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COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDINGS 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 **FIFTH REPORT OF THE RECEIVER**  
**OCTOBER 29, 2018**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECEIVER**  
ALVAREZ & MARSAL CANADA INC.  
Bow Valley Square IV  
Suite 1110, 250 - 6<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3H7  
Attention: Orest Konowalchuk/Jill Strueby  
Telephone: (403) 538-4736 / (403) 538-4726  
Email: [okonowalchuk@alvarezandmarsal.com](mailto:okonowalchuk@alvarezandmarsal.com)  
[jstrueby@alvarezandmarsal.com](mailto:jstrueby@alvarezandmarsal.com)

**COUNSEL**  
Norton Rose Fulbright Canada LLP  
400 3rd Avenue SW, Suite 3700,  
Calgary Alberta T2P 4H2  
Attention: Howard Gorman, Q.C. / Aaron Stephenson  
Phone: (403) 267 8144 / (403) 267 8290  
Fax: (403) 264 5973  
Email: [howard.gorman@nortonrosefulbright.com](mailto:howard.gorman@nortonrosefulbright.com)  
[aaron.stephenson@nortonrosefulbright.com](mailto:aaron.stephenson@nortonrosefulbright.com)  
File: 1001023920



## **TABLE OF CONTENTS OF THE FIFTH REPORT OF THE RECEIVER**

|  |    |
|--|----|
| INTRODUCTION.....  | 3  |
| TERMS OF REFERENCE .....   | 5  |
| BACKGROUND AND OVERVIEW.....                                     | 5  |
| THE PURCHASE AND SALE AGREEMENTS .....                           | 6  |
| APPROVAL OF THE RECEIVER’S AND ITS COUNSEL’S FEES AND COSTS..... | 9  |
| PROPOSED INTERIM DISTRIBUTION .....                              | 10 |
| COMPLETION OF THE RECEIVERSHIP .....                             | 11 |
| RECEIVER’S CONCLUSIONS AND RECOMMENDATIONS .....                 | 11 |

## **LISTING OF APPENDICES TO THE FIFTH REPORT OF THE RECEIVER**

|                         |  |
|-------------------------|--|
| APPENDIX A              | Shanghai PSA - REDACTED  |
| APPENDIX B              | Bonavista PSA – REDACTED   |
| APPENDIX C              | Journey PSA - REDACTED   |
| APPENDIX D              | Summary of Receiver’s Fees and Disbursements                           |
| APPENDIX E              | Summary of Receiver’s Counsels’ Fees and Disbursements                 |
| APPENDIX F              | Receiver’s Certificate – Rising Star                                   |
| CONFIDENTIAL APPENDIX 1 | Receiver’s Analysis of the Shanghai PSA, Bonavista PSA and Journey PSA |
| CONFIDENTIAL APPENDIX 2 | Shanghai PSA - UNREDACTED  |
| CONFIDENTIAL APPENDIX 3 | Bonavista PSA – UNREDACTED   |
| CONFIDENTIAL APPENDIX 4 | Journey PSA – UNREDACTED   |

## INTRODUCTION

1. Effective February 20, 2018 (the “**Receivership Date**”), the Court of Queen’s Bench of Alberta (the “**Court**”) granted an order in these proceedings (the “**Consent Receivership Order**”) appointing Alvarez & Marsal Canada Inc. (“**A&M**”) as 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 and wherever situate including all proceeds thereof (the “**Property**”) of Manito Energy Inc. (“**Manitok**”) and its wholly owned subsidiary Raimont Energy Corp. (“**Raimont**”) (together, the “**Company**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, (the “**BIA**”) and section 13(2) of the *Judicature Act*, RSA 2000, c J-2.
2. Prior to the Receivership Date, Manito Energy Inc. and its wholly owned subsidiaries, Raimont and Corinthian Oil Corp (“**Corinthian**”), had each filed a Notice of Intention to File a Proposal under the BIA (“**NOI**”). The NOI proceedings were terminated by the Court on February 20, 2018 and each Company was deemed bankrupt. A&M was appointed as the Bankruptcy Trustee, replacing FTI Consulting Inc. (“**FTI**”), who had been appointed as the Proposal Trustee under the NOIs.
3. Corinthian is not part of the Receivership. A&M is managing its affairs as Bankruptcy Trustee and through Manito Energy Inc., who is the operator of the Corinthian properties. The Corinthian assets are not material to the assets of the Company.
4. The most significant stakeholders in the Receivership Proceedings are the National Bank of Canada (“**NBC**”) and Stream Asset Financial Manito Energy 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 either secured by or owned by SAF (“**NBC Secured Property**”). SAF either financed certain facilities of Manito Energy Inc. and has a first charge on those facilities or acquired beneficial ownership of those facilities in a series of four (4) separate transactions,

as more fully described in the Second Report of the Receiver (the “**SAF Facilities**”).

