shall be formed in accordance with and governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.

2.2 The Joint Venture shall limit its operations to the Joint Venture Objectives (as that term is defined in Section 2.3).

2.3 The purpose, nature and character of the business of the Joint Venture are:

- (a) to create for SAFM LP a 100% undivided beneficial ownership interest in the Facilities (the "**Participating Interest**");
- (b) to permit the processing of Petroleum Substances owned or controlled by Manitok and other parties from the Wayne Area;
- (c) to provide for the ongoing operation, testing, repair and maintenance of the Facilities; and
- (d) to engage in such other activities incidental or ancillary to the matters referred to in paragraph (a), (b) and (c) above,

all of which are collectively referred to in this Agreement as the "**Joint Venture Objectives**".

2.4 This Agreement does not create a partnership, agency or other fiduciary relationship between the Parties. No Party shall be considered to be an agent or representative of any other Party or have any authority or power to act for or to undertake any obligation on behalf of the other Parties, except as expressly contained in this Agreement.

- 2.5 Each Party shall have the absolute right to commence, continue, expand, diminish or cease to carry on any business (provided such cessation of business would not affect such Party's obligations under this Agreement) or undertaking whatsoever (including the acquisition, development, leasing, sale, operation and management of any oil and gas properties and facilities) and to engage in undertakings separate and apart from those relating to the Joint Venture Objectives without any accountability to any other Party. Other than as indicated on Schedule "A" of this Agreement, a Party shall not, by reason of this Agreement, have any interest in any other property now owned or hereafter acquired by any other Party or in any other undertaking of other Parties, whether or not similar to the Joint Venture Objectives.
- 2.6 The name of the Joint Venture shall be "Wayne Area Facilities Joint Venture".
- 2.7 Pursuant to this Agreement, the Parties agree to file a joint election pursuant to Section 16.1 of the *Income Tax Act* (Canada), if appropriate.

ARTICLE 3

REIMBURSEMENT OF VALUE AND OPERATION OF THE FACILITIES

- 3.1 SAFM LP covenants to pay to ManitoK the Commitment Amount. SAFM LP shall pay the Commitment Amount on the Effective Date by way of wire transfer payable to ManitoK.
- 3.2 Upon payment by SAFM LP of the Commitment Amount pursuant to Section 3.1 hereof, SAFM LP shall have earned and shall be entitled to its Participating Interest in the Facilities. The Participating Interest of SAFM LP shall be held subject to all the terms and provisions of all licenses and permits issued by regulatory authorities in respect of the Facilities and any other agreements or instruments relating to the ownership and operation of the Facilities, all as described in Schedule "C" (the "**Collateral Documents**"), but SAFM LP shall not, except as expressly provided in Schedule "C", have any liabilities or obligations in respect thereof. SAFM LP is entitled to obtain a copy of any Collateral Documents upon written request to ManitoK.
- 3.3 Notwithstanding any other provision of this Agreement, but subject to payment by SAFM LP of the Commitment Amount, ManitoK shall pay and shall indemnify and hold SAFM LP harmless from and against all Operating Costs incurred or for which a liability arose prior to or following the Effective Date and on or before the date on which ManitoK ceased to have an interest in the Facilities. ManitoK further agrees to indemnify and save harmless SAFM LP from all claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, accrued and future asset retirement, abandonment and reclamation obligations, costs and expenses arising directly or indirectly in connection with the ownership, testing, repair, maintenance and operation of the Facilities prior to, on, or following the Effective Date and on or before the date on which ManitoK ceases to have an interest in the Facilities, regardless of whether such claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, obligations, costs or expenses are known or unknown at the time ManitoK ceased to have an interest in the Facilities.

- 3.4 During the term of this Agreement, Manitok:
- (a) shall retain legal title to the Facilities and shall hold SAFM LP's Participating Interest in the Facilities as bare trustee for the benefit of SAFM LP;
 - (b) shall not, except for Permitted Encumbrances and as herein provided, sell, sub-lease, mortgage, encumber or otherwise dispose of the Facilities without the written consent of SAFM LP;
 - (c) shall, in its capacity as bare trustee, mortgage and encumber the Facilities as reasonably directed by SAFM LP from time to time; and
 - (d) shall not, without the prior written consent of SAFM LP, agree to or cause any amendment, modification or alteration of the underlying Collateral Documents.

On the Effective Date, Manitok shall execute an Assignment and Declaration of Trust in the form attached as Schedule "B".

- 3.5 Notwithstanding any other provision contained in this Agreement to the contrary, Manitok shall pay to SAFM LP an amount equal to any and all GST and any applicable Sales Taxes imposed on SAFM LP with respect to the Facilities Tariff payable by Manitok under this Agreement, it being the intention of the parties that SAFM LP shall be fully reimbursed by Manitok with respect to any and all GST and any applicable Sales Taxes payable by SAFM LP.
- 3.6 It is the intention of the Parties to jointly elect under subsection 167(1) of the *Excise Tax Act* removing the requirement for SAFM LP to pay GST in respect of the Facilities. SAFM LP acknowledges that it will file this election within the reporting period during which the GST would have been payable.

ARTICLE 4 TRANSACTIONS INVOLVING THE PARTICIPATING INTEREST

- 4.1 Subject to Section 3.4(c) and Section 4.5 and anything contained in the Collateral Documents, SAFM LP shall not assign, transfer, convey or otherwise dispose of its Participating Interest or any portion thereof without the prior written consent of Manitok. The consent of Manitok may not be unreasonably withheld provided SAFM LP has complied with Section 4.2 and the assignee or transferee executes transfer documentation and an acknowledgement in which the transferee or assignee agrees, among other things, to be bound by the terms of this Agreement, and the No Interest Letter, and to hold its Participating Interest subject to the terms of any Collateral Documents and any other documentation required by the Collateral Documents. Notwithstanding the foregoing, SAFM LP may assign, transfer, convey or otherwise dispose of its aggregate Participating Interest or any portion thereof to any affiliated subsidiary or entity under the management of SAFM LP without the prior written consent of Manitok, provided that such affiliated

subsidiary or entity is bound by the terms of this Agreement and the No Interest Letter.

- 4.2 If SAFM LP wishes to assign, sell or dispose of, or has received an offer which it is willing to accept for the assignment, sale or disposition of all or part of its Participating Interest (in this Section 4.2 called the “**Subject Interest**”), SAFM LP shall give written notice thereof to Manitok. SAFM LP’s notice shall contain the terms and conditions of the proposed assignment, sale or disposition, including the consideration to be received for the subject interest (including a bona fide estimate of the value of any non-cash consideration) and the name of the offering party (any such person being an “**Offering Party**”). If the Offering Party is not an affiliated subsidiary or entity under the management of SAFM LP, Manitok shall have the right for a period of forty-five (45) days after receipt of the written notice from SAFM LP to elect in writing to acquire the Subject Interest from SAFM LP on the terms and conditions contained in the notice (the “**Manitok ROFR**”). Manitok, if it so elects, shall be obligated to acquire the subject interest in its entirety within a period of forty-five (45) days after the Manitok ROFR election date. If Manitok declines or fails to elect within the said notice period to acquire the subject interest, SAFM LP shall, subject to Section 4.1, be free for a period of sixty (60) days following the expiry of the notice period, to assign, sell or dispose of the subject interest on the terms and conditions and to the Offering Party stipulated in its offer, but not after the said 60 day period, nor otherwise than as so stipulated, without again complying with the provisions of this Section 4.2.
- 4.3 Subject to the terms and conditions in this Section 4.3, Manitok shall have the option (the “**Manitok Option**”) to acquire the Participating Interest of SAFM LP at any time during the term of this Agreement for the Option Exercise Price described below. Manitok may exercise the Manitok Option by giving not less than thirty (30) days written notice thereof to SAFM LP (in this Section 4.3, the “**Notice Of Exercise**”) and by concurrently therewith delivering a certified cheque or bank draft to SAFM LP for an amount (in this Section 4.3, the “**Option Exercise Price**”) sufficient to cause SAFM LP to receive an annual yield on the Commitment Amount (taking into account all amounts received by SAFM LP on account of the Facilities Tariff and any Disposition Payments) equal to 14.5% (calculated in accordance with the illustrative calculation set forth in Schedule “F”), calculated daily from the Effective Date to the later of the date of such acquisition and the date that is four years after the Effective Date, or prior to five years subject to written consent of SAFM LP. Upon any such exercise of the Manitok Option and payment in full of the Option Exercise Price as aforesaid by way of bank draft or certified cheque, SAFM LP shall assign to Manitok, as of the date of the Notice Of Exercise, and unencumbered (subject only to the Permitted Encumbrances, other than encumbrances granted at the direction of SAFM LP pursuant to Sections 3.4(c) and 4.4 hereof, and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- 4.4 Subject to the terms and conditions in this Section 4.4, if:
- (a) there shall occur any transfer or sale of the issued and outstanding share capital of Manitok that would result in a Change of Control of Manitok; or
 - (b) Manitok exercises its Manitok Option which, for certainty, may be exercised after Manitok has received a Notice Of Exercise from SAFM LP pursuant to this Section 4.4 but prior to payment of the Redemption Value (defined below) by Manitok to SAFM LP,

then SAFM LP shall have the option to require Manitok to purchase the Participating Interest of SAFM LP at any time during the term of this Agreement and, in the circumstances described in Section 4.4(b), following Payout for consideration equal to the Commitment Amount less any Disposition Payments plus the present value of the remaining Facilities Tariff payments payable to SAFM LP in the ordinary course to the date the option is exercised, until termination pursuant to Section 9.1(a), calculated using a 16% discount rate (collectively, the "**Redemption Value**"). SAFM LP may exercise the option by giving sixty (60) days written notice thereof to Manitok (in this Section 4.4, "**Notice Of Exercise**"). Manitok shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to Manitok, as of the date of the Notice of Exercise, and unencumbered (subject only to the Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- 4.5 Manitok hereby consents to SAFM LP encumbering the Facilities and its Participating Interest (and any subsequent assignment of the Facilities and its Participating Interest in connection with any enforcement of such encumbrances) in connection with any financing thereof by SAFM LP provided that any holder of such encumbrance shall acknowledge that its interest in the Facilities and the Participating Interest is subject to the terms of this Agreement. Advance notice of any contemplated financing shall be provided to Manitok and the details of any such encumbrances shall be provided by SAFM LP to Manitok forthwith upon Manitok's request. All such encumbrances shall be discharged concurrently with any disposition of all of its Participating Interest to Manitok pursuant to the provisions of this Article 4.

- 4.6 In the event Manitok proposes to materially expand, supplement, replace, reconfigure or rebuild the Facilities or any of the other facilities of Manitok, or build new facilities (a "**Facilities Project**"), Manitok shall notify SAFM LP of the proposed Facilities Project and provide in the notice (a "**Facilities Notice**") (i) a reasonably detailed budget, timeline and a good faith estimate of capital requirements for the Facilities Project that will not be funded by cash on hand, resulting solely and directly from cash flow from operations, as and when capital is required for the

project (such capital requirements being the “**Financed Capital**”), and (ii) to the extent the Financed Capital is to be funded by way of debt financing available to Manitok, a reasonably detailed summary of the material terms of that debt financing. Upon receiving a Facilities Notice, SAFM LP shall have 20 business days within which to elect whether or not to fund the Financed Capital to Manitok. If SAFM LP elects not to fund the Financed Capital or fails to make an election within the time period set forth above, Manitok shall be free to source such Financed Capital from any other source in its sole and absolute discretion.

ARTICLE 5 MANAGER

- 5.1** Manitok shall be Manager and operator of the Facilities to make all decisions and elections and to perform all duties with respect to the ownership and operation of the Facilities, including, without limiting the generality of the foregoing, all decisions and elections required to be made and all duties required to be performed by SAFM LP pursuant to this Agreement and any decisions or elections required to be made and all duties required to be performed pursuant to any Collateral Documents. The Manager shall be an independent contractor in conducting the management of the Facilities. SAFM LP agrees that it shall be bound by all decisions and elections made by the Manager in respect of the operation of the Facilities and that it shall not bring or have any claim or action against the Manager for any decision or election made or duty performed by the Manager provided such decision or election is made or such duty performed in good faith and without wilful misconduct or gross negligence.
- 5.2** In addition, by executing this Agreement, SAFM LP hereby appoints and constitutes Manitok, or any successor manager, as applicable, as its true and lawful agent and attorney in fact to act for the purpose of executing on behalf of SAFM LP any transfer documents required to be executed by SAFM LP pursuant to Section 9.2 or 9.3 upon termination of this Agreement. The limited power of attorney granted hereby is coupled with an interest and shall survive and not be affected by the subsequent death, incapacity, disability, bankruptcy, liquidation or dissolution, as applicable, of SAFM LP, and shall extend to each of SAFM LP’s successors, permitted assigns, heirs, executors and legal representatives, as applicable.
- 5.3** The Manager, except as expressly provided elsewhere in this Agreement, and at its own cost and expense:
- (a) will provide office space, equipment and accounting, engineering and clerical staff necessary for the ownership and operation of the Facilities. SAFM LP is not required to engage employees for its own account;
 - (b) will keep and maintain at all times true and accurate books, records and accounts containing full and complete particulars of all operations, receipts and disbursements relating to the Participating Interest and the contractual rights of the Parties hereunder and, upon request by SAFM LP, shall make available such books, records and accounts to SAFM LP or its agents, at all reasonable times;

- (c) will conduct and cause to be conducted all operation of the Facilities hereunder in the manner of a reasonable and prudent operator and in accordance with good industry practice;
- (d) except as otherwise provided herein, will maintain the interest of SAFM LP in the Facilities and the interest of Manitok in all land and equipment used in connection therewith free from all liens, charges and encumbrances except for Permitted Encumbrances and such liens, charges or encumbrances which may be created or granted by SAFM LP in accordance with the terms of this Agreement;
- (e) will comply in all material respects with all of the terms of any Collateral Documents and obtain and maintain in good standing all required permits and approvals;
- (f) will procure and maintain insurance (and SAFM LP (or a nominee thereof) shall be listed as first loss payee on each certificates of insurance) against such risks and in such amounts as would a reasonably prudent operator engaged in the ownership, operation of a facility similar to the Facilities, including property insurance, boiler and machinery insurance, general liability insurance and pollution liability insurance, and which insurance in any event shall provide for coverage and deductibles no less favourable to the insured than are set forth in Schedule "D";
- (g) shall exercise the powers and discharge the duties of Manager and in this respect will manage, control and operate the Facilities and will cause to be done any and all acts necessary, appropriate or incidental to carrying out the purpose and business of the Joint Venture and will do so honestly, in good faith and with a view to the commercial interests of the Joint Venture, Manitok and SAFM LP;
- (h) will provide from time to time the representatives of SAFM LP, upon reasonable notice by SAFM LP to the Manager, access to the Facilities to enable SAFM LP to inspect and ensure proper care and maintenance of the equipment listed in Schedule "A"; and
- (i) will provide to SAFM LP such information regarding the ownership and operation of the Facilities as SAFM LP may from time to time request.

5.4 The Manager shall ensure that the proceeds of all policies of insurance referred to in Section 5.3(f) are used to rebuild or refurbish the Facilities as promptly as reasonably practicable, as may be necessary to restore the Facilities to no lesser than the operating specifications as of the date hereof.

5.5 Notwithstanding anything else herein contained but subject to the No Interest Letter, only in the event of a material breach of this Agreement (which is not cured within 30 days of notice of default being received by Manitok), SAFM LP shall have the right to take over management of the Facility and/or terminate this Agreement and

Manitok will enter an industry standard operating agreement and processing agreement with SAFM LP to continue processing Manitok's Petroleum Substances at the Facility.

ARTICLE 6 USE OF FACILITIES

- 6.1** In consideration for the payment set out in Section 7.1, Manitok shall have possession and use of the Facilities for the term of this Agreement.
- 6.2** Manitok shall have possession and use of the Facilities on an "as is-where is" basis and SAFM LP shall not be responsible to Manitok for the quality or performance of the Facilities.
- 6.3** For such periods of time where Manitok was Manager or operator of the Facility, Manitok shall, at its sole risk and expense, be responsible for maintaining all facilities and equipment as may be necessary to process Petroleum Substances produced in the Wayne Area to the extent required to enable such substances to be processed through the Facilities.
- 6.4** Manitok hereby agrees to, and to cause its affiliates to use SAFM LP's Facilities Capacity, for so long as the Facilities are safely processing Petroleum Substances and all necessary permits issued by applicable regulatory authorities remain in good standing, to process and transport Petroleum Substances which Manitok or any of its affiliates owns or controls or becomes entitled to own or control within the Wayne Area. In the event of a sale or transfer of lands within the Wayne Area owned by Manitok to a third party, a term and condition of such sale or transfer shall require the third party to agree to the Petroleum Substances reserves dedication under this Section 6.4 or exercise the Manitok Option pursuant to Section 4.3 such that the acquisition pursuant to the exercise of the Manitok Option is completed concurrently with such sale or transfer.
- 6.5** It is understood and agreed that SAFM LP shall not acquire title to any Petroleum Substances but only that it shall have possession thereof for the purposes of Section 7.3 hereof. It is further understood and agreed that Petroleum Substances owned by Manitok may be commingled with Petroleum Substances owned by other producers.
- 6.6** For such periods of time where Manitok was Manager or operator of the Facility, SAFM LP shall have no responsibility or liability whatsoever arising as a result of, and Manitok shall indemnify SAFM LP against liability for:
 - (a) losses or damages incurred or sustained in connection with the ownership, maintenance and operation of the Facilities;
 - (b) changes in the quality or characteristics of Manitok's Petroleum Substances or for any losses or damages resulting from the commingling of Manitok's Petroleum Substances with other Petroleum Substances;

- (c) any loss or destruction of Petroleum Substances owned by Manitok or any environmental damage that may ensue as a result of any mechanical or structural failure in the operation of the Facilities;
 - (d) all royalties, overriding royalties, production payments and all other taxes and payments chargeable against Manitok's share of Petroleum Substances;
 - (e) any costs, actions, claims or losses, express or implied, whatsoever suffered by or brought against SAFM LP resulting from any person, firm, corporation or body politic claiming an interest in the Petroleum Substances processed through the Facilities by Manitok, any of its affiliates or any other person, firm, corporation or body politic; and
 - (f) any and all losses caused by, resulting or arising from or otherwise relating to, directly or indirectly, a breach of any environmental laws or directives.
- 6.7 The rights and obligations of the Parties contained in this Article 6 shall remain in full force and effect until termination of this Agreement pursuant to Article 9, provided that Sections 6.3 and 6.6 shall survive any such termination.

ARTICLE 7 FACILITIES TARIFF

- 7.1 Manitok shall pay to SAFM LP the Facilities Tariff as a fee for the use of the Facilities. Commencing on the calendar month next following the Effective Date, Manitok shall pay to SAFM LP on the last day (or the next business day thereafter if not a business day) of each month (on account of the Facilities Tariff payable in respect of the month in which payment is incurred (the "**Subject Month**")) an amount equal to the Facilities Tariff.
- 7.2 Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the "**Cure Period**"), then SAFM LP shall have the right, upon the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. SAFM LP and Manitok shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of Manitok's Petroleum Substances at the Facilities.
- 7.3 If any amount payable hereunder is unpaid after the date for payment, Manitok hereby grants SAFM LP a security interest and lien therefor on Petroleum Substances

that are processed or transported through the Facilities as security for such obligations, limited to the unpaid amount to date and interest thereon and SAFM LP is further authorized to sell, for the best price obtainable in the open market, such quantity or quantities of such Petroleum Substances as shall be sufficient to pay such indebtedness plus the interest accrued thereon as aforesaid. However, such sales of ManitoK's Petroleum Substances shall first be made under the terms of any existing contracts for the sale thereof previously made by ManitoK in which event SAFM LP shall have the right to receive directly from the purchasers of those Petroleum Substances the proceeds from the sales thereof up to the amount owing by ManitoK plus interest at the rate provided herein and such purchaser shall be entitled to rely on SAFM LP's statements concerning the existence and the amount owing by ManitoK to SAFM LP. SAFM LP shall use commercially reasonable efforts to obtain an acknowledgment from each purchaser under existing contracts of its existing rights to obtain proceeds from a sale of ManitoK's Petroleum Substances in connection with the service of notice of default upon ManitoK in respect of this Section 7.3. The exercise of the lien hereunder and the interest accruing thereon as aforesaid provided in this Section 7.3 by SAFM LP shall not prejudice or exhaust any other rights or remedies of SAFM LP and shall be in addition to any other rights or remedies SAFM LP may have to secure payment of any and all amounts payable to it hereunder and SAFM LP may pursue any and all of such rights both before and after exercise of the lien.

ARTICLE 8 CONFIDENTIALITY

- 8.1** The Parties agree that all Confidential Information they may receive as a result of or in connection with the work carried out under this Agreement shall be the exclusive property of the Parties hereto, shall be classified as confidential and treated as proprietary, and shall not be shared or traded with any other person whatsoever, except as permitted hereunder.
- 8.2** Each Party agrees that it will comply with all confidentiality provisions contained in any contract between the Parties hereto and a third party made in connection with this Agreement or the Joint Venture Objectives, as if it were a party to such contract, during the term of this Agreement, as well as subsequent to the termination of this Agreement.
- 8.3** Notwithstanding the provisions of Sections 8.1 and 8.2, any Party, without the consent of the other, may at any time provide disclosure as required in the following circumstances: (i) disclosure to duly organized stock exchanges or other regulatory bodies; (ii) disclosure required by governments, their agencies or other regulatory authorities having or purporting to have jurisdiction; (iii) disclosure required by any financial institution with whom a Party is attempting to obtain financing or has existing financing arrangements; (iv) disclosure to its legal and financial advisors, provided such disclosure is made under a duty of confidentiality; (v) disclosure required by law; or (vi) disclosure by SAFM LP to a prospective purchaser of a

Participating Interest or a prospective replacement operator or Manager of the Facilities, provided such disclosure is made under a duty of confidentiality.

- 8.4 The Parties shall take all reasonable steps to ensure the observance of the restrictions set forth in this Article 8 by the Parties, and by their employees, officers and directors, and shall take all reasonable steps to minimize the risk of disclosure of Confidential Information by such persons.
- 8.5 The obligation of confidentiality contained herein shall survive the termination of this Agreement for a period of one year.
- 8.6 The Parties shall consult with one another before making, and shall agree upon the content of, any news release or other public disclosure in connection with this Agreement.

ARTICLE 9 TERMINATION

- 9.1 Except as otherwise provided herein, this Agreement shall continue until the earlier of:
- (a) the expiration of 20 years after the date hereof and the payment of all amounts (including all 240 payments of the Facilities Tariff pursuant to Section 7.1) payable by Manitok hereunder;
 - (b) such date that the Manitok Option or the Manitok ROFR is exercised and completed;
 - (c) such date, subject to the No Interest Letter, as shall be determined by SAFM LP in the event that Manitok is in default of:
 - (i) payment of any Facilities Tariff payable to SAFM LP pursuant to Article 7;
 - (ii) payment when due (whether at maturity, upon acceleration or otherwise) of any Other Manitok Agreements or any debt or other obligations under any Material Agreement or Instrument, unless the default has been remedied or waived in accordance with the provisions of the relevant agreement or instrument prior to the acceleration of any debt service maintenance obligations;
 - (iii) fulfilling its obligation to process, and causing its affiliates to process, its and their own Petroleum Substances through the Facilities in accordance with Section 6.4 of this Agreement or pursuant to equivalent obligations in any of the Other Manitok Agreements; or
 - (iv) any other material obligation of Manitok set forth herein, or under any of the Other Manitok Agreements,

and Manitok has not remedied the default within 15 days of written notice of default being received by Manitok; or

(d) the date that Manitok suffers an Insolvency Event.

Any such termination shall not affect the rights and remedies of Manitok and SAFM LP that accrued prior to such termination, or that arise as a result thereof.

- 9.2** In the event of termination of this Agreement pursuant to Section 9.1(a) or after Payout, SAFM LP shall assign, transfer and convey all of its Participating Interest, including its right, title and interest in the Facilities, free and clear of all mortgages (except for Permitted Encumbrances and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.3 of this Agreement) and security interests created by, through or under SAFM LP (other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.4 here of and the Collateral Documents), to Manitok, together with all benefits and advantages to be derived therefrom, and Manitok shall accept such assignment and transfer of the Participating Interest and the interest of SAFM LP in the Facilities in consideration only for the assumption by Manitok, and the release or indemnification by Manitok of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities.
- 9.3** In the event of termination of this Agreement prior to Payout or in connection with the exercise by Manitok of its Manitok Option pursuant to Section 4.3 or the Manitok ROFR, SAFM LP shall assign, transfer and convey all of its Participating Interest including its right, title and interest in the Facilities, free and clear of all mortgages (except for Permitted Encumbrances and Collateral Documents), charges, liens (including the lien created pursuant to Section 7.3 of this Agreement) and security interests created by, through or under SAFM LP (other than encumbrances at the direction of SAFM LP pursuant to Section 3.4(c) and 4.4 hereof and Collateral Documents), to Manitok, together with all benefits and advantages to be derived therefrom, and Manitok shall accept such assignment and transfer of the Participating Interest and interest of SAFM LP in the Facilities in consideration for the payment of the Redemption Value, Option Exercise Price or the Manitok ROFR price, respectively, by Manitok to SAFM LP and the assumption by Manitok, and the release or indemnification by Manitok of SAFM LP from, any and all liabilities relating to the operation and abandonment of the Facilities.
- 9.4** In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(c) or 9.1(d), Manitok shall, subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.
- 9.5** In connection with Section 9.4, Manitok shall execute undated, registerable conveyances of the legal title to the Facilities and shall deliver such conveyances to legal counsel to SAFM LP to be held in trust and on the condition that such conveyances of legal title pursuant to Section 9.4 can only be utilized following a termination of this Agreement (i) pursuant to Section 9.1(c) or 9.1(d), or (ii) if, in

respect of the exercise by Manitok of its Manitok Option pursuant to Section 4.3, Manitok fails to make payment of the Option Exercise Price payable to SAFM LP pursuant to Section 4.3.

9.6 SAFM LP acknowledges that Manitok is subject to a credit agreement dated as of May 29, 2015 (together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto) among Manitok and National Bank of Canada and those other banks and other financial institutions from time to time party thereto as lenders (the “**Lenders**”), and, further to the No Interest Letter described below, Manitok will assign and grant a security interest to the Lenders in all of its right, title, estate and interest in this Agreement. The Parties agree that this Agreement shall not be effective until the effective date of a no interest letter (the “**No Interest Letter**”) to be entered into among SAFM LP, Manitok, and a future lender of SAFM LP, which No Interest Letter will provide for, among other matters, the following, all notwithstanding anything to the contrary contained in this Agreement:

- (a) the Lenders shall have the right to receive all notices delivered by or on behalf of SAFM LP to Manitok, including default notices, and SAFM LP shall provide copies of such notices to the Lenders concurrently with delivery of the same to Manitok;
- (b) the Lenders or their designee shall be entitled to cure any default of Manitok hereunder without liability, and the Lenders or their designee shall be entitled to an additional cure period to cure, at the Lenders’ discretion, any default which is not cured during Manitok’s Cure Period set forth in this Agreement;
- (c) the Lenders shall be entitled to enforce their security interest in this Agreement, including the right to step in as Manitok, appoint a receiver, assign this Agreement to a third party, and other enforcement rights, and SAFM LP shall agree to the grant of security interest by Manitok and consent to and cooperate in the exercise of such remedies;
- (d) and any other terms requested by the Lenders, acting reasonably.

ARTICLE 10 REPRESENTATIONS, WARRANTIES AND COVENANTS

10.1 SAFM LP represents, warrants and acknowledges to Manitok that:

- (a) it is a limited partnership duly formed under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and this Agreement constitutes a legal, valid and binding contract of SAFM LP enforceable against it in accordance with its terms and will not result in a violation of any of SAFM LP’s constating

documents, any of the terms or provisions of any law applicable to SAFM LP or any agreement to which SAFM LP is a party or by which it is bound;

- (b) the head office or principal place of business of SAFM LP is located at the address set forth in Section 11.5 and SAFM LP is acting as principal for its own account, and not for the benefit of any other person;
- (c) SAFM LP has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Joint Venture, is capable of assessing the proposed investment as a result of its management experience or as a result of advice received from a person registered under applicable securities legislation, is aware of the risks relating to an investment in the Joint Venture and is able to bear the economic risk of loss of its investment in the Joint Venture; and
- (d) SAFM LP is aware that applicable securities laws prohibit any person who has material, non-public information concerning Manitok from purchasing or selling securities of Manitok or from communicating such information to any other person before the material fact or material change has been generally disclosed.

10.2 Manitok represents, warrants and acknowledges to, and covenants and agrees with, SAFM LP that:

- (a) Manitok is a corporation duly incorporated under the laws of the Province of Alberta and it has the necessary legal capacity and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof and this Agreement constitutes a legal, valid and binding contract of Manitok enforceable against it in accordance with its terms and will not result in a violation of any of Manitok's constating documents, any of the terms or provisions of any law applicable to Manitok or any agreement to which Manitok is a party or by which it is bound;
- (b) except for Permitted Encumbrances, Manitok has not done any act or thing whereby title to the Facilities may be encumbered, alienated, cancelled or determined, and the Facilities are free and clear of all liens, charges and encumbrances;
- (c) Manitok is not in default under any title and operating documents pertaining to the Facilities, and has not failed to comply with, perform, observe or satisfy, in all material respects, any term, condition, obligation or liability which has heretofore arisen under the provisions of any of such title and operating documents;
- (d) Manitok has not received from any third party or government authority notice of material violation of or default under any title and operating document, permit, applicable law or other obligation, agreement, document,

order, writ, injunction or decree of any government authority that relates to the Facilities and, to ManitoK's knowledge, no particular circumstance presently exists which may give rise to any such violation or default and, additionally, to ManitoK's knowledge, there are no such outstanding defaults or notices of default in relation to any third party or governmental authority;

- (e) all construction and operations in respect of the Facilities have been conducted in accordance with good oilfield industry practices, and to ManitoK's knowledge, all applicable law, all permits and the requirements of all government authorities have been complied with in all material respects with respect to the construction and operation of the Facilities;
- (f) ManitoK has not received notice from any third party claiming an interest in and to the Facilities adverse to the interest of ManitoK and ManitoK has no reason to believe that any such claim may be made;
- (g) ManitoK will prepare an annual corporate budget, which shall be delivered to SAFM LP within a reasonable time period following the end of the first month of each annual period, commencing in respect of 2016;
- (h) ManitoK's Operating Cash Flow for the six months ending each June 30 and December 31 during the term of this Agreement shall exceed four times the sum of (i) the Facilities Tariff payable hereunder during that period, (ii) the Facilities Rental payable under the Wayne Rental Agreement during that period, (iii) the Facilities Tariff payable under the Stolberg Joint Venture Agreement during that period, and (iv) the Facilities Rental payable under the Stolberg and Entice Areas Rental Agreement during that period;
- (i) ManitoK will deliver to SAFM LP a certificate confirming ManitoK's compliance with Section 10.2(h) within 60 days following the completion of the June 30 six month period and 120 days following the completion of the December 31 six month period referred to in Section 10.2(h);
- (j) from the date of this Agreement until such time as the total proved plus probable reserve value of ManitoK (discounted at 10% per annum) is greater than eight times the amount of outstanding aggregate debt and other obligations under this Agreement and the Other ManitoK Agreements, ManitoK will:
 - (i) not, and take commercially reasonable efforts to direct its affiliates not to, sell or otherwise dispose of any of its or their right, title and interest in and to any of the producing petroleum and natural gas assets of ManitoK, other than:
 - (A) in respect of a sale or disposition of such petroleum and natural gas assets in the Stolberg Area as permitted under the terms of the Stolberg Joint Venture Agreement;

- (B) sale of certain royalty interests to Freehold Royalties Partnership and/or its affiliates, pursuant to a Production Volume Royalty Agreement dated June 11, 2015;
- (C) the sale of Petroleum Substances in the ordinary course of business;
- (D) a grant of security which expressly excludes the Facilities;
- (E) in respect of a sale or disposition of such petroleum and natural gas assets whereby 15% of the net proceeds from such sale or disposition is paid to SAFM LP on or prior to the date that is 30 days from the completion of such sale or disposition (a "**Disposition Payment**"); provided, however, that:
 - (i) such Disposition Payments are first applied to the payment of obligations under the Stolberg and Entice Areas Rental Agreement, second to the payment of obligations under the Stolberg Joint Venture Agreement, third to the payment of obligations under the Wayne Rental Agreement and finally to the payment of obligations under this Agreement;
 - (ii) Disposition Payments must not be less than \$1,000,000, paid in tranches of not less than \$100,000; and
 - (iii) with each Disposition Payment, Manitok must deliver payment sufficient to cause SAFM LP to receive its annual yield equal to such percentage as is set forth in Section 4.3 of each applicable Other Manitok Agreement or this Agreement; and
- (F) a sale consented to in writing by SAFM LP (such consent not to be unreasonably withheld);

provided that no such sale or disposition of any producing petroleum and natural gas assets may be effected if following completion of such sale or disposition the amount of the total proved plus probable reserve value of Manitok (discounted at 10% per annum) would not be greater than eight times the outstanding aggregate debt and other obligations under this Agreement and the Other Manitok Agreements less any Disposition Payments; and

- (ii) on or prior to the date that is 120 days after the end of each fiscal year, deliver to SAFM LP the annual reserves values prepared by Manitok's independent engineers.

c/o Stream Asset Financial ManitoK Corp.
401, 322 11th Avenue S.W.
Calgary, Alberta T2R 0C5

Attention: President
E-mail: rdunfield@streamasset.ca

- 11.6** This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.
- 11.7** No amendment or variation of the provisions of this Agreement shall be binding upon any Party unless it is evidenced in writing and, subject to Section 5.2, it is executed by the Party.
- 11.8** This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together constitute the one and the same agreement.

The remainder of this page intentionally left blank. Signature page follows.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____



**Massimo M. Geremia
President & CEO**

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per: _____

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

SCHEDULE "A" attached to and forming part of WAYNE AREA JOINT VENTURE AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

DESCRIPTION OF FACILITIES

- Single well oil battery's which include:

*2 x 400 barrel single wall tanks c/w secondary containment
Seperator package
RTU / SCADA package
pumpjack*

the facility description is representative of a typical single well battery facility setup. Exact facilities at certain well sites may vary.

Single oil well battery's are located in the following UWI locations:

01-04-026-21W4	08-02-028-22W4	14-09-026-21W4
01-14-028-21W4	08-03-028-21W4	14-14-028-21W4
01-19-025-21W4	08-18-025-21W4	14-20-027-22W4
01-33-025-21W4	08-20-028-21W4	14-22-028-21W4
02-02-024-24W4	08-23-028-21W4	14-24-028-22W4
02-07-028-20W4	08-32-023-21W4	14-27-027-22W4
02-20-028-21W4	09-02-028-22W4	14-35-027-22W4
02-28-024-21W4	09-07-028-20W4	15-02-028-21W4
04-12-028-20W4	09-14-028-21W4	15-12-028-21W4
05-02-028-22W4	10-06-028-20W4	15-19-025-21W4
05-10-028-22W4	10-10-028-22W4	15-24-027-22W4
05-12-028-22W4	10-13-028-22W4	15-27-027-22W4
05-13-028-21W4	10-25-028-22W4	15-33-025-21W4
05-18-028-20W4	10-33-025-21W4	15-36-027-22W4
05-30-025-21W4	10-35-027-23W4	16-11-028-21W4
05-30-027-22W4	11-07-028-20W4	16-12-028-21W4
06-09-029-21W4	11-12-028-21W4	16-17-023-23W4
06-16-024-22W4	11-24-028-22W4	16-28-027-22W4
06-19-025-21W4	11-27-027-22W4	
06-28-027-21W4	12-07-028-20W4	
06-32-025-23W4	12-34-028-21W4	
06-35-027-23W4	12-35-027-23W4	
07-02-028-22W4	13-01-028-22W4	
07-09-029-21W4	13-19-025-21W4	
07-16-028-22W4	13-35-027-22W4	
07-19-025-21W4	14-06-028-20W4	

SCHEDULE "B" attached to and forming part of WAYNE AREA JOINT VENTURE AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ASSIGNMENT AND DECLARATION OF TRUST

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MANITOK ENERGY INC. (the "**Trustee**") hereby assigns, transfers and conveys to STREAM ASSET FINANCIAL MANITOK LP (the "**Beneficiary**") an undivided 100.00% of its direct interest in and to the Facilities, as defined in the Wayne Area Joint Venture Agreement dated as of the ___ day of June, 2015 (as amended, modified, supplemented, restated or replaced, from time to time, the "**Joint Venture Agreement**"), held for and on behalf of the Beneficiary under the terms of the Joint Venture Agreement.