5. 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 subject to Court approval as necessary.
6. On August 10, 2018, the Court approved the Sales Process as outlined in detail in the Third Report of the Receiver. The Receiver conducted the Sale Process as fully discussed in the Receiver’s Fourth Report and has received various offers it wishes to now transact on, subject to Court approval. The Receiver anticipates seeking approval from the Court to enter into and approve various other purchase and sale agreements in due course.
7. The purpose of this Fifth Report of the Receiver (the “**Fifth Report**” or “**this Report**”) is to provide the Court with information in respect of the following:
  - a) the purchase and sale agreement (“**Shanghai PSA**”) between the Receiver and Shanghai Energy Corporation (“**Shanghai**”) dated October 10, 2018, along with the proposed Sale Approval and Vesting Order;
  - b) the purchase and sale agreement (“**Bonavista PSA**”) between the Receiver and Bonavista Energy Corporation (“**Bonavista**”) dated October 23, 2018, along with the proposed Sale Approval and Vesting Order;
  - c) the purchase and sale agreement (“**Journey PSA**”) between the Receiver and Journey Energy Partnership (“**Journey**”) dated October 26, 2018, along with the proposed Sale Approval and Vesting Order;

- d) the Receiver's application for the sealing of Confidential Appendices 1-4 to this Report (the "**Sealing Order**");
  - e) approval of the proposed interim distribution of funds recovered by the Receiver (the "**Second Interim Distribution**");
  - f) approval of the Receiver and its independent legal counsel's fees and expenditures in the Receivership Proceedings; and
  - g) the Receiver's conclusions and recommendations.
8. Capitalized words or terms not defined or ascribed a meaning in this Report are as defined or ascribed a meaning in the Receivership Order or the previous four reports of the Receiver.
9. All references to dollars are in Canadian currency unless otherwise noted.

#### **TERMS OF REFERENCE**

10. In preparing this Fifth Report, the Receiver has relied upon information obtained prior to the Receivership Proceedings by Alvarez & Marsal Canada ULC in its role as financial advisor (as discussed in prior reports), 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**

11. ManitoK is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in the Canadian Foothills along with crude oil in Southeast Alberta. ManitoK is a corporation registered to carry on business in the Province of Alberta whose shares were traded widely on the TSX Venture Exchange before trading was halted prior to the Receivership Date. ManitoK is headquartered in Calgary, Alberta and has two wholly-owned subsidiaries, Raimount and Corinthian.

12. Further background to the Company and its financial circumstances are contained in the materials filed in support of and relating to the Receivership Order. These documents and other relevant information, including the Receiver's other filed reports, have been posted by the Receiver on its website at: [www.alvarezandmarsal.com/manitok](http://www.alvarezandmarsal.com/manitok) (the "**Receiver's Website**").

## **THE PURCHASE AND SALE AGREEMENTS**

### **Shanghai PSA, Bonavista PSA and Journey PSA**

13. Pursuant to paragraph 3(k) of the Receivership Order, the Receiver is empowered and authorized to market the Property, including advertising and soliciting offers in respect of the Property or any parts thereof, and negotiate such terms and conditions for the sale of the Property as the Receiver in its discretion may deem appropriate.
14. As discussed in the Fourth Report, an order (the "**Sale Process Order**") was granted on August 10, 2018 pursuant to which the Court approved a Sale Process and the Receiver's decision to retain Peters & Co. Limited as Marketing Agent. A broad-based, comprehensive marketing and sale process was then undertaken by the Receiver and the Marketing Agent in accordance with the Sale Process Order to identify suitable and qualified purchasers for the Company's Property.
15. After successive rounds of bidding, the Receiver (defined as the "**Vendor**" pursuant to the Shanghai PSA, Bonavista PSA and Journey PSA), in consultation with the Marketing Agent and NBC, executed the Shanghai PSA with Shanghai, the Bonavista PSA with Bonavista and the Journey PSA with Journey, all subject to Court approval.
16. The Shanghai PSA, Bonavista PSA and Journey PSA (collectively, the Shanghai PSA, Bonavista PSA and the Journey PSA are the "**PSAs**") contemplate the purchase of assets from the Company's Willesden Green and Gilby asset bases in Alberta. Details of the PSAs are outlined in Confidential Appendix 1.