The Trustee hereby acknowledges that it stands possessed of an undivided 100.00% of its interest in the said Facilities, as bare trustee for the Beneficiary, subject to all of the terms, provisions and conditions contained in the Joint Venture Agreement.

The Trustee hereby undertakes and agrees to promptly take all steps necessary or advisable to assign, transfer and convey to the Beneficiary or its designee the whole of the interest of the Trustee as bare trustee in and to the Facilities, free and clear of all mortgages, charges, liens and security interests, other than Permitted Encumbrances (as defined in the Joint Venture Agreement), upon receipt from the Beneficiary of written notice advising the Trustee that the Joint Venture Agreement has been terminated pursuant to Sections 9.1(a) (and the ManitoK Option, as defined in the Joint Venture Agreement, has not been exercised), 9.1(c) or 9.1(d) thereof and demanding, in accordance with Section 9.3 of the Joint Venture Agreement, that the interest of the Trustee be so assigned, transferred and conveyed.

Dated effective as of the ____ day of June, 2015.

MANITOK ENERGY INC.

Per _____

Per: _____

SCHEDULE "C" attached to and forming part of WAYNE AREA JOINT VENTURE AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

COLLATERAL DOCUMENTS

(See attached.)



[Menu](#) [Inbox](#) [Help](#) [Contacts](#) [Logout](#)

AB BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 3

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
F <input type="text"/>				1	20	28	21	W 4 <input type="text"/>
<input type="button" value="Go"/>								

Type	Licence #	Location	Licence Status	Licence Status Date
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Type	Licence #	Location	Licence Status	Licence Status Date
F	0003817	00-01-20-028-21 W4	AMENDED	
F	0003818	02-01-20-028-21 W4	AMENDED	
F	0003819	03-01-20-028-21 W4	ISSUED	

Licence Type:	F	Location:	03-01-20-028-21 W4
Licence Number:	0003819	Licence Status:	ISSUED
Licence Issue Date:	2001-03-01	Licence Status Date:	
Licensee:	0026 ENCANA CORPORATION	Energy Development Category:	421-Oil Battery - multiwell

Facility ID	Sub-Type	Facility Name	Operational Status	Operational Status Date
ABBT0049441	322	PCP WAYNE ROSEDALE 01-20	ACTIVE	2014-08-01

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[\[Top-AB\]](#)



Menu Inbox Help Contacts Logout

AB BA: A5M4 MANITOK ENERGY INC.
Name: rschneidmiller

Quicklist:

[\[Infrastructure\]](#) > [\[Facility Infrastructure\]](#) > [\[Setup/Maintenance\]](#)

Query Facility Licence

Record Found: 2

Licence Type	Licence Number	Licensee	Location: LE	LSD	SEC	TWP	RGE	MER
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<input type="button" value="Go"/>								

Type	Licence #	Location	Licence Status	Licence Status Date
F	0003822	02-08-23-028-21 W4	ISSUED	
F	0003824	00-08-23-028-21 W4	AMENDED	

Licence Type:	F	Location:	02-08-23-028-21 W4
Licence Number:	0003822	Licence Status:	ISSUED
Licence Issue Date:	2001-03-01	Licence Status Date:	
Licensee:	0026 ENCANA CORPORATION	Energy Development Category:	450-Oil satellite - single or multiwell

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[\[Top-AB\]](#)

MIDSTREAM/JOINT INTEREST COMMERCIAL ARRANGEMENTS

1. SERVICE & MISCELLANEOUS AGREEMENTS

Comments:

- 17 Service Agreements, terminable upon 30 days notice
 - a. Manito Energy Inc. as Service Receiver – 3
 - b. Manito Energy Inc. as Service Provider – 14
- No material contracts

a) Manito Energy Inc. as Service Receiver (Subject to Revision)

Agreement Name	Status	Service Provider	Service Receiver	Agreement Type
Gas Transportation Agreement	Assigned	TAQA North	Manito Energy Inc.	GAS HANDLING AGREEMENT
Hussar 12-12-25-22W4M Battery Well Effluent Processing And Water Disposal Agreement	Assigned	Logic Energy Ltd	Manito Energy Inc.	EFFLUENT HANDLING AGREEMENT
Rockyford 14-22 Battery Effluent Handling Agreement	Assigned	Breeze Resources Partnership	Manito Energy Inc.	EFFLUENT HANDLING AGREEMENT

b) Manito Energy Inc. as Service Provider (Subject to Revision)

Agreement Name	Status	Service Provider	Service Receiver	Agreement Type
Wayne North Area Well Effluent Processing & Water/ Acid Gas Disposal Agreement	Assigned	Manito Energy Inc.	Bounty Developments Ltd	EFFLUENT HANDLING AGREEMENT
Contract Operating Agreement	Assigned	Manito Energy Inc.	TAQA North	CONTRACT WELLS/FACILITIES OPERATING AGREEMENT
Contract Operating Agreement	Assigned	Manito Energy Inc.	Bounty Developments Ltd	CONTRACT WELLS/FACILITIES OPERATING AGREEMENT
Wayne North Area Well Effluent & Solution Gas Handling And Acid Gas/Water Disposal Agreement	Assigned	Manito Energy Inc.	TAQA North	EFFLUENT HANDLING AGREEMENT
Oil Pipeline Tie-In Agreement	Assigned	Manito Energy Inc.	TAQA North	PIPELINE TIE-IN AGREEMENT
Emulsion Handling Agreement (Trucked)	Assigned	Manito Energy Inc.	Bounty Developments Ltd	EFFLUENT HANDLING AGREEMENT

Agreement Name	Status	Service Provider	Service Receiver	Agreement Type
Wayne North Area Facilities Well Effluent Processing and Water/Acid Gas Disposal Agreement	Assigned	Manitok Energy Inc.	Vanguard Exploration Corp	EFFLUENT HANDLING AGREEMENT
Oil Pipeline Tie-in Agreement - Wayne North Area	Assigned	Manitok Energy Inc.	Spyglass Resources Corp	PIPELINE TIE-IN AGREEMENT
Wayne North Area Facilities Well Effluent Processing and Water/Acid Gas Disposal Agreement	Assigned	Manitok Energy Inc.	Spyglass Resources Corp	EFFLUENT HANDLING AGREEMENT
Contract Wells/Facilities Operating Agreement - Wayne North Area	Assigned	Manitok Energy Inc.	Spyglass Resources Corp	CONTRACT WELLS/FACILITIES OPERATING AGREEMENT
Wayne Oil Facility Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	TimberRock Energy Corp	EFFLUENT HANDLING AGREEMENT
Wayne Oil Battery Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	Traverse Energy Ltd	EFFLUENT HANDLING AGREEMENT
Wayne Oil Battery Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	Cenovus Energy Inc	EFFLUENT HANDLING AGREEMENT
Wayne Oil Battery Well Effluent Processing and Water Disposal Agreement	Assigned	Manitok Energy Inc.	Ember Resources Inc	EFFLUENT HANDLING AGREEMENT

SCHEDULE "D" attached to and forming part of WAYNE AREA JOINT VENTURE AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

INSURANCE COVERAGE

(See attached.)



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue SW
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

CERTIFICATE ISSUED TO: Stream Asset Financial Manitoak LP

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE AS HEREIN DESCRIBED HAVE BEEN ISSUED TO THE INSURED NAMED BELOW AND ARE IN FORCE AT THIS DATE.

NAME OF INSURED: Manitoak Energy Inc.
ADDRESS OF INSURED: Suite 2600, 585-8th Avenue SW
Calgary, Alberta T2P 1G1
REGARDING: 01-20-28-21W4 Sour Oil Battery
08-23-28-21W4 Sour Oil Satellite

COMMERCIAL GENERAL LIABILITY

LIMIT OF LIABILITY: \$5,000,000 CDN any one loss and/or series of losses arising out of any one event or occurrence
Includes: Sudden & Accidental Pollution
INSURER: Energy Insurance Group
POLICY NUMBERS: LI1797610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

PROPERTY INSURANCE

LIMIT OF LIABILITY: As per Schedule on file with Insurer
Includes: All Risk except as excluded, Full Replacement Cost, Business Interruption, Boiler and Machinery
INSURER: Energy Insurance Group
POLICY NUMBERS: PR7526610
EFFECTIVE DATE: October 1, 2014
EXPIRY DATE: October 1, 2015

Where required by contract and applicable by statute, the following are hereby understood and agreed:

Stream Asset Financial Manitoak LP is added as First Loss Payee and Lessor on the Property Insurance but only as their interest may appear with respect to the operations of the Named Insured and with respect to the property listed above.

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: May 28, 2015

BROKER: Gallagher Energy Risk Services

Authorized Representative



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue SW
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

CERTIFICATE ISSUED TO:

Stream Asset Financial Manitoak LP

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE AS HEREIN DESCRIBED HAVE BEEN ISSUED TO THE INSURED NAMED BELOW AND ARE IN FORCE AT THIS DATE.

NAME OF INSURED:
ADDRESS OF INSURED:

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

REGARDING:

01-04-026-21W4 Single Well Oil Battery	08-02-028-22W4 Single Well Oil Battery	14-09-026-21W4 Single Well Oil Battery
01-14-028-21W4 Single Well Oil Battery	08-03-028-21W4 Single Well Oil Battery	14-14-028-21W4 Single Well Oil Battery
01-19-025-21W4 Single Well Oil Battery	08-18-025-21W4 Single Well Oil Battery	14-20-027-22W4 Single Well Oil Battery
01-33-025-21W4 Single Well Oil Battery	08-20-028-21W4 Single Well Oil Battery	14-22-028-21W4 Single Well Oil Battery
02-02-024-24W4 Single Well Oil Battery	08-23-028-21W4 Single Well Oil Battery	14-24-028-22W4 Single Well Oil Battery
02-07-028-20W4 Single Well Oil Battery	08-32-023-21W4 Single Well Oil Battery	14-27-027-22W4 Single Well Oil Battery
02-20-028-21W4 Single Well Oil Battery	09-02-028-22W4 Single Well Oil Battery	14-35-027-22W4 Single Well Oil Battery
02-28-024-21W4 Single Well Oil Battery	09-07-028-20W4 Single Well Oil Battery	15-02-028-21W4 Single Well Oil Battery
04-12-028-20W4 Single Well Oil Battery	09-14-028-21W4 Single Well Oil Battery	15-12-028-21W4 Single Well Oil Battery
05-02-028-22W4 Single Well Oil Battery	10-06-028-20W4 Single Well Oil Battery	15-19-025-21W4 Single Well Oil Battery
05-10-028-22W4 Single Well Oil Battery	10-10-028-22W4 Single Well Oil Battery	15-24-027-22W4 Single Well Oil Battery
05-12-028-22W4 Single Well Oil Battery	10-13-028-22W4 Single Well Oil Battery	15-27-027-22W4 Single Well Oil Battery
05-13-028-21W4 Single Well Oil Battery	10-25-028-22W4 Single Well Oil Battery	15-33-025-21W4 Single Well Oil Battery
05-18-028-20W4 Single Well Oil Battery	10-33-025-21W4 Single Well Oil Battery	15-36-027-22W4 Single Well Oil Battery
05-30-025-21W4 Single Well Oil Battery	10-35-027-23W4 Single Well Oil Battery	16-11-028-21W4 Single Well Oil Battery
05-30-027-22W4 Single Well Oil Battery	11-07-028-20W4 Single Well Oil Battery	16-12-028-21W4 Single Well Oil Battery
06-09-029-21W4 Single Well Oil Battery	11-12-028-21W4 Single Well Oil Battery	16-17-023-23W4 Single Well Oil Battery
06-16-024-22W4 Single Well Oil Battery	11-24-028-22W4 Single Well Oil Battery	16-28-027-22W4 Single Well Oil Battery
06-19-025-21W4 Single Well Oil Battery	11-27-027-22W4 Single Well Oil Battery	
06-28-027-21W4 Single Well Oil Battery	12-07-028-20W4 Single Well Oil Battery	
06-32-025-23W4 Single Well Oil Battery	12-34-028-21W4 Single Well Oil Battery	
06-35-027-23W4 Single Well Oil Battery	12-35-027-23W4 Single Well Oil Battery	
07-02-028-22W4 Single Well Oil Battery	13-01-028-22W4 Single Well Oil Battery	
07-09-029-21W4 Single Well Oil Battery	13-19-025-21W4 Single Well Oil Battery	
07-16-028-22W4 Single Well Oil Battery	13-35-027-22W4 Single Well Oil Battery	
07-19-025-21W4 Single Well Oil Battery	14-06-028-20W4 Single Well Oil Battery	

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: May 28, 2015

BROKER: Gallagher Energy Risk Services

Authorized Representative



Gallagher

Energy Risk
Services

2600, 520 – 5th Avenue SW
Calgary, Alberta T2P 3R7
Tel: 403-705-5555 / Fax: 403-705-5556

CERTIFICATE OF INSURANCE

COMMERCIAL GENERAL LIABILITY

LIMIT OF LIABILITY: \$5,000,000 CDN any one loss and/or series of losses arising out of any one event or occurrence
Includes: Sudden & Accidental Pollution

INSURER: Energy Insurance Group

POLICY NUMBERS: LI1797610

EFFECTIVE DATE: October 1, 2014

EXPIRY DATE: October 1, 2015

PROPERTY INSURANCE

LIMIT OF LIABILITY: As per Schedule on file with Insurer
Includes: All Risk except as excluded, Full Replacement Cost, Business Interruption, Boiler and Machinery

INSURER: Energy Insurance Group

POLICY NUMBERS: PR7526610

EFFECTIVE DATE: October 1, 2014

EXPIRY DATE: October 1, 2015

Where required by contract and applicable by statute, the following are hereby understood and agreed:

Stream Asset Financial Manitoak LP is added as First Loss Payee and Lessor on the Property Insurance but only as their interest may appear with respect to the operations of the Named Insured and with respect to the property listed above.

THE INSURANCE AFFORDED IS SUBJECT TO THE TERMS, CONDITIONS AND EXCLUSIONS OF THE APPLICABLE POLICY. THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS ON THE HOLDER AND IMPOSES NO LIABILITY ON THE INSURER. THE POLICIES CONTAIN A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE OR, IN THE CASE OF AUTOMOBILE INSURANCE, CONTAIN A PARTIAL PAYMENT OF LOSS CLAUSE.

DATE: May 28, 2015

BROKER: Gallagher Energy Risk Services

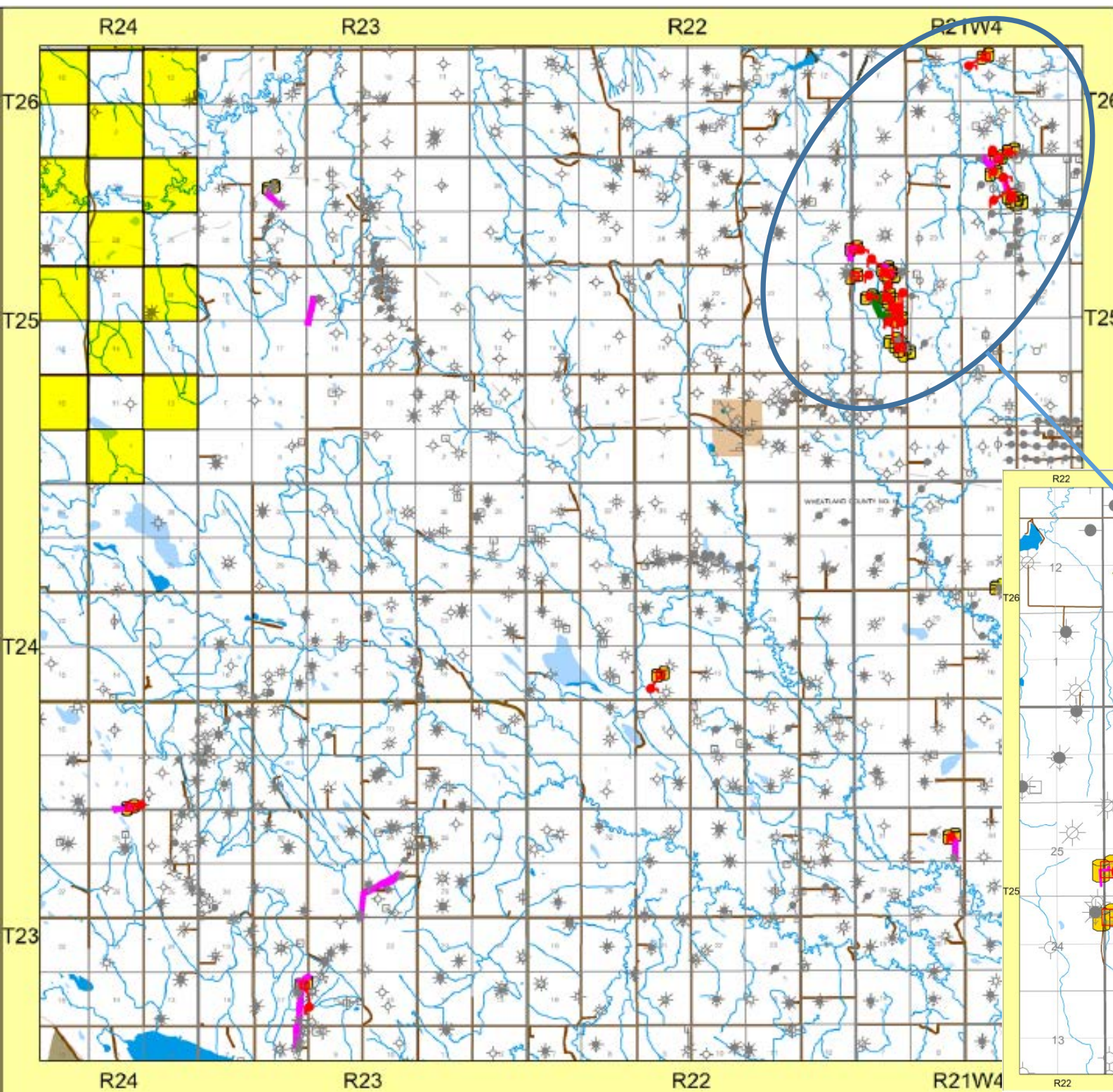
Authorized Representative

SCHEDULE "E" attached to and forming part of WAYNE AREA JOINT VENTURE AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

WAYNE AREA

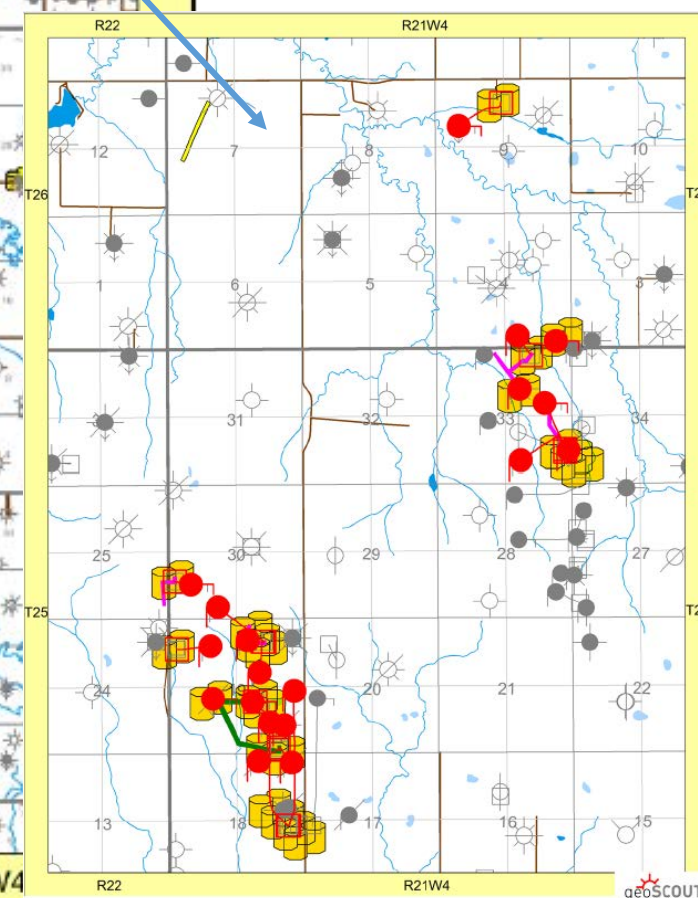
(See attached.)

Rockyford Facilities













Legend:

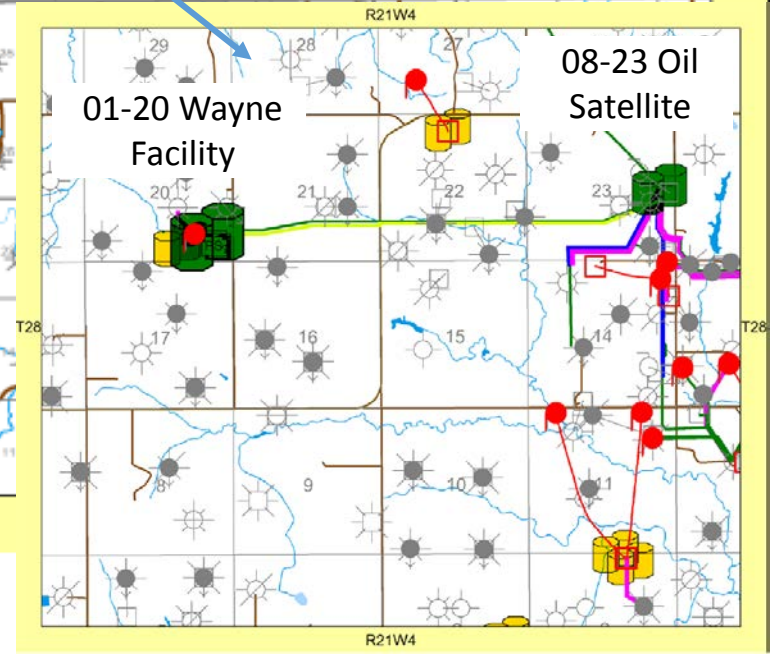
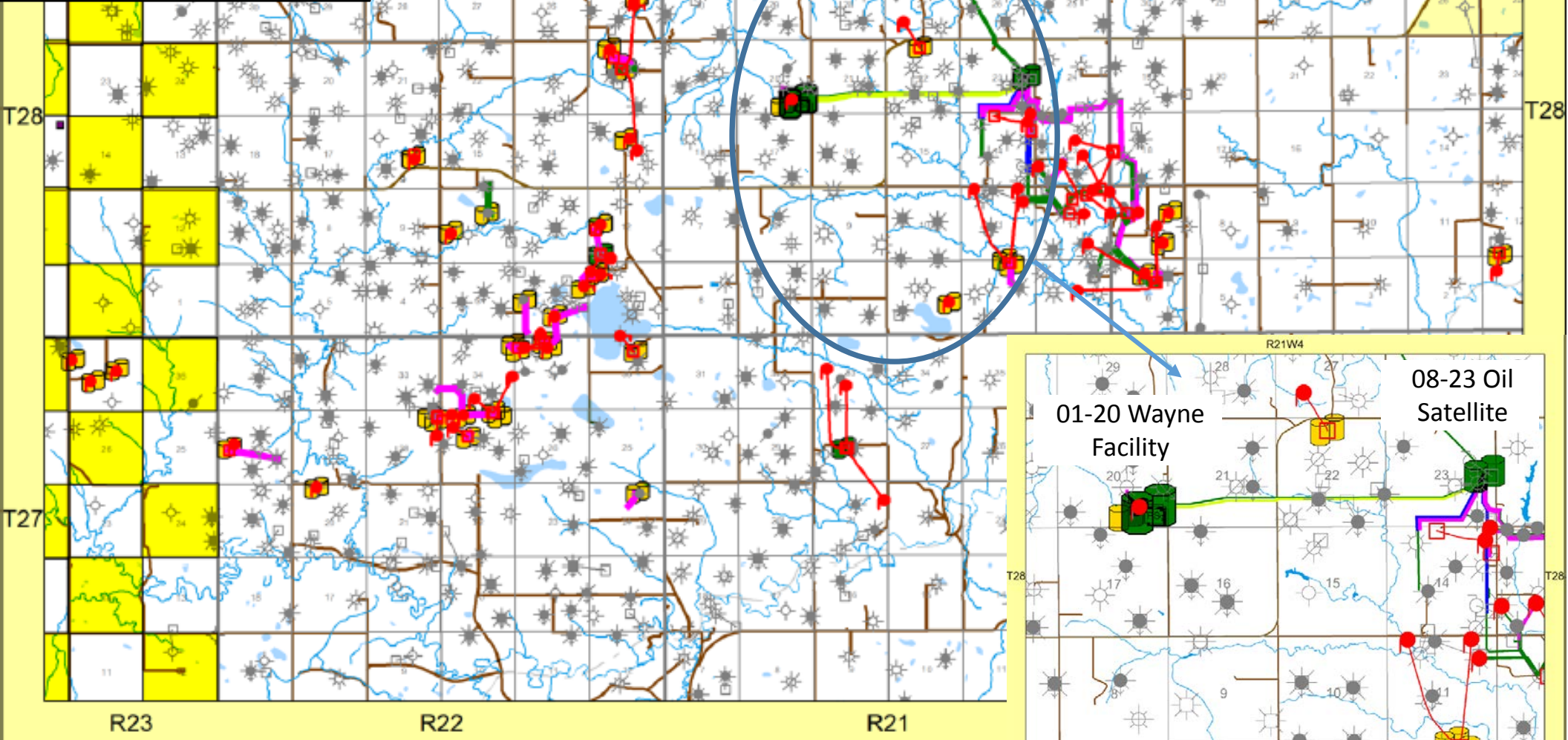
- Producing Oil Wells (Duke Deal) ●
- Wells with Production from GLCC and ELRL ●
- Basal Quartz Hz Wells ● — ●
- Duke Gas Pipelines —
- Duke Emulsion Pipelines —
- Duke Water Pipelines —
- Duke Sour Gas Pipeline —
- Inter Pipeline Oil Sale Line —
- Single Well Battery ■ (27)



Wayne Facilities

Legend:

- Producing Oil Wells (Duke Deal) 
- Wells with Production from GLCC and ELRL 
- Encana Basal Quartz Hz Wells 
- Duke Gas Pipelines 
- Duke Emulsion Pipelines 
- Duke Water Pipelines 
- Duke Sour Gas Pipeline 
- Inter Pipeline Oil Sale Line 
- Single Well Battery  (39)
- Multi Well Battery  (4)
 - 01-20 Wayne Facility
 - 08-23 Oil Satellite
 - 2 other multi well batteries (06-28 and 04-12)



SCHEDULE "F" attached to and forming part of WAYNE AREA JOINT VENTURE AGREEMENT made as of the 12th day of June, 2015 between MANITOK ENERGY INC. and STREAM ASSET FINANCIAL MANITOK LP.

ILLUSTRATIVE CALCULATION OF OPTION EXERCISE PRICE



Annual Tariff 1,875,000
 Placement 12,500,000
 Payback 6.7 years
 80.0 months

Maintenance yield data
 Period 5.0 years
 Minimum yield 14.50%
 Total 9,062,500

Yield Calc Simple

Minimum total repay 21,562,500

Period	Aggregate payments	Repay Face Value	Yield Maintenance	Total Payment
1	1,875,000	10,625,000	9,062,500	19,687,500
2	3,750,000	8,750,000	9,062,500	17,812,500
3	5,625,000	6,875,000	9,062,500	15,937,500
4	7,500,000	5,000,000	9,062,500	14,062,500
5	9,375,000	3,125,000	9,062,500	12,187,500
6	11,250,000	1,250,000	9,062,500	10,312,500
7	13,125,000	-	8,437,500	8,437,500
8	15,000,000	-	6,562,500	6,562,500
9	16,875,000	-	4,687,500	4,687,500
10	18,750,000	-	2,812,500	2,812,500
11	20,625,000	-	937,500	937,500
12	22,500,000	-	-	-
13	24,375,000	-	-	-
14	26,250,000	-	-	-
15	28,125,000	-	-	-
16	30,000,000	-	-	-
17	31,875,000	-	-	-
18	33,750,000	-	-	-
19	35,625,000	-	-	-
20	37,500,000	-	-	-

THIS FIRST AMENDING AGREEMENT dated as of the 29th day of June, 2015

BETWEEN:

MANITOK ENERGY INC.,
a corporation incorporated under the laws of Alberta
("Manitok")

- and -

STREAM ASSET FINANCIAL MANITOK LP, a limited
partnership formed under the laws of Alberta ("**SAFM LP**")

WHEREAS Manitok and SAFM LP are parties to a joint venture agreement dated June 12, 2015 (the "**Wayne Area Joint Venture Agreement**");

AND WHEREAS Manitok and SAFM LP wish to enter into this First Amending Agreement to set forth certain changes to the Wayne Area Joint Venture Agreement and to otherwise confirm the provisions of the amended Wayne Area Joint Venture Agreement;

AND WHEREAS pursuant to section 11.7 of the Wayne Area Joint Venture Agreement, the Wayne Area Joint Venture Agreement may only be amended or varied if such amendment or variation is evidenced in writing and executed by the parties thereto;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the mutual benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the Parties agree as set forth below.

1. Definitions

All capitalized terms used in this First Amending Agreement shall, unless otherwise defined herein, have the meanings herein given to them in the Wayne Area Joint Venture Agreement, and:

"**Parties**" means the parties which are signatories to this First Amending Agreement.

"**First Amending Agreement**" means this first amending agreement.

"**Wayne Area Joint Venture Agreement**" has the meaning given to it in the recitals.

2. Amendment to Wayne Area Joint Venture Agreement

Effective as of the date of this First Amending Agreement, the Wayne Area Joint Venture Agreement is amended

(a) by adding the following definitions to Section 1.1:

(kk) "**SAFM Option**" has the meaning ascribed to it in Section 4.4 hereof;

- (b) by adding “(and shall if required by SAFM LP following a Change of Control)” to Section 4.3 immediately before the phrase “exercise the Manitok Option”;
- (c) by deleting Section 4.4 in its entirety and replacing it with the following:

Subject to the terms and conditions of this Section 4.4 and upon Payout, SAFM LP shall have the option (the “**SAFM Option**”) to require Manitok to purchase the Participating Interest of SAFM LP at any time on or after Payout for consideration equal to the present value of the remaining Facilities Tariff payments payable to SAFM LP in the ordinary course to the date the SAFM Option is exercised, until termination pursuant to Section 9.1(a), calculated using a 16% discount rate (the “**Redemption Value**”). SAFM LP may exercise the option by giving ninety (90) days written notice thereof to Manitok (in this Section 4.4, “**Notice of Exercise**”). Manitok shall deliver payment, by certified cheque or bank draft, of the Redemption Value to SAFM LP within sixty (60) days following the expiration of the Notice of Exercise. Upon any such exercise of the option and payment in full of the Redemption Value as aforesaid, SAFM LP shall assign to Manitok, as of the date of the Notice of Exercise, and unencumbered (subject only to the Permitted Encumbrances and the Collateral Documents), its Participating Interest and its interest in this Agreement to Manitok, or such other party as Manitok may designate, and Manitok shall assume and release or indemnify SAFM LP from any and all liabilities relating to the operation and abandonment of the Facilities.

- (d) by deleting Section 7.2 in its entirety and replacing it with the following:

Should Manitok fail to pay any amount payable by it under this Agreement when due, the amount shall bear interest at a rate per annum equal to the prime rate of interest then quoted by the National Bank of Canada plus ten percent (10%) from three (3) business days after the date payment was due to the date of payment. If (a) any overdue amounts remain unpaid within fifteen (15) days of receipt of written notice provided by SAFM LP to Manitok, and Manitok does not remedy such default within five (5) days of receipt of such written notice (the “**Cure Period**”), or (b) following an occurrence of a Change of Control, SAFM LP requests Manitok to exercise the Manitok Option pursuant to Section 4.3 and Manitok does not comply with such request within five (5) business days (the “**Manitok Option Default Event**”), then SAFM LP shall have the right, upon (i) the expiration of ten (10) days from the expiration of the Cure Period (or earlier written notice received by SAFM LP from Manitok that it will not be able to remedy the default), or (ii) such Manitok Option Default Event, as applicable, to terminate this Agreement, remove Manitok as the Manager of the Facilities and make use of the Facilities as it deems appropriate or liquidate a portion or all of the Facilities in its sole discretion. Notwithstanding the foregoing, in the event that (a) the Manitok Option Default Event occurs as a result of Manitok’s primary lender refusing to provide consent and (b) Manitok is not otherwise in default under this Agreement, then, rather than five (5) business days, Manitok shall have fifteen (15) days to comply with SAFM LP’s request to exercise the

Manitok Option pursuant to Section 4.3. SAFM LP and Manitok shall use commercially reasonable efforts to negotiate a processing agreement on terms reflective of then-prevailing market rates for the processing of Manitok's Petroleum Substances at the Facilities.

- (e) by adding ", the SAFM Option" to Section 9.1(b) after the word "Option";
- (f) by deleting "or" from the end of subsection 9.1(c);
- (g) by replacing the "." in subsection 9.1(d) with "; or";
- (h) by adding the following as subsection (e) to Section 9.1:

the date on which there occurs any transfer or sale of the issued and outstanding share capital of Manitok that would result in a Change of Control of Manitok,

- (i) by adding ", the SAFM Option" to Section 9.3 after the phrase "Section 4.3"; and
- (j) by deleting Section 9.4 in its entirety and replacing it with the following:

In the event of termination of this Agreement by SAFM LP pursuant to Section 9.1(c), 9.1(d) or 9.1(e), Manitok shall, promptly on request by SAFM LP and subject to any Collateral Documents, execute and deliver all such documents and do all such things as may be reasonably required to convey legal title to the Facilities to SAFM LP or as it may direct.

Each of the Parties acknowledges and agrees that the Wayne Area Joint Venture Agreement, as amended by this First Amending Agreement, is and will continue to be in full force and effect, and is hereby ratified and confirmed, and the rights and obligations of all parties thereunder will not be affected in any manner by the provisions of this First Amending Agreement, except as expressly provided in Section 2 of this First Amending Agreement.

3. Assurances

At any time or from time to time after the date hereof, the Parties agree to co-operate with each other, and at the request of any other Party, to execute and deliver any further instruments or documents and to take all such further action as the other Party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the Parties.

4. Counterparts

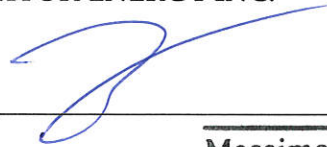
This First Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile or other electronic transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this First Amending Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____



Massimo M. Geremia
President & CEO

Per: _____



Robert G. Dion
Vice President, Finance & CFO

STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.

Per: _____

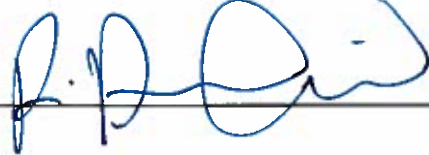
IN WITNESS WHEREOF, the Parties have executed and delivered this First Amending Agreement on the day and year first written above.

MANITOK ENERGY INC.