17. The Shanghai PSA, Bonavista PSA and Journey PSA are considered by the Receiver to be the best and highest unconditional offers received to date for the assets being purchased and the Receiver believes that, together, the Shanghai PSA, Bonavista PSA and Journey PSA will provide the highest and best recovery from the Company's Willesden Green and Gilby properties. NBC supports the approval of the PSAs.
18. Due to the confidential nature of the information provided in the offers received on the Willesden Green and Gilby assets during the Sale Process, the Receiver is concerned that, if information about the offers from Shanghai, Bonavista and Journey is disclosed prior to the closing of the corresponding sales, such disclosure could materially jeopardize the sales or, if any or all three sales do not close, could materially jeopardize subsequent efforts by the Receiver to re-market these assets. As such, the Receiver is respectfully of the view that it is appropriate for this Honourable Court to seal the following confidential appendices to the Fifth Report:
  - a) the Receiver's analysis on the PSAs , which includes a summary of the offers received for the Willesden Green and Gilby area properties in the Sale Process (Confidential Appendix 1);
  - b) the Shanghai PSA (Confidential Appendix 2);
  - c) the Bonavista PSA (Confidential Appendix 3); and
  - d) the Journey PSA (Confidential Appendix 4).
19. Redacted copies of the Shanghai PSA, Bonavista PSA and Journey PSA are attached as Appendix A, B and C to this Report, respectively.

### **Considerations to Accepting the PSAs**

20. The Receiver considered the following when it reviewed the offers received during the Sale Process for the Willesden Green and Gilby area properties, and it

believes that approval of the PSAs is in the best interest of all stakeholders for all of these reasons:

- a) the Receiver was authorized to market and sell the Properties pursuant to section 3(k) of the Receivership Order and the Sale Process Order;
- b) the PSAs arose from the Sale Process conducted by the Receiver and Marketing Agent;
- c) the Receiver acted in good faith and with due diligence;
- d) there was an extensive, broad marketing process for all of the Property (including the Willesden Green and Gilby area properties) that was conducted by an experienced marketing consultant to a large number of prospective purchasers over a reasonable timeframe;
- e) NBC is supportive of the PSAs and the Willesden Green and Gilby area properties are considered NBC Secured Property;
- f) each of the PSAs were negotiated between parties at arm's length in good faith and are commercially reasonable under the circumstances; and
- g) the Receiver determined that the offers submitted by Shanghai, Bonavista and Journey, respectively, were the highest and best unconditional offers received, each with a sizeable deposit, and were the offers with the least amount of closing risk in the circumstances.

21. The Shanghai PSA, Bonavista PSA and Journey PSA reflect purchases by Shanghai, Bonavista and Journey, respectively, of Petroleum and Natural Gas Rights, Tangibles and Miscellaneous Interests. (All capitalized terms in this paragraph are defined in the Shanghai PSA at Confidential Appendix 2, the Bonavista PSA at Confidential Appendix 3 and the Journey PSA at Confidential Appendix 4, respectively.)



22. No portions of the Willesden Green and Gilby area properties are subject to the Freehold Royalty and the PSAs do not contemplate the purchase or sale of any SAF Assets (as defined in the Sale Process Order).
23. The PSAs are not subject to any material conditions other than approval by the Court. As a result, the Receiver believes that the Shanghai PSA, Bonavista PSA and Journey PSA are the highest and best offers, and it is in the best interest of the Company's stakeholders to complete a sale of these Willesden Green and Gilby area properties to Shanghai, Bonavista and Journey, respectively. The Receiver considers the closing risk associated with each of the PSAs to be minimal. There was no other unconditional offer for the Willesden Green and Gilby area properties that were "better" or "higher" as at the date of this Fifth Report.

#### **APPROVAL OF THE RECEIVER'S AND ITS COUNSEL'S FEES AND COSTS**

24. As previously reported and reflected in the receipts and disbursements section of the Receiver's Fourth Report, the Receiver has paid its and its legal counsel's fees and costs up to July 31, 2018 for services rendered during the administration of these Receivership Proceedings. The Receiver's interim receipts and disbursements from February 20, 2018 to September 28, 2018, which included these professional fees and costs were previously approved by this Honourable Court on October 17, 2018.
25. The Receiver now seeks approval of its fees and disbursements, and those of its legal counsel, from the Receivership Date to July 31, 2018 (the "**Interim Taxation Period**"), pursuant to paragraph 18 of the Receivership Order.
26. The total fees and disbursements of A&M, in its capacity as the Court-appointed Receiver of the Company, during the Interim Taxation Period are \$983,173 (excluding GST). A summary of the Receiver's fees and disbursements is attached as Appendix D to this Report.
27. The total fees and disbursements of NRF, the Receiver's independent legal counsel, during the Interim Taxation Period are \$472,503 (excluding GST). A

summary of NRF's fees and disbursements is attached as Appendix E to this Report.