Per: _____

Per: _____

**STREAM ASSET FINANCIAL MANITOK LP,
by its General Partner, STREAM ASSET
FINANCIAL MANITOK CORP.**

Per:  _____

TAB E

CONSENT AND POSTPONEMENT

THIS CONSENT AND POSTPONEMENT (this “Agreement”) is made as of the 29th day of June, 2015

AMONG:

MANITOK ENERGY INC.,
a body corporate existing under the laws of Alberta
(hereinafter referred to as “Manitok”)

- and -

NATIONAL BANK OF CANADA,
as lender to Manitok
(in such capacity, hereinafter referred to as the “Lender”)

- and -

STREAM ASSET FINANCIAL MANITOK LP,
a limited partnership formed under the laws of Alberta
(hereinafter referred to as “SAFM LP”)

WHEREAS pursuant to a rental agreement dated December 30, 2014, as amended by a first amending agreement dated June 12, 2015 (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the “**Stolberg and Entice Rental Agreement**”) between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule “A” to the Stolberg and Entice Rental Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Rental (as defined in the Stolberg and Entice Rental Agreement) payable by Manitok to SAFM LP pursuant to the Stolberg and Entice Rental Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the “**Stolberg and Entice Rental Facilities**”);

AND WHEREAS as security for, *inter alia*, its obligations under the Stolberg and Entice Rental Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Stolberg and Entice Rental Agreement, collectively, the “**Stolberg and Entice Rental Agreement Security**”) in favour of SAFM LP against the petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing (collectively, the “**Petroleum Substances**”) that are processed or transported through the Stolberg and Entice Rental Facilities and the proceeds from the sales thereof up to the amount owing by Manitok

plus interest at the rate provided in the Stolberg and Entice Rental Agreement (collectively, the **"Stolberg and Entice Rental Agreement Collateral"**);

WHEREAS pursuant to a joint venture agreement dated December 30, 2014, as amended by a first amending agreement dated June 12, 2015 (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the **"Stolberg and Entice Joint Venture Agreement"**) between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule "A" to the Stolberg and Entice Joint Venture Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Tariff (as defined in the Stolberg and Entice Joint Venture Agreement) payable by Manitok to SAFM LP pursuant to the Stolberg and Entice Joint Venture Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the **"Stolberg and Entice Joint Venture Facilities"**);

AND WHEREAS as security for, *inter alia*, its obligations under the Stolberg and Entice Joint Venture Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Stolberg and Entice Joint Venture Agreement, collectively, the **"Stolberg and Entice Joint Venture Agreement Security"**) in favour of SAFM LP against the Petroleum Substances that are processed or transported through the Stolberg and Entice Joint Venture Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Stolberg and Entice Joint Venture Agreement (collectively, the **"Stolberg and Entice Joint Venture Agreement Collateral"**);

WHEREAS pursuant to a rental agreement dated June 12, 2015 (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the **"Wayne Area Rental Agreement"** and together with the Stolberg and Entice Rental Agreement, the **"Rental Agreements"**) between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule "A" to the Wayne Area Rental Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Rental (as defined in the Wayne Area Rental Agreement) payable by Manitok to SAFM LP pursuant to the Wayne Area Rental Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the **"Wayne Area Rental Facilities"**);

AND WHEREAS as security for, *inter alia*, its obligations under the Wayne Area Rental Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Wayne Area Rental Agreement, collectively, the **"Wayne Area Rental Agreement Security"** and together with the Stolberg and Entice Rental Agreement Security, the **"Rental Agreement**

Security") in favour of SAFM LP against the Petroleum Substances that are processed or transported through the Wayne Area Rental Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Wayne Area Rental Agreement (collectively, the "**Wayne Area Rental Agreement Collateral**" and together with Stolberg and Entice Rental Agreement Collateral, the "**Rental Agreement Collateral**");

WHEREAS pursuant to a joint venture agreement dated June 12, 2015 (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Wayne Area Joint Venture Agreement**" and together with the Stolberg and Entice Joint Venture Agreement, the "**Joint Venture Agreements**") between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule "A" to the Joint Venture Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Tariff (as defined in the Wayne Area Joint Venture Agreement) payable by Manitok to SAFM LP pursuant to the Wayne Area Joint Venture Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the "**Wayne Area Joint Venture Facilities**");

AND WHEREAS as security for, *inter alia*, its obligations under the Wayne Area Joint Venture Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Wayne Area Joint Venture Agreement, collectively, the "**Wayne Area Joint Venture Agreement Security**" and together with the Stolberg and Entice Joint Venture Agreement Security, the "**Joint Venture Agreement Security**") in favour of SAFM LP against the Petroleum Substances that are processed or transported through the Wayne Area Joint Venture Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Wayne Area Joint Venture Agreement (collectively, the "**Wayne Joint Venture Agreement Collateral**" and together with the Stolberg and Entice Joint Venture Agreement Collateral, the "**Joint Venture Agreement Collateral**");

AND WHEREAS SAFM LP may from time to time become indebted to a bank or other financial institution (any such person upon executing a Supplement (as defined below) and becoming a party to this Agreement shall be the "**Secured Party**") pursuant to an offering letter, credit agreement or other loan document (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Offering Letter**");

AND WHEREAS as security for, *inter alia*, its obligations under the Offering Letter, SAFM LP may be required to grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to the Secured Party from time to time pursuant to the Offering Letter, collectively, the "**SAFM LP Security**") against its present and after-acquired property and assets (collectively, the "**SAFM LP Assets**") in favour of the Secured Party, which SAFM LP Security may include, without limitation, a specific assignment by SAFM LP of all of its right, title and interest under the Rental Agreements, the Joint Venture Agreements and each of their

respective Collateral Documents (as defined in each of the Rental Agreements and each of the Joint Venture Agreements);

AND WHEREAS Manitok is indebted to the Lender pursuant to an offering letter dated as of May 29, 2015 between Manitok, as borrower, and the Lender (and together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Credit Agreement**");

AND WHEREAS as security for, *inter alia*, its obligations under the Credit Agreement, Manitok has granted security against all of its present and after-acquired property and assets (collectively, the "**Manitok Assets**") in favour of the Lender (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to the Lender, from time to time pursuant to the Credit Agreement, collectively, the "**Manitok Security**"); and

AND WHEREAS Manitok and SAFM LP wish to amend each of the Joint Venture Agreements and each of the Rental Agreements in the forms provided to the Lender for its review (collectively, the "**Amending Agreements**") and Manitok and SAFM LP wish to request the Lender's consent to such amendments pursuant to and in compliance with the provisions of a no interest letter, consent and acknowledgment dated December 30, 2014 made among Manitok, the Lender and SAFM LP (the "**December 2014 NIL**") and a no interest letter, consent and acknowledgment dated June 12, 2015 made among Manitok, the Lender and SAFM LP (the "**June 2015 NIL**").

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

CONSENT

1. The Lender hereby consents pursuant to Sections 2(g) and 3(i) of the December 2014 NIL and Sections 2(g) and 3(i) of the June 2015 NIL, to the amendment of each of the Rental Agreements and each of the Joint Venture Agreements contained in the Amending Agreements.

POSTPONEMENT

2. SAFM LP and the Secured Party each hereby covenant and agree with the Lender that:
 - (a) all indebtedness, liabilities and obligations of Manitok to SAFM LP or the Secured Party which are or may become owing pursuant to each or any of:
 - (i) Section 4.4 of each of the Joint Venture Agreements upon the exercise by SAFM LP or the Secured Party of their option (the "**Option**") to require Manitok to purchase the Participating Interest (as defined in each Joint Venture Agreement); or

- (ii) Section 4.3 of each of the Rental Agreements and each of the Joint Venture Agreements upon the exercise by Manitok of the Manitok Option (as defined in each Joint Venture Agreement and each Rental Agreement),

(collectively, the "**SAFM Indebtedness**") are hereby subordinated and postponed in all respects to the indebtedness, liabilities and obligations of Manitok to the Lender under or in connection with the Credit Agreement, the Manitok Security or any other documents provided by Manitok to the Lender in connection with any of the foregoing (collectively, the "**National Bank Indebtedness**");

- (b) so long as any National Bank Indebtedness is outstanding and until the National Bank Indebtedness shall have been indefeasibly paid in full and in cash, performed in full and finally satisfied:

- (i) the payment of the SAFM Indebtedness is postponed and subordinated to the indefeasible payment in full and in cash, performance in full and final satisfaction of all National Bank Indebtedness and neither SAFM LP nor the Secured Party will directly or indirectly, accept from Manitok, in any manner, directly or indirectly, payment of, or consideration for the reduction of, the whole or in part of the SAFM Indebtedness and if any such payment is received or made on the SAFM Indebtedness, or any distribution is received in respect of such SAFM Indebtedness, such payment shall be held by SAFM LP or the Secured Party, as the case may be, in trust for the benefit of, and shall be promptly paid over in the form received to the Lender;
- (ii) neither SAFM LP nor the Secured Party shall dispute or contest in any manner the validity or enforceability or priority (in the circumstances herein contemplated) of any of the National Bank Indebtedness;
- (iii) neither SAFM LP nor the Secured Party shall sell, assign, or otherwise transfer, in whole or part, any of the SAFM Indebtedness or any right, title or interest therein unless the transferee or assignee agrees to be bound by the provisions of this Agreement;
- (iv) neither SAFM LP nor the Secured Party will, without the prior written consent of the Lender, commence, or join with any other creditor in commencing, any voluntary or involuntary winding-up, dissolution, insolvency, receivership, bankruptcy, liquidation, reorganization, arrangement, composition, or any other process or proceeding having similar effect that is filed and outstanding and involves or affects Manitok, any Manitok Assets, SAFM LP, any SAFM LP Assets, any Rental Agreement Collateral or any Joint Venture Agreement Collateral ("**Creditor Proceedings**") with respect to the SAFM Indebtedness provided that in any Creditor Proceeding, SAFM LP or the Secured Party, as the case may be, may file a proof of claim and take such steps as it deems necessary to establish the validity and amount of the SAFM Indebtedness;

- (v) neither SAFM LP nor the Secured Party is permitted to exercise the Option, require Manitok to exercise the Manitok Option or in any other way accelerate or demand payment of the SAFM Indebtedness without the prior written consent of the Lender in their sole, absolute and unfettered discretion; and
 - (vi) if a payment is received or made on the SAFM Indebtedness SAFM LP or the Secured Party, as the case may be, agrees it shall hold such payment in trust for the Lender and will promptly pay to the Lender the entire amount of such payment; and
- (c) upon any distribution of any of the Manitok Assets to Manitok's creditors upon any Creditor Proceeding, whether voluntary or involuntary, partial or complete, all the National Bank Indebtedness shall first be paid in full and satisfied before SAFM LP or the Secured Party shall be entitled to receive or retain any payment or distribution in respect of the SAFM Indebtedness from Manitok or any receiver, trustee or other person making such payment or distribution or in respect of such Creditor Proceeding.

GENERAL MATTERS

3. The headings in this Agreement are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
4. All notices and other communications contemplated by this Agreement shall be in writing and shall be deemed given upon receipt thereof by the party to whom such notice or other communication is addressed and shall be sent by facsimile, by personal delivery or by recognized courier service and shall be directed to the parties as set out in Schedule "A" attached hereto.
5. Any provision of this Agreement which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Agreement fail to provide for any relevant matter, the validity, legality or enforceability of this Agreement shall not hereby be affected.
6. The provisions of this Agreement shall be governed by, construed and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
7. Time shall be of the essence in this Agreement.
8. Any bank or other financial institution that becomes a lender to SAFM LP shall execute a supplement substantially in the form of Schedule "B" attached hereto (the "**Supplement**") and deliver the same to Manitok, the Lender and SAFM LP. Any such person shall thereafter be the Secured Party for all purposes under this Agreement, to


the same extent as if it were an original signatory hereto. The execution and delivery of the Supplement by the Secured Party shall not require the consent of Manitok or the Lender and all of the liabilities and obligations of Manitok, the Lender and SAFM LP under this Agreement shall remain in full force and effect notwithstanding the addition of the Secured Party to this Agreement. In the event that the Secured Party requires any amendments to this Agreement, Manitok, the Lender and SAFM LP shall use commercially reasonable efforts to negotiate and enter into an amended and restated Agreement on terms satisfactory to all parties, acting reasonably.

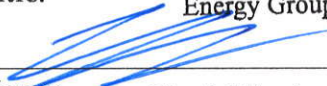
9. This Agreement shall enure to the benefit of the parties hereto and their respective successors and permitted assigns, and shall be binding upon the parties hereto and their respective successors and permitted assigns.
10. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall together constitute one in the same instrument. For the purposes of this Section 10, the delivery of a facsimile copy or other electronic transmission of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement.

[remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA

By: 
Name: Audrey Ng
Title: Associate
Energy Group

By: 
Name: Chuck Warnica
Title: Director
Energy Group

MANITOK ENERGY INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

STREAM ASSET FINANCIAL MANITOK
LP, by its general partner, STREAM ASSET
FINANCIAL MANITOK CORP.

By: _____
Name:
Title:

By: _____
Name:
Title:


IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.


NATIONAL BANK OF CANADA

By: _____
Name:
Title:

By: _____
Name:
Title:

MANITOK ENERGY INC.

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

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

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA

MANITOK ENERGY INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: 
Name:
Title:

By: _____
Name:
Title:

SCHEDULE "A"
ADDRESSES FOR NOTICE

To the Lender:

National Bank of Canada
311-6th Avenue S.W., Suite 1800
Calgary, Alberta T2P 3H2

Attention: Director, Energy Group

To SAFM LP:

Stream Asset Financial ManitoK LP
Suite 401, 322 – 11th Street S.W.
Calgary, Alberta T2R 0C5

Attention: Ryan Dunfield, President

To ManitoK:

ManitoK Energy Inc.
Suite 2600, 585– 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Robert Dion, VP Finance & CFO

**SCHEDULE "B"
SUPPLEMENT**

**SUPPLEMENTAL AGREEMENT
TO THE CONSENT AND POSTPONEMENT**

**TO: NATIONAL BANK OF CANADA
MANITOK ENERGY INC.
STREAM ASSET FINANCIAL MANITOK LP**

WHEREAS Stream Asset Financial ManitoK LP ("SAFM LP") is indebted to ● (the "SAFM LP Lender") pursuant to an offering letter dated as of ●, 20● (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "Offering Letter");

AND WHEREAS as security for, *inter alia*, its obligations under the Offering Letter, SAFM LP has granted or shall grant the SAFM LP Security to the SAFM LP Lender;

AND WHEREAS a consent and postponement made as of the 29th day of June, 2015 (the "Consent and Postponement"), the Lender consented to certain amendments to the Rental Agreements and the Joint Venture Agreements and Manitok, the Lender and SAFM LP set out certain rights and obligations with respect with the SAFM LP Security, the Rental Agreement Security, the Joint Venture Agreement Security and the Manitok Security;

AND WHEREAS Section 8 of the Consent and Postponement provides that the SAFM LP Lender shall after the date of the Consent and Postponement become the Secured Party under the Consent and Postponement by executing and delivering to Manitok, the Lender and SAFM LP a supplemental agreement to the Consent and Postponement in the form of this Supplement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the SAFM LP Lender hereby agrees as follows:

1. The SAFM LP Lender has received a copy of, and has reviewed, the Consent and Postponement and is executing and delivering this Supplement pursuant to Section 8 of the Consent and Postponement.
2. Effective from and after the date this Supplement is executed and delivered to Manitok, the Lender and SAFM LP by the SAFM LP Lender, the SAFM LP Lender is, and shall be deemed for all purposes to be, the Secured Party under the Consent and Postponement with the same force and effect, and subject to the same agreements, representations, indemnities, liabilities and obligations, as if the SAFM LP Lender was, effective as of the date of this Supplement, an original signatory to the Consent and Postponement as the Secured Party.
3. Except as expressly supplemented hereby, the No Interest Letter shall remain in full force and effect, unamended.

4. The address for notices and other communications to be delivered to the SAFM LP Lender pursuant to Section 4 of the Consent and Postponement is set forth below.
5. Capitalized terms used but not otherwise defined in this Supplement have the respective meanings given to such terms in the Consent and Postponement.

IN WITNESS WHEREOF, the SAFM LP Lender has executed this Supplement as of the date first above written.

[NAME OF SAFM LP LENDER]

By: _____

Name:

Title:

By: _____

Name:

Title:

Notice Address for the SAFM LP Lender:



TAB F

NO INTEREST LETTER, CONSENT AND ACKNOWLEDGEMENT

THIS NO INTEREST LETTER, CONSENT AND ACKNOWLEDGEMENT (this "Agreement") is made as of the 30th day of December, 2014

AMONG:

MANITOK ENERGY INC.,

a body corporate existing under the laws of Alberta
(hereinafter referred to as "Manitok")

- and -

NATIONAL BANK OF CANADA,

as lender to Manitok
(in such capacity, hereinafter referred to as the "Lender")

- and -

STREAM ASSET FINANCIAL MANITOK LP,

a limited partnership formed under the laws of Alberta
(hereinafter referred to as "SAFM LP")

WHEREAS pursuant to a rental agreement dated the date hereof (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "Rental Agreement") between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule "A" to the Rental Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Rental (as defined in the Rental Agreement) payable by Manitok to SAFM LP pursuant to the Rental Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the "Rental Facilities");

AND WHEREAS as security for, *inter alia*, its obligations under the Rental Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Rental Agreement, collectively, the "Rental Agreement Security") in favour of SAFM LP against the petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing (collectively, the "Petroleum Substances") that are processed or transported through the Rental Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Rental Agreement (collectively, the "Rental Agreement Collateral");

WHEREAS pursuant to a joint venture agreement dated the date hereof (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Joint Venture Agreement**") between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule "A" to the Joint Venture Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Tariff (as defined in the Joint Venture Agreement) payable by Manitok to SAFM LP pursuant to the Joint Venture Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the "**Joint Venture Facilities**");

AND WHEREAS as security for, *inter alia*, its obligations under the Joint Venture Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Joint Venture Agreement, collectively, the "**Joint Venture Agreement Security**") in favour of SAFM LP against the Petroleum Substances that are processed or transported through the Joint Venture Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Joint Venture Agreement (collectively, the "**Joint Venture Agreement Collateral**");

AND WHEREAS SAFM LP may from time to time become indebted to a bank or other financial institution (any such person upon executing a Supplement (as defined below) and becoming a party to this Agreement shall be the "**Secured Party**") pursuant to an offering letter, credit agreement or other loan document (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Offering Letter**");

AND WHEREAS as security for, *inter alia*, its obligations under the Offering Letter, SAFM LP may be required to grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to the Secured Party from time to time pursuant to the Offering Letter, collectively, the "**SAFM LP Security**") against its present and after-acquired property and assets (collectively, the "**SAFM LP Assets**") in favour of the Secured Party, which SAFM LP Security may include, without limitation, a specific assignment by SAFM LP of all of its right, title and interest under the Rental Agreement, the Joint Venture Agreement and each of their respective Collateral Documents (as defined in each of the Rental Agreement and the Joint Venture Agreement, with the Rental Agreement, the Joint Venture Agreement and each of their respective Collateral Documents being sometimes hereinafter collectively referred to as the "**Assigned Agreements**" and each, individually, as an "**Assigned Agreement**");

AND WHEREAS Manitok is indebted to the Lender pursuant to an offering letter dated as of September 19, 2014 between Manitok, as borrower, and the Lender, as amended by an amending offering letter dated as of October 14, 2014 (as so amended and together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Credit Agreement**");

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AND WHEREAS as security for, *inter alia*, its obligations under the Credit Agreement, Manitok has granted security against all of its present and after-acquired property and assets (collectively, the "**Manitok Assets**") in favour of the Lender (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to the Lender, from time to time pursuant to the Credit Agreement, collectively, the "**Manitok Security**");

AND WHEREAS the Lender has made the registrations enumerated on Schedule "A" hereto at the Alberta Personal Property Registry in respect of the Manitok Security (as such registrations may have been amended from time to time, collectively, the "**Existing Registrations**");

AND WHEREAS Manitok and SAFM LP wish to have the Lender release the Rental Facilities and the Joint Venture Facilities from the Manitok Security.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

NO INTEREST LETTER

1. The Lender hereby:
 - (a) consents to the disposition of the legal and beneficial title to the Rental Facilities and the Joint Venture Facilities to SAFM LP pursuant to the Rental Agreement and Joint Venture Agreement;
 - (b) consents to the grant of the security interests by Manitok to SAFM LP pursuant to Section 7.3 of the Rental Agreement and Section 7.3 of the Joint Venture Agreement and confirms that such security interests are Permitted Encumbrances under the Credit Agreement;
 - (c) irrevocably and unconditionally releases and discharges the Rental Facilities and the Joint Venture Facilities from the Manitok Security and re-conveys the Rental Facilities and the Joint Venture Facilities to Manitok, as applicable, if the same were conveyed to the Lender pursuant to the Manitok Security;
 - (d) represents and warrants that the Manitok Security has not been assigned; and
 - (e) covenants and agrees that the Manitok Security perfected by the Existing Registrations does not relate to the Rental Facilities or the Joint Venture Facilities and that neither the Existing Registrations nor any and all other filings, security notices, financing statements, financing change statements and registrations that have been made in respect of the Manitok Security in all jurisdictions where such registrations have been made will be used or relied upon by the Lender to perfect any mortgage, charge, pledge or security interest in the Rental Facilities or the Joint Venture Facilities.

CONSENT AND ACKNOWLEDGEMENT REGARDING SAFM LP SECURITY

2. Manitok hereby:

- (a) consents to the pledge and grant of a security interest by SAFM LP to the Secured Party of all of SAFM LP's right, title and interest in and to the Assigned Agreements pursuant to the SAFM LP Security as security for all of the present and future indebtedness, liabilities and obligations of SAFM LP to the Secured Party, whether direct or indirect, absolute or contingent, joint or several, matured or immature (collectively, the "**SAFM LP Obligations**");
- (b) agrees that the Secured Party may give Manitok notice (a "**Security Enforcement Notice**") that a demand has been made for payment or performance of the SAFM LP Obligations and that the Secured Party has commenced exercising its rights to realize on the SAFM LP Security (or any portion thereof) to enforce the rights of SAFM LP under the Assigned Agreements, or any of them, or with the consent of Manitok (such consent not be unreasonably withheld), to sell, assign, transfer or otherwise dispose of such Assigned Agreements, or any of them, to another person (the "**Substitute Assignee**");
- (c) agrees that if it receives a Security Enforcement Notice from the Secured Party or the Substitute Assignee (as applicable), the Secured Party or the Substitute Assignee (as applicable) shall succeed to all of the right, title and interest of SAFM LP under the applicable Assigned Agreements. Manitok agrees to the right (but not the obligation) of the Secured Party in exercising the rights of the Secured Party under the SAFM LP Security to make all demands, give all notices and take all actions and exercise all rights of SAFM LP under the Assigned Agreements, or any of them, and Manitok agrees that, after receipt of a Security Enforcement Notice, Manitok shall continue to perform its obligations under the applicable Assigned Agreements in favour of the Secured Party or the Substitute Assignee (as applicable);
- (d) agrees that all rights and remedies available hereunder shall be exercised by the Secured Party or its nominee and any reference to the "Secured Party" or "nominee" shall include the Secured Party and such nominee, in each case acting on behalf of the Secured Party;
- (e) agrees that if SAFM LP defaults in the performance of any of its obligations under the Assigned Agreements, or any of them, or upon the occurrence or non-occurrence of any event or condition under the Assigned Agreements, or any of them, which would immediately or with the passage of time or the giving of notice, or both, enable Manitok to terminate or suspend its service under the Assigned Agreements, or any of them (a "**SAFM LP Default**"), Manitok will not exercise any such right or remedy until Manitok first gives written notice (the "**SAFM LP Default Notice**") of such SAFM LP Default to the Secured Party. Any such SAFM LP Default Notice shall be given to the Secured Party when Manitok delivers notice of such SAFM LP Default to SAFM LP under any of the applicable Assigned Agreements;

- (f) agrees that it will not terminate any of the Assigned Agreements until Manitok has provided the opportunity to the Secured Party to cure such SAFM LP Default. The Secured Party shall have the right (but not the obligation) to cure any SAFM LP Default listed in any SAFM LP Default Notice within five (5) days in the case of a monetary SAFM LP Default and within fifteen (15) days in the case of any other SAFM LP Default, in each case after the date of the expiry of the cure period provided to SAFM LP under the applicable Assigned Agreement. If an Assigned Agreement is terminated by Manitok, at the option of the Secured Party, Manitok shall enter into a new agreement (executed by the Secured Party or the Substitute Assignee (as applicable)) having terms the same as the terms of the terminated Assigned Agreement (except for any requirements with respect to past performance) and in which the Secured Party or the Substitute Assignee (as applicable) agrees to perform all of SAFM LP's duties in the new Assigned Agreement. The option of the Secured Party or the Substitute Assignee (as applicable) set forth herein must be exercised within thirty (30) days after the termination of an Assigned Agreement;
- (g) agrees that it will not amend, alter, vary, supplement or revise any of the terms or provisions of, or add any new or additional terms or provisions to, any of the Assigned Agreements in any material respects without the prior written consent of the Lender; notwithstanding the foregoing, no changes will be made to Schedule "A" of the Rental Agreement or Schedule "A" of the Joint Venture Agreement without the prior written consent of the Lender in its sole, absolute and unfettered discretion; and
- (h) agrees that it will not sell, assign, or otherwise transfer, in whole or in part, any of its obligations under the Assigned Agreements or any right, title or interest therein to any person unless (i) such action is made expressly subject to this Agreement, and (ii) such person agrees in writing to be bound by all of the terms hereof, such agreement to be in favour of and in form and substance satisfactory to the Lender.

CONSENT AND ACKNOWLEDGEMENT REGARDING MANITOK SECURITY

3. SAFM LP hereby:

- (a) agrees to the grant of the Manitok Security in respect of the Assigned Agreements;
- (b) agrees that whenever the Manitok Security is enforceable, the Lender shall be entitled to enforce the Manitok Security by, among other things, exercising and enforcing all rights and remedies of Manitok under the Assigned Agreements, appointing a receiver, assigning any Assigned Agreement to a third party and any other remedy or proceeding authorized or permitted under the *Personal Property Security Act* (Alberta) or otherwise by law or equity;
- (c) agrees to consent to and cooperate in the exercise of the remedies set forth in Section 3(b);

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- (d) agrees that all rights and remedies available hereunder shall be exercised by the Lender or its nominee and any reference to the "Lender" or "nominee" shall include the Lender and such nominee;
- (e) agrees that the Lender has the right to receive all notices, including any Manitok Default Notice (as hereinafter defined), delivered by or on behalf of SAFM LP to Manitok and any such notice shall be given to the Lender when SAFM LP delivers such notice to Manitok;
- (f) agrees that if Manitok defaults in the performance of any of its obligations under the Assigned Agreements, or any of them, or upon the occurrence or non-occurrence of any event or condition under the Assigned Agreements, or any of them, which would immediately or with the passage of time or the giving of notice, or both, enable SAFM LP to terminate or suspend its service under the Assigned Agreements, or any of them (a "**Manitok Default**"), SAFM LP will not exercise any such right or remedy until SAFM LP first gives written notice (the "**Manitok Default Notice**") of such Manitok Default to the Lender. Any such Manitok Default Notice shall be given to the Lender when SAFM LP delivers notice of such Manitok Default to Manitok under any of the applicable Assigned Agreement;
- (g) agrees that it will not terminate any of the Assigned Agreements until SAFM LP has provided the opportunity to the Lender to cure such Manitok Default. The Lender shall have the right (but not the obligation) to cure any Manitok Default listed in any Manitok Default Notice within fifteen (15) days in the case of a monetary Manitok Default and within ninety (90) days in the case of any other Manitok Default, in each case, after the later of the delivery of the Manitok Default Notice and the date of the expiry of the cure period provided to Manitok under the applicable Assigned Agreement. If an Assigned Agreement is terminated by SAFM LP, at the option of the Lender, SAFM LP shall enter into a new agreement (executed by the Lender or a nominee satisfactory to SAFM LP, acting reasonably, (as applicable)) having terms the same as the terms of the terminated Assigned Agreement (except for any requirements with respect to past performance) and in which the Lender or such nominee (as applicable) agrees to perform all of Manitok's duties in the new Assigned Agreement. The option of the Lender or such nominee (as applicable) set forth herein must be exercised within thirty (30) days after the termination of an Assigned Agreement;
- (h) agrees that, if, at any time and from time to time, the enforcement of the Manitok Security or other rights and remedies of the Lender under the Credit Agreement are stayed or otherwise precluded by court or other applicable law (the "Stay"), in each case, the cure periods under the applicable Assigned Agreement shall, notwithstanding the Stay, continue to run; provided however, that:
 - (i) the Lender shall have the right to cure a non-monetary Manitok Default until the later of (A) the expiry of the applicable cure period under the applicable Assigned Agreement, and (B) the expiry of the Stay, and, subject to paragraph (ii) below, SAFM LP shall not exercise or cause to be

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exercised any of the rights or remedies available to it in respect of such Manitok Default until the expiry of such later date; and

- (ii) this Section 3(h) shall not affect the ability of SAFM LP to (A) require Manitok to deliver legal title to the Rental Facilities or the Joint Venture Facilities to SAFM LP, and Manitok shall promptly deliver such title to SAFM LP, if SAFM LP would otherwise be entitled to terminate the Rental Agreement or the Joint Venture Agreement and require Manitok to deliver such title to SAFM LP pursuant to Section 9.3 of the Rental Agreement or Section 9.4 of the Joint Venture Agreement, and (B) terminate Manitok as manager and operator of the Rental Facilities or the Joint Venture Facilities if SAFM LP would otherwise be entitled to terminate the Rental Agreement or the Joint Venture Agreement;
- (i) agrees that it will not amend, alter, vary, supplement or revise any of the terms or provisions of, or add any new or additional terms or provisions to, any of the Assigned Agreements in any material respects without the prior written consent of the Lender; notwithstanding the foregoing, no changes will be made to Schedule "A" of the Rental Agreement or Schedule "A" of the Joint Venture Agreement without the prior written consent of the Lender in its sole, absolute and unfettered discretion; and
- (j) agrees that it will not sell, assign, or otherwise transfer, in whole or in part, any of its obligations under the Assigned Agreements or any right, title or interest therein to any person unless (i) such action is made expressly subject to this Agreement, and (ii) such person agrees in writing to be bound by all of the terms hereof, such agreement to be in favour of and in form and substance satisfactory to the Lender.

AGREEMENTS OF SAFM LP, THE LENDER AND THE SECURED PARTY

- 4. The Lender, SAFM LP and the Secured Party each hereby covenant and agree with each other that:
 - (a) the Lender shall promptly notify the Secured Party and SAFM LP in writing in the event the Lender:
 - (i) make a demand for repayment of, or causes an acceleration of, the principal amount outstanding under the Credit Agreement (including, without limitation, pursuant to a written demand therefor or notification thereof by the Lender);
 - (ii) issues a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement

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- or similar laws of Canada or other applicable jurisdictions from time to time in respect of the Manitok Security; or
- (iii) realizes or causes a realization pursuant to the Manitok Security over the Manitok Assets (or any portion thereof), whether pursuant to an event of default or not;
- (b) the Secured Party shall promptly notify the Lender in writing in the event the Secured Party:
- (i) make a demand for repayment of, or causes an acceleration of, the principal amount outstanding under the Offering Letter (including, without limitation, pursuant to a written demand therefor or notification thereof by the Secured Party);
 - (ii) issues a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement or similar laws of Canada or other applicable jurisdictions from time to time in respect of the SAFM LP Security; or
 - (iii) realizes or causes a realization pursuant to the SAFM LP Security over the SAFM LP Assets (or any portion thereof), whether pursuant to an event of default or not;
- (c) SAFM LP shall promptly notify the Lender in writing:
- (i) of the occurrence of any default or event of default under the Rental Agreement, any Rental Agreement Security, the Joint Venture Agreement or any Joint Venture Agreement Security, which notice shall: (A) include, without limitation, reasonable particulars regarding the default or event of default; and (B) specify any applicable cure period pertaining to such default or event of default; or
 - (ii) in the event SAFM LP:
 - (A) proposes to terminate the Rental Agreement or the Joint Venture Agreement; or
 - (B) issues a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement or similar laws of Canada or other applicable jurisdictions from time

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to time in respect of the Rental Agreement Security or the Joint Venture Agreement Security;

- (d) in the event of any voluntary or involuntary winding-up, dissolution, insolvency, receivership, bankruptcy, liquidation, reorganization, arrangement, composition, or any other process or proceeding having similar effect that is filed and outstanding and involves or affects Manitok, any Manitok Assets, SAFM LP, any SAFM LP Assets, any Rental Agreement Collateral or any Joint Venture Agreement Collateral (“**Creditor Proceedings**”), the Rental Agreement, the Joint Venture Agreement, each of their respective Collateral Documents, the Manitok Security, the SAFM LP Security, the Rental Agreement Security and the Joint Venture Agreement Security will be dealt with by the Lender, the Secured Party and SAFM LP or any receiver, receiver-manager or trustee in bankruptcy in a manner that reflects the terms and provisions of this Agreement;
- (e) in the event any Creditor Proceedings are commenced, the Rental Agreement Security and the Joint Venture Agreement Security shall be postponed and subordinated, in favour of the Lender and the Manitok Security;
- (f) the Lender shall not at any time challenge, dispute or contest the validity or enforceability of the SAFM LP Security, the Rental Agreement Security or the Joint Venture Agreement Security;
- (g) neither the Secured Party nor SAFM LP shall at any time challenge, dispute or contest the validity or enforceability of the Manitok Security, including the Lender's first priority security interest over Manitok's right, title, estate and interest in the Assigned Agreements;
- (h) for certainty, each of the Secured Party and SAFM LP acknowledges and agrees that it does not have any interest in any of the Manitok Assets other than in respect of the Rental Agreement Security and the Joint Venture Agreement Security;
- (i) if pursuant to the Manitok Security, the Lender takes direct assignment of an Assigned Agreement, the Lender hereby covenants and agrees to be bound by the agreements, covenants and obligations of Manitok in Section 2 hereof, and such agreements, covenants and obligations of Manitok shall apply equally to the Lender;
- (j) in any votes under any Creditor Proceedings, the Lender, the Secured Party and SAFM LP shall vote in a manner that is not inconsistent with the provisions of this Agreement; and
- (k) if any proceeds of realization are received by any party hereto contrary to the priorities and interests established herein, the recipient party shall hold such proceeds of realization, in trust, for the other party entitled to such proceeds pursuant to the terms of this Agreement, and shall forthwith pay such proceeds

of realization over to the party entitled thereto in accordance with the terms of this Agreement.

GENERAL MATTERS

5. The headings in this Agreement are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
6. All notices and other communications contemplated by this Agreement shall be in writing and shall be deemed given upon receipt thereof by the party to whom such notice or other communication is addressed and shall be sent by facsimile, by personal delivery or by recognized courier service and shall be directed to the parties as set out in Schedule "B" attached hereto.
7. Any provision of this Agreement which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Agreement fail to provide for any relevant matter, the validity, legality or enforceability of this Agreement shall not hereby be affected.
8. The provisions of this Agreement shall be governed by, construed and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
9. Time shall be of the essence in this Agreement.
10. Each of Manitok and the Lender hereby acknowledges and agrees that it will not transfer or assign the Assigned Agreements, or any of them, unless the transferee or assignee agrees to be bound by the provisions of this Agreement.
11. Any bank or other financial institution that becomes a lender to SAFM LP shall execute a supplement substantially in the form of Schedule "C" attached hereto (the "Supplement") and deliver the same to Manitok, the Lender and SAFM LP. Any such person shall thereafter be the Secured Party for all purposes under this Agreement, to the same extent as if it were an original signatory hereto. The execution and delivery of the Supplement by the Secured Party shall not require the consent of Manitok or the Lender and all of the liabilities and obligations of Manitok, the Lender and SAFM LP under this Agreement shall remain in full force and effect notwithstanding the addition of the Secured Party to this Agreement. In the event that the Secured Party requires any amendments to this Agreement, Manitok, the Lender and SAFM LP shall use commercially reasonable efforts to negotiate and enter into an amended and restated Agreement on terms satisfactory to all parties, acting reasonably.
12. This Agreement shall enure to the benefit of the parties hereto and their respective successors and permitted assigns, and shall be binding upon the parties hereto and their respective successors and permitted assigns.

13. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall together constitute one in the same instrument. For the purposes of this Section 13, the delivery of a facsimile copy or other electronic transmission of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement.

[remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA

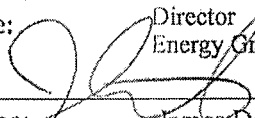
MANITOK ENERGY INC.

By: 

Name: Erin Welte
Title: Director
Energy Group

By: _____

Name:
Title:

By: 

Name: James Dexter
Title: Associate
Energy Group

By: _____

Name:
Title:

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: _____

Name:
Title:

By: _____

Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA, as Lender

MANITOK ENERGY INC.


By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By:  _____
Name:
Title:


By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.


NATIONAL BANK OF CANADA, as Lender

MANITOK ENERGY INC.