28. The Receiver and NRF's fee accounts outline the date of the work completed, the description of the work completed, the length of time taken to complete the work and the name of the individual who completed the work. Copies of the invoices will be brought to the Receiver's application before this Honourable Court set for November 5, 2018 and made available to the Court at its direction, if necessary.
29. The Receiver is respectfully of the view that its and its counsel's fees and disbursements are fair and reasonable under the circumstances, and respectfully request the Court's approval of these accounts for the Interim Taxation Period.

#### **PROPOSED INTERIM DISTRIBUTION**

30. Pursuant to paragraph 12 of the Receivership Order, the monies collected during the Receivership Proceedings shall be held by the Receiver to be paid or distributed in accordance with the terms of the Receivership Order or any other order of the Court.
31. As previously discussed, the Receiver is advised by its counsel that the NBC security as against the NBC Secured Property is valid and enforceable and ranks in priority to the unsecured creditors. If some or all of the PSAs are approved by the Court, the Receiver recommends making its Second Interim Distribution to NBC, as a partial repayment of the indebtedness owing to it in these Receivership Proceedings and to be applied toward NBC's overall indebtedness owed by Manitoak to NBC. The Second Interim Distribution would be made from the net sale proceeds derived from the PSAs, less an amount to be determined by the Receiver, at its sole discretion, to be retained in order to cover future costs of administering the estate in these Receivership Proceedings and any potential priority claims.
32. On October 25, 2018, the Receiver made an initial interim distribution to NBC with respect to certain net sale proceeds derived from the Rising Star PSA (as

discussed in the Fourth Report and approved by this Court). A copy of the Receiver's Certificate with respect to the Rising Star PSA is attached as Appendix F to this Report.

### **COMPLETION OF THE RECEIVERSHIP**

33. The Receiver has to complete the following tasks to complete the administration of the Receivership:
- a) finalize and close the Shanghai PSA, Bonavista PSA and Journey PSA, assuming each is approved by the Court;
  - b) negotiate and finalize the remaining purchase and sale agreements for the remaining properties;
  - c) complete the final regulatory filings and administrative matters; and
  - d) determine priority to remaining funds and apply to the Court for an Order approving a final distribution of remaining funds and discharging the Receiver, in due course.

### **RECEIVER'S CONCLUSIONS AND RECOMMENDATIONS**

34. The Receiver is of the view that it has made commercially reasonable efforts to obtain the highest realizations for the Property (including Property in the Willesden Green and Gilby area) pursuant to the Sale Process.
35. The Receiver is satisfied that the interests of Manitoak and Raimount's financial stakeholders have been considered during the course of the Sale Process and the Receivership Proceedings, as discussed in the Fourth Report.
36. The Receiver is of the view that the Sale Process was efficient, effective and that the integrity of the process has been maintained throughout.

37. The Receiver is satisfied that the Sale Process is inherently fair and has been conducted in a manner such that no parties to the process have experienced preferential or unfair treatment.
38. The Receiver recommends that this Honorable Court:
- a) approve the Shanghai PSA, Bonavista PSA and Journey PSA and grant Sale Approval and Vesting Orders, accordingly;
  - b) approve the actions and activities of the Receiver and NRF as reported in this Report;
  - c) approve Receiver's and NRF's professional fees and costs for the Interim Taxation Period;
  - d) seal Confidential Appendices 1, 2, 3 and 4; and
  - e) approve the Proposed Interim Distribution.

All of which is respectfully submitted this 29<sup>th</sup> day of October 2018.

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



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

**TAB A**

## **APPENDIX A**

Shanghai PSA – REDACTED

## **PURCHASE AND SALE AGREEMENT**

**THIS AGREEMENT** made as of the 10<sup>th</sup> day of October, 2018.

### **BETWEEN:**

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.**, and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

**SHANGHAI ENERGY CORPORATION**, a corporation incorporated under the laws of Alberta (hereinafter referred to as "**Purchaser**")

**WHEREAS** pursuant to an order of the Honourable Madam Justice K.M. Horner of the Alberta Court of Queen's Bench (the "**Court**") dated February 20, 2018 (the "**Appointment Order**"), Alvarez & Marsal Canada Inc. ("**Receiver**") was appointed receiver and manager of Manito Energy Inc. ("**Manitok**");

**AND WHEREAS** Vendor