By: _____
Name:
Title:

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

By: _____
Name:
Title:

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

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE "A"
EXISTING REGISTRATIONS

<u>Alberta Registrations</u> Debtor(s)	Registration Number	Collateral
Manitok Energy Inc.	13013125180	All of the Debtor's present and after-acquired personal property.
Manitok Energy Inc.	13013125196	Land Charge

SCHEDULE "B"
ADDRESSES FOR NOTICE

To the Lender:

National Bank of Canada
311-6th Avenue S.W., Suite 1800
Calgary, Alberta T2P 3H2

Attention: Director, Energy Group

To SAFM LP:

Stream Asset Financial ManitoK LP
Suite 401, 322 - 11th Street S.W.
Calgary, Alberta T2R 0C5

Attention: Ryan Dunfield, President

To ManitoK:

ManitoK Energy Inc.
Suite 2600, 585- 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Robert Dion, VP Finance & CFO

**SCHEDULE "C"
SUPPLEMENT**

**SUPPLEMENTAL AGREEMENT
TO THE NO INTEREST LETTER, CONSENT AND ACKNOWLEDGEMENT**

**TO: NATIONAL BANK OF CANADA
MANITOK ENERGY INC.
STREAM ASSET FINANCIAL MANITOK LP**

WHEREAS Stream Asset Financial ManitoK LP ("SAFM LP") is indebted to ● (the "SAFM LP Lender") pursuant to an offering letter dated as of ●, 20● (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "Offering Letter");

AND WHEREAS as security for, *inter alia*, its obligations under the Offering Letter, SAFM LP has granted or shall grant the SAFM LP Security to the SAFM LP Lender;

AND WHEREAS pursuant to a no interest letter, consent and acknowledgement made of the 30th day of December, 2014 (the "No Interest Letter"), the Lender released the Rental Facilities and the Joint Venture Facilities from the ManitoK Security and ManitoK, the Lender and SAFM LP set out certain rights and obligations with respect with the SAFM LP Security, the Rental Agreement Security, the Joint Venture Agreement Security and the ManitoK Security;

AND WHEREAS Section 11 of the No Interest Letter provides that the SAFM LP Lender shall after the date of the No Interest Letter become the Secured Party under the No Interest Letter by executing and delivering to ManitoK, the Lender and SAFM LP a supplemental agreement to the No Interest Letter in the form of this Supplement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the SAFM LP Lender hereby agrees as follows:

1. The SAFM LP Lender has received a copy of, and has reviewed, the No Interest Letter and is executing and delivering this Supplement pursuant to Section 11 of the No Interest Letter.
2. Effective from and after the date this Supplement is executed and delivered to ManitoK, the Lender and SAFM LP by the SAFM LP Lender, the SAFM LP Lender is, and shall be deemed for all purposes to be, the Secured Party under the No Interest Letter with the same force and effect, and subject to the same agreements, representations, indemnities, liabilities and obligations, as if the SAFM LP Lender was, effective as of the date of this Supplement, an original signatory to the No Interest Letter as the Secured Party.
3. Except as expressly supplemented hereby, the No Interest Letter shall remain in full force and effect, unamended.
4. The address for notices and other communications to be delivered to the SAFM LP Lender pursuant to Section 6 of the No Interest Letter is set forth below.

- 5. Capitalized terms used but not otherwise defined in this Supplement have the respective meanings given to such terms in the No Interest Letter.

IN WITNESS WHEREOF, the SAFM LP Lender has executed this Supplement as of the date first above written.

[NAME OF SAFM LP LENDER]

By: _____
Name:
Title:

By: _____
Name:
Title:

Notice Address for the SAFM LP Lender:



TAB G

NO INTEREST LETTER, CONSENT AND ACKNOWLEDGEMENT

THIS NO INTEREST LETTER, CONSENT AND ACKNOWLEDGEMENT (this “**Agreement**”) is made as of the 12th day of June, 2015

AMONG:

MANITOK ENERGY INC.,
a body corporate existing under the laws of Alberta
(hereinafter referred to as “**Manitok**”)

- and -

NATIONAL BANK OF CANADA,
as lender to Manitok
(in such capacity, hereinafter referred to as the “**Lender**”)

- and -

STREAM ASSET FINANCIAL MANITOK LP,
a limited partnership formed under the laws of Alberta
(hereinafter referred to as “**SAFM LP**”)

WHEREAS pursuant to a rental agreement dated the date hereof (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the “**Rental Agreement**”) between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule “A” to the Rental Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Rental (as defined in the Rental Agreement) payable by Manitok to SAFM LP pursuant to the Rental Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the “**Rental Facilities**”);

AND WHEREAS as security for, *inter alia*, its obligations under the Rental Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Rental Agreement, collectively, the “**Rental Agreement Security**”) in favour of SAFM LP against the petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing (collectively, the “**Petroleum Substances**”) that are processed or transported through the Rental Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Rental Agreement (collectively, the “**Rental Agreement Collateral**”);

WHEREAS pursuant to a joint venture agreement dated the date hereof (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Joint Venture Agreement**") between Manitok and SAFM LP, Manitok agreed to assign, transfer and convey to SAFM LP its legal and beneficial right, title and interest in and to: (a) the facilities described in Schedule "A" to the Joint Venture Agreement; and (b) all present and future contractual rights related to (a) above (including, without limitation, the Facilities Tariff (as defined in the Joint Venture Agreement) payable by Manitok to SAFM LP pursuant to the Joint Venture Agreement), including any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities (collectively, the "**Joint Venture Facilities**");

AND WHEREAS as security for, *inter alia*, its obligations under the Joint Venture Agreement, Manitok has granted or shall grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to SAFM LP from time to time pursuant to Section 7.3 of the Joint Venture Agreement, collectively, the "**Joint Venture Agreement Security**") in favour of SAFM LP against the Petroleum Substances that are processed or transported through the Joint Venture Facilities and the proceeds from the sales thereof up to the amount owing by Manitok plus interest at the rate provided in the Joint Venture Agreement (collectively, the "**Joint Venture Agreement Collateral**");

AND WHEREAS SAFM LP may from time to time become indebted to a bank or other financial institution (any such person upon executing a Supplement (as defined below) and becoming a party to this Agreement shall be the "**Secured Party**") pursuant to an offering letter, credit agreement or other loan document (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Offering Letter**");

AND WHEREAS as security for, *inter alia*, its obligations under the Offering Letter, SAFM LP may be required to grant security (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to the Secured Party from time to time pursuant to the Offering Letter, collectively, the "**SAFM LP Security**") against its present and after-acquired property and assets (collectively, the "**SAFM LP Assets**") in favour of the Secured Party, which SAFM LP Security may include, without limitation, a specific assignment by SAFM LP of all of its right, title and interest under the Rental Agreement, the Joint Venture Agreement and each of their respective Collateral Documents (as defined in each of the Rental Agreement and the Joint Venture Agreement, with the Rental Agreement, the Joint Venture Agreement and each of their respective Collateral Documents being sometimes hereinafter collectively referred to as the "**Assigned Agreements**" and each, individually, as an "**Assigned Agreement**");

AND WHEREAS Manitok is indebted to the Lender pursuant to an offering letter dated as of May 29, 2015 between Manitok, as borrower, and the Lender (and together with all further amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "**Credit Agreement**");

AND WHEREAS as security for, *inter alia*, its obligations under the Credit Agreement, Manitok has granted security against all of its present and after-acquired property and assets (collectively, the “**Manitok Assets**”) in favour of the Lender (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, and any other security documents granted to the Lender, from time to time pursuant to the Credit Agreement, collectively, the “**Manitok Security**”);

AND WHEREAS the Lender has made the registrations enumerated on Schedule “A” hereto at the Alberta Personal Property Registry in respect of the Manitok Security (as such registrations may have been amended from time to time, collectively, the “**Existing Registrations**”);

AND WHEREAS Manitok and SAFM LP wish to have the Lender release the Rental Facilities and the Joint Venture Facilities from the Manitok Security; and

AND WHEREAS Manitok and SAFM LP wish to amend each of the joint venture agreement made by them dated December 30, 2014 (the “**Stolberg Area JVA**”) and the rental agreement made by them dated December 30, 2014 (the “**Stolberg and Entice Areas Rental Agreement**”, and together with the Stolberg Area JVA, the “**Existing Manitok Agreements**”) in the forms provided to the Lender for its review (collectively, the “**Amending Agreements**”) and Manitok and SAFM LP wish to request the Lender's consent to such amendments pursuant to and in compliance with the provisions of a no interest letter, consent and acknowledgment dated December 30, 2014 made among Manitok, the Lender and SAFM LP (the “**December 2014 NIL**”).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

NO INTEREST LETTER

1. The Lender hereby:
 - (a) consents to the disposition of the legal and beneficial title to the Rental Facilities and the Joint Venture Facilities to SAFM LP pursuant to the Rental Agreement and Joint Venture Agreement;
 - (b) consents to the grant of the security interests by Manitok to SAFM LP pursuant to Section 7.3 of the Rental Agreement and Section 7.3 of the Joint Venture Agreement and confirms that such security interests are Permitted Encumbrances under the Credit Agreement;
 - (c) irrevocably and unconditionally releases and discharges the Rental Facilities and the Joint Venture Facilities from the Manitok Security and re-conveys the Rental Facilities and the Joint Venture Facilities to Manitok, as applicable, if the same were conveyed to the Lender pursuant to the Manitok Security;
 - (d) represents and warrants that the Manitok Security has not been assigned;

- (e) covenants and agrees that the Manitok Security perfected by the Existing Registrations does not relate to the Rental Facilities or the Joint Venture Facilities and that neither the Existing Registrations nor any and all other filings, security notices, financing statements, financing change statements and registrations that have been made in respect of the Manitok Security in all jurisdictions where such registrations have been made will be used or relied upon by the Lender to perfect any mortgage, charge, pledge or security interest in the Rental Facilities or the Joint Venture Facilities; and
- (f) consents, pursuant to Sections 2(g) and 3(i) of the December 2014 NIL, to the amendment of the Existing Manitok Agreements contained in the Amending Agreements.

CONSENT AND ACKNOWLEDGEMENT REGARDING SAFM LP SECURITY

2. Manitok hereby:

- (a) consents to the pledge and grant of a security interest by SAFM LP to the Secured Party of all of SAFM LP's right, title and interest in and to the Assigned Agreements pursuant to the SAFM LP Security as security for all of the present and future indebtedness, liabilities and obligations of SAFM LP to the Secured Party, whether direct or indirect, absolute or contingent, joint or several, matured or immature (collectively, the "**SAFM LP Obligations**");
- (b) agrees that the Secured Party may give Manitok notice (a "**Security Enforcement Notice**") that a demand has been made for payment or performance of the SAFM LP Obligations and that the Secured Party has commenced exercising its rights to realize on the SAFM LP Security (or any portion thereof) to enforce the rights of SAFM LP under the Assigned Agreements, or any of them, or with the consent of Manitok (such consent not be unreasonably withheld), to sell, assign, transfer or otherwise dispose of such Assigned Agreements, or any of them, to another person (the "**Substitute Assignee**");
- (c) agrees that if it receives a Security Enforcement Notice from the Secured Party or the Substitute Assignee (as applicable), the Secured Party or the Substitute Assignee (as applicable) shall succeed to all of the right, title and interest of SAFM LP under the applicable Assigned Agreements. Manitok agrees to the right (but not the obligation) of the Secured Party in exercising the rights of the Secured Party under the SAFM LP Security to make all demands, give all notices and take all actions and exercise all rights of SAFM LP under the Assigned Agreements, or any of them, and Manitok agrees that, after receipt of a Security Enforcement Notice, Manitok shall continue to perform its obligations under the applicable Assigned Agreements in favour of the Secured Party or the Substitute Assignee (as applicable);
- (d) agrees that all rights and remedies available hereunder shall be exercised by the Secured Party or its nominee and any reference to the "Secured Party" or

“nominee” shall include the Secured Party and such nominee, in each case acting on behalf of the Secured Party;

- (e) agrees that if SAFM LP defaults in the performance of any of its obligations under the Assigned Agreements, or any of them, or upon the occurrence or non-occurrence of any event or condition under the Assigned Agreements, or any of them, which would immediately or with the passage of time or the giving of notice, or both, enable Manitok to terminate or suspend its service under the Assigned Agreements, or any of them (a “**SAFM LP Default**”), Manitok will not exercise any such right or remedy until Manitok first gives written notice (the “**SAFM LP Default Notice**”) of such SAFM LP Default to the Secured Party. Any such SAFM LP Default Notice shall be given to the Secured Party when Manitok delivers notice of such SAFM LP Default to SAFM LP under any of the applicable Assigned Agreements;
- (f) agrees that it will not terminate any of the Assigned Agreements until Manitok has provided the opportunity to the Secured Party to cure such SAFM LP Default. The Secured Party shall have the right (but not the obligation) to cure any SAFM LP Default listed in any SAFM LP Default Notice within five (5) days in the case of a monetary SAFM LP Default and within fifteen (15) days in the case of any other SAFM LP Default, in each case after the date of the expiry of the cure period provided to SAFM LP under the applicable Assigned Agreement. If an Assigned Agreement is terminated by Manitok, at the option of the Secured Party, Manitok shall enter into a new agreement (executed by the Secured Party or the Substitute Assignee (as applicable)) having terms the same as the terms of the terminated Assigned Agreement (except for any requirements with respect to past performance) and in which the Secured Party or the Substitute Assignee (as applicable) agrees to perform all of SAFM LP’s duties in the new Assigned Agreement. The option of the Secured Party or the Substitute Assignee (as applicable) set forth herein must be exercised within thirty (30) days after the termination of an Assigned Agreement;
- (g) agrees that it will not amend, alter, vary, supplement or revise any of the terms or provisions of, or add any new or additional terms or provisions to, any of the Assigned Agreements in any material respects without the prior written consent of the Lender; notwithstanding the foregoing, no changes will be made to Schedule "A" of the Rental Agreement or Schedule "A" of the Joint Venture Agreement without the prior written consent of the Lender in its sole, absolute and unfettered discretion; and
- (h) agrees that it will not sell, assign, or otherwise transfer, in whole or in part, any of its obligations under the Assigned Agreements or any right, title or interest therein to any person unless (i) such action is made expressly subject to this Agreement, and (ii) such person agrees in writing to be bound by all of the terms hereof, such agreement to be in favour of and in form and substance satisfactory to the Lender.

CONSENT AND ACKNOWLEDGEMENT REGARDING MANITOK SECURITY

3. SAFM LP hereby:

- (a) agrees to the grant of the Manitok Security in respect of the Assigned Agreements;
- (b) agrees that whenever the Manitok Security is enforceable, the Lender shall be entitled to enforce the Manitok Security by, among other things, exercising and enforcing all rights and remedies of Manitok under the Assigned Agreements, appointing a receiver, assigning any Assigned Agreement to a third party and any other remedy or proceeding authorized or permitted under the *Personal Property Security Act* (Alberta) or otherwise by law or equity;
- (c) agrees to consent to and cooperate in the exercise of the remedies set forth in Section 3(b);
- (d) agrees that all rights and remedies available hereunder shall be exercised by the Lender or its nominee and any reference to the "Lender" or "nominee" shall include the Lender and such nominee;
- (e) agrees that the Lender has the right to receive all notices, including any Manitok Default Notice (as hereinafter defined), delivered by or on behalf of SAFM LP to Manitok and any such notice shall be given to the Lender when SAFM LP delivers such notice to Manitok;
- (f) agrees that if Manitok defaults in the performance of any of its obligations under the Assigned Agreements, or any of them, or upon the occurrence or non-occurrence of any event or condition under the Assigned Agreements, or any of them, which would immediately or with the passage of time or the giving of notice, or both, enable SAFM LP to terminate or suspend its service under the Assigned Agreements, or any of them (a "**Manitok Default**"), SAFM LP will not exercise any such right or remedy until SAFM LP first gives written notice (the "**Manitok Default Notice**") of such Manitok Default to the Lender. Any such Manitok Default Notice shall be given to the Lender when SAFM LP delivers notice of such Manitok Default to Manitok under any of the applicable Assigned Agreement;
- (g) agrees that it will not terminate any of the Assigned Agreements until SAFM LP has provided the opportunity to the Lender to cure such Manitok Default. The Lender shall have the right (but not the obligation) to cure any Manitok Default listed in any Manitok Default Notice within fifteen (15) days in the case of a monetary Manitok Default and within ninety (90) days in the case of any other Manitok Default, in each case, after the later of the delivery of the Manitok Default Notice and the date of the expiry of the cure period provided to Manitok under the applicable Assigned Agreement. If an Assigned Agreement is terminated by SAFM LP, at the option of the Lender, SAFM LP shall enter into a new agreement (executed by the Lender or a nominee satisfactory to SAFM LP,

acting reasonably, (as applicable)) having terms the same as the terms of the terminated Assigned Agreement (except for any requirements with respect to past performance) and in which the Lender or such nominee (as applicable) agrees to perform all of Manitok's duties in the new Assigned Agreement. The option of the Lender or such nominee (as applicable) set forth herein must be exercised within thirty (30) days after the termination of an Assigned Agreement;

- (h) agrees that, if, at any time and from time to time, the enforcement of the Manitok Security or other rights and remedies of the Lender under the Credit Agreement are stayed or otherwise precluded by court or other applicable law (the "Stay"), in each case, the cure periods under the applicable Assigned Agreement shall, notwithstanding the Stay, continue to run; provided however, that:
 - (i) the Lender shall have the right to cure a non-monetary Manitok Default until the later of (A) the expiry of the applicable cure period under the applicable Assigned Agreement, and (B) the expiry of the Stay, and, subject to paragraph (ii) below, SAFM LP shall not exercise or cause to be exercised any of the rights or remedies available to it in respect of such Manitok Default until the expiry of such later date; and
 - (ii) this Section 3(h) shall not affect the ability of SAFM LP to (A) require Manitok to deliver legal title to the Rental Facilities or the Joint Venture Facilities to SAFM LP, and Manitok shall promptly deliver such title to SAFM LP, if SAFM LP would otherwise be entitled to terminate the Rental Agreement or the Joint Venture Agreement and require Manitok to deliver such title to SAFM LP pursuant to Section 9.3 of the Rental Agreement or Section 9.4 of the Joint Venture Agreement, and (B) terminate Manitok as manager and operator of the Rental Facilities or the Joint Venture Facilities if SAFM LP would otherwise be entitled to terminate the Rental Agreement or the Joint Venture Agreement;
- (i) agrees that it will not amend, alter, vary, supplement or revise any of the terms or provisions of, or add any new or additional terms or provisions to, any of the Assigned Agreements in any material respects without the prior written consent of the Lender; notwithstanding the foregoing, no changes will be made to Schedule "A" of the Rental Agreement or Schedule "A" of the Joint Venture Agreement without the prior written consent of the Lender in its sole, absolute and unfettered discretion; and
- (j) agrees that it will not sell, assign, or otherwise transfer, in whole or in part, any of its obligations under the Assigned Agreements or any right, title or interest therein to any person unless (i) such action is made expressly subject to this Agreement, and (ii) such person agrees in writing to be bound by all of the terms hereof, such agreement to be in favour of and in form and substance satisfactory to the Lender.

AGREEMENTS OF SAFM LP, THE LENDER AND THE SECURED PARTY

4. The Lender, SAFM LP and the Secured Party each hereby covenant and agree with each other that:
- (a) the Lender shall promptly notify the Secured Party and SAFM LP in writing in the event the Lender:
 - (i) make a demand for repayment of, or causes an acceleration of, the principal amount outstanding under the Credit Agreement (including, without limitation, pursuant to a written demand therefor or notification thereof by the Lender);
 - (ii) issues a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement or similar laws of Canada or other applicable jurisdictions from time to time in respect of the Manitok Security; or
 - (iii) realizes or causes a realization pursuant to the Manitok Security over the Manitok Assets (or any portion thereof), whether pursuant to an event of default or not;
 - (b) the Secured Party shall promptly notify the Lender in writing in the event the Secured Party:
 - (i) make a demand for repayment of, or causes an acceleration of, the principal amount outstanding under the Offering Letter (including, without limitation, pursuant to a written demand therefor or notification thereof by the Secured Party);
 - (ii) issues a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement or similar laws of Canada or other applicable jurisdictions from time to time in respect of the SAFM LP Security; or
 - (iii) realizes or causes a realization pursuant to the SAFM LP Security over the SAFM LP Assets (or any portion thereof), whether pursuant to an event of default or not;

- (c) SAFM LP shall promptly notify the Lender in writing:
- (i) of the occurrence of any default or event of default under the Rental Agreement, any Rental Agreement Security, the Joint Venture Agreement or any Joint Venture Agreement Security, which notice shall: (A) include, without limitation, reasonable particulars regarding the default or event of default; and (B) specify any applicable cure period pertaining to such default or event of default; or
 - (ii) in the event SAFM LP:
 - (A) proposes to terminate the Rental Agreement or the Joint Venture Agreement; or
 - (B) issues a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement or similar laws of Canada or other applicable jurisdictions from time to time in respect of the Rental Agreement Security or the Joint Venture Agreement Security;
- (d) in the event of any voluntary or involuntary winding-up, dissolution, insolvency, receivership, bankruptcy, liquidation, reorganization, arrangement, composition, or any other process or proceeding having similar effect that is filed and outstanding and involves or affects Manitok, any Manitok Assets, SAFM LP, any SAFM LP Assets, any Rental Agreement Collateral or any Joint Venture Agreement Collateral ("**Creditor Proceedings**"), the Rental Agreement, the Joint Venture Agreement, each of their respective Collateral Documents, the Manitok Security, the SAFM LP Security, the Rental Agreement Security and the Joint Venture Agreement Security will be dealt with by the Lender, the Secured Party and SAFM LP or any receiver, receiver-manager or trustee in bankruptcy in a manner that reflects the terms and provisions of this Agreement;
- (e) in the event any Creditor Proceedings are commenced, the Rental Agreement Security and the Joint Venture Agreement Security shall be postponed and subordinated, in favour of the Lender and the Manitok Security;
- (f) the Lender shall not at any time challenge, dispute or contest the validity or enforceability of the SAFM LP Security, the Rental Agreement Security or the Joint Venture Agreement Security;
- (g) neither the Secured Party nor SAFM LP shall at any time challenge, dispute or contest the validity or enforceability of the Manitok Security, including the Lender's first priority security interest over Manitok's right, title, estate and interest in the Assigned Agreements;

- (h) for certainty, each of the Secured Party and SAFM LP acknowledges and agrees that it does not have any interest in any of the Manitok Assets other than in respect of the Rental Agreement Security and the Joint Venture Agreement Security;
- (i) if pursuant to the Manitok Security, the Lender takes direct assignment of an Assigned Agreement, the Lender hereby covenants and agrees to be bound by the agreements, covenants and obligations of Manitok in Section 2 hereof, and such agreements, covenants and obligations of Manitok shall apply equally to the Lender;
- (j) in any votes under any Creditor Proceedings, the Lender, the Secured Party and SAFM LP shall vote in a manner that is not inconsistent with the provisions of this Agreement; and
- (k) if any proceeds of realization are received by any party hereto contrary to the priorities and interests established herein, the recipient party shall hold such proceeds of realization, in trust, for the other party entitled to such proceeds pursuant to the terms of this Agreement, and shall forthwith pay such proceeds of realization over to the party entitled thereto in accordance with the terms of this Agreement.

POSTPONEMENT

5. SAFM LP and the Secured Party each hereby covenant and agree with the Lender that:
- (a) all indebtedness, liabilities and obligations of Manitok to SAFM LP or the Secured Party which are or may become owing pursuant to each or any of section 4.4(a) of the Joint Venture Agreement, section 4.4(a) of the Rental Agreement, section 4.4(a) of the Stolberg Area JVA, as amended by the applicable Amending Agreement, and section 4.4(a) of the Stolberg and Entice Areas Rental Agreement, as amended by the applicable Amending Agreement (collectively, the "**SAFM Indebtedness**") upon the exercise by SAFM LP or the Secured Party of their option (the "**Option**") to require Manitok to purchase the Participating Interest (as defined in each of the Joint Venture Agreement, the Rental Agreement, the Stolberg Area JVA and the Stolberg and Entice Areas Rental Agreement) are hereby subordinated and postponed in all respects to the indebtedness, liabilities and obligations of Manitok to the Lender under or in connection with the Credit Agreement, the Manitok Security or any other documents provided by Manitok to the Lender in connection with any of the foregoing (collectively, the "**National Bank Indebtedness**");
 - (b) so long as any National Bank Indebtedness is outstanding and until the National Bank Indebtedness shall have been indefeasibly paid in full and in cash, performed in full and finally satisfied:
 - (i) the payment of the SAFM Indebtedness is postponed and subordinated to the indefeasible payment in full and in cash, performance in full and final

- satisfaction of all National Bank Indebtedness and neither SAFM LP nor the Secured Party will directly or indirectly, except from Manitok, in any manner, directly or indirectly, payment of, or consideration for the reduction of, the whole or in part of the SAFM Indebtedness and if any such payment is received or made on the SAFM Indebtedness, or any distribution is received in respect of such SAFM Indebtedness, such payment shall be held by SAFM LP or the Secured Party, as the case may be, in trust for the benefit of, and shall be promptly paid over in the form received to the Lender;
- (ii) neither SAFM LP nor the Secured Party shall dispute or contest in any manner the validity or enforceability or priority (in the circumstances herein contemplated) of any of the National Bank Indebtedness;
 - (iii) neither SAFM LP nor the Secured Party shall sell, assign, or otherwise transfer, in whole or part, any of the SAFM Indebtedness or any right, title or interest therein unless the transferee or assignee agrees to be bound by the provisions of this Agreement;
 - (iv) neither SAFM LP nor the Secured Party will, without the prior written consent of the Lender, commence, or join with any other creditor in commencing, any Creditor Proceedings with respect to the SAFM Indebtedness provided that in any Creditor Proceeding, SAFM LP or the Secured Party, as the case may be, may file a proof of claim and take such steps as it deems necessary to establish the validity and amount of the SAFM Indebtedness;
 - (v) neither SAFM LP nor the Secured Party is permitted to exercise the Option or in any other way accelerate or demand payment of the SAFM Indebtedness without the prior written consent of the Lender in their sole, absolute and unfettered discretion; and
 - (vi) if a payment is received or made on the SAFM Indebtedness SAFM LP or the Secured Party, as the case may be, agrees it shall hold such payment in trust for the Lender and will promptly pay to the Lender the entire amount of such payment; and
- (c) upon any distribution of any of the Manitok Assets to Manitok's creditors upon any Creditor Proceeding, whether voluntary or involuntary, partial or complete, all the National Bank Indebtedness shall first be paid in full and satisfied before SAFM LP or the Secured Party shall be entitled to receive or retain any payment or distribution in respect of the SAFM Indebtedness from Manitok or any receiver, trustee or other person making such payment or distribution or in respect of such Creditor Proceeding.

GENERAL MATTERS

6. The headings in this Agreement are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
7. All notices and other communications contemplated by this Agreement shall be in writing and shall be deemed given upon receipt thereof by the party to whom such notice or other communication is addressed and shall be sent by facsimile, by personal delivery or by recognized courier service and shall be directed to the parties as set out in Schedule "B" attached hereto.
8. Any provision of this Agreement which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Agreement fail to provide for any relevant matter, the validity, legality or enforceability of this Agreement shall not hereby be affected.
9. The provisions of this Agreement shall be governed by, construed and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
10. Time shall be of the essence in this Agreement.
11. Each of Manitok and the Lender hereby acknowledges and agrees that it will not transfer or assign the Assigned Agreements, or any of them, unless the transferee or assignee agrees to be bound by the provisions of this Agreement.
12. Any bank or other financial institution that becomes a lender to SAFM LP shall execute a supplement substantially in the form of Schedule "C" attached hereto (the "**Supplement**") and deliver the same to Manitok, the Lender and SAFM LP. Any such person shall thereafter be the Secured Party for all purposes under this Agreement, to the same extent as if it were an original signatory hereto. The execution and delivery of the Supplement by the Secured Party shall not require the consent of Manitok or the Lender and all of the liabilities and obligations of Manitok, the Lender and SAFM LP under this Agreement shall remain in full force and effect notwithstanding the addition of the Secured Party to this Agreement. In the event that the Secured Party requires any amendments to this Agreement, Manitok, the Lender and SAFM LP shall use commercially reasonable efforts to negotiate and enter into an amended and restated Agreement on terms satisfactory to all parties, acting reasonably.
13. This Agreement shall enure to the benefit of the parties hereto and their respective successors and permitted assigns, and shall be binding upon the parties hereto and their respective successors and permitted assigns.
14. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall

together constitute one in the same instrument. For the purposes of this Section 14, the delivery of a facsimile copy or other electronic transmission of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement.

[remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA


MANITOK ENERGY INC.

By: 

By: _____

Name: Erin Welte
Title: Director
Energy Group

Name:
Title:

By: 

By: _____

Name: Luke Puxley
Title: Director
Energy Group

Name:
Title:

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: _____

Name:
Title:

By: _____

Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA

MANITOK ENERGY INC.

By: _____
Name:
Title:

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

By: _____
Name:
Title:

By: _____
Name:
Title:

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NATIONAL BANK OF CANADA

MANITOK ENERGY INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

STREAM ASSET FINANCIAL MANITOK LP, by its general partner, STREAM ASSET FINANCIAL MANITOK CORP.

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE "A"
EXISTING REGISTRATIONS

Alberta Registrations

Debtor(s)	Registration Number	Collateral
Manitok Energy Inc.	13013125180	All of the Debtor's present and after-acquired personal property.
Manitok Energy Inc.	13013125196	Land Charge

SCHEDULE "B"
ADDRESSES FOR NOTICE

To the Lender:

National Bank of Canada
311-6th Avenue S.W., Suite 1800
Calgary, Alberta T2P 3H2

Attention: Director, Energy Group

To SAFM LP:

Stream Asset Financial ManitoK LP
Suite 401, 322 – 11th Street S.W.
Calgary, Alberta T2R 0C5

Attention: Ryan Dunfield, President

To ManitoK:

ManitoK Energy Inc.
Suite 2600, 585– 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Robert Dion, VP Finance & CFO

**SCHEDULE "C"
SUPPLEMENT**

**SUPPLEMENTAL AGREEMENT
TO THE NO INTEREST LETTER, CONSENT AND ACKNOWLEDGEMENT**

**TO: NATIONAL BANK OF CANADA
MANITOK ENERGY INC.
STREAM ASSET FINANCIAL MANITOK LP**

WHEREAS Stream Asset Financial ManitoK LP ("SAFM LP") is indebted to ● (the "SAFM LP Lender") pursuant to an offering letter dated as of ●, 20● (together with all amendments, modifications, supplements or replacements, if any, from time to time made thereto, the "Offering Letter");

AND WHEREAS as security for, *inter alia*, its obligations under the Offering Letter, SAFM LP has granted or shall grant the SAFM LP Security to the SAFM LP Lender;

AND WHEREAS pursuant to a no interest letter, consent and acknowledgement made of the [●] day of June, 2015 (the "No Interest Letter"), the Lender released the Rental Facilities and the Joint Venture Facilities from the ManitoK Security and ManitoK, the Lender and SAFM LP set out certain rights and obligations with respect with the SAFM LP Security, the Rental Agreement Security, the Joint Venture Agreement Security and the ManitoK Security;

AND WHEREAS Section 11 of the No Interest Letter provides that the SAFM LP Lender shall after the date of the No Interest Letter become the Secured Party under the No Interest Letter by executing and delivering to ManitoK, the Lender and SAFM LP a supplemental agreement to the No Interest Letter in the form of this Supplement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the SAFM LP Lender hereby agrees as follows:

1. The SAFM LP Lender has received a copy of, and has reviewed, the No Interest Letter and is executing and delivering this Supplement pursuant to Section 11 of the No Interest Letter.
2. Effective from and after the date this Supplement is executed and delivered to ManitoK, the Lender and SAFM LP by the SAFM LP Lender, the SAFM LP Lender is, and shall be deemed for all purposes to be, the Secured Party under the No Interest Letter with the same force and effect, and subject to the same agreements, representations, indemnities, liabilities and obligations, as if the SAFM LP Lender was, effective as of the date of this Supplement, an original signatory to the No Interest Letter as the Secured Party.
3. Except as expressly supplemented hereby, the No Interest Letter shall remain in full force and effect, unamended.
4. The address for notices and other communications to be delivered to the SAFM LP Lender pursuant to Section 6 of the No Interest Letter is set forth below.

- 5. Capitalized terms used but not otherwise defined in this Supplement have the respective meanings given to such terms in the No Interest Letter.

IN WITNESS WHEREOF, the SAFM LP Lender has executed this Supplement as of the date first above written.

[NAME OF SAFM LP LENDER]

By: _____
Name:
Title:

By: _____
Name:
Title:

Notice Address for the SAFM LP Lender:



TAB H

District of: Alberta
Division No. 02 – Calgary
Court No. 25-2332483
Estate No. 25-2332483

FORM 31
Proof of Claim
(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

Stikeman Elliott LLP, 4300 Bankers Hall West, 888 – 3 Street SW, Calgary, AB T2P 5C5 Canada

In the matter of the receivership of Manitok Energy Inc., of Calgary, in the Province of Alberta and the claim of
Stream Asset Financial Manitok
LP, creditor.

I, Ryan Dunfield, of the city of Calgary, Alberta (city and province), do hereby certify:

1. That I am a creditor of the above named debtor or that I am President (position/title) of Stream Asset Financial Manitok LP,
(name of creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of receivership, namely the 20th day of February 2018, and still is, indebted to the creditor in the sum
of
\$ 58,446,235 as specified in the statement of account (or affidavit) attached and marked Schedule 'A',
after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers
or other
evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____
(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ 58,446,235¹

That in respect of this debt, I hold assets of the debtor valued at \$ 58,446,235 as security, particulars of which are as follows:

1. A Joint Venture Agreement dated December 30, 2014 between Manitok Energy Inc. and Stream Asset Financial Manitok LP.
2. A Rental Agreement dated December 30, 2014 between Manitok Energy Inc. and Stream Asset Financial Manitok LP.

¹ Plus applicable interest and fees.

3. A No Interest Letter, Consent and Acknowledgement dated December 30, 2014 between Manitok Energy Inc., National Bank of Canada and Stream Asset Financial ManitoK LP.
4. A Joint Venture Agreement dated June 12, 2015 between ManitoK Energy Inc. and Stream Asset Financial ManitoK LP.
5. A Rental Agreement dated June 12, 2015 between ManitoK Energy Inc. and Stream Asset Financial ManitoK LP.
6. A No Interest Letter, Consent and Acknowledgement dated June 12, 2015 between ManitoK Energy Inc., National Bank of Canada and Stream Asset Financial ManitoK LP.

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____
 That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____
 That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
 That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
 That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

G. CLAIM AGAINST DIRECTOR \$ _____
(To be completed when a proposal provides for the compromise of claims against directors.)
 That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
 That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows
(Give full particulars of the claim, including the calculation upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor is not (is/is not)) related to the debtor within the meaning of section 4 of the Act, and has not (have/has/have not/has not) dealt with the debtor in a non-arm's length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been party to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (applicable only in the case of the bankruptcy of an individual.)

- I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address

Dated at Calgary, this 19th day of March, 2018.

Signature of Witness

Signature of Creditor

Return To:

Phone Number: (403) 984-1941

Fax Number: n/a

E-mail Address: rdunfield@streamasset.ca

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the *Bankruptcy and Insolvency Act*: redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the *Bankruptcy and Insolvency Act* provides severe penalties for making any false claim, proof, declaration or statement of account.

SCHEDULE "A"
STATEMENT OF ACCOUNT
As at March 19, 2018

Summary of payments to February 20, 2018				
	Remaining Payments ¹	Buyout ²	Combined	End Date ³
Manitok I				
Rental Agreement	\$8,606,406	-	\$8,606,406	12/31/2022
Joint Venture	\$1,710,000	\$2,210,000	\$3,920,000	12/31/2022
Total	\$10,316,406	\$2,210,000	\$12,526,406	
Manitok II				
Rental Agreement	\$5,906,250	-	\$5,906,250	6/30/2022
Joint Venture	\$32,343,750	\$6,500,000	\$38,843,750	6/30/2035
Total	\$38,250,000	\$6,500,000	\$44,750,000	
MEI I + MEI II	\$48,566,406	\$8,710,000	\$57,276,406	
Unpaid from 12/31			\$1,169,829	
Combined	\$48,566,406	\$8,710,000	\$58,446,235	

1. Remaining contracted payments as part of respective rental and or JV agreements, undiscounted
2. Buyout cost at end of contract term (excluding rental agreement purchase options), undiscounted
3. End date of rental agreement and/or JVA agreements (date of final payment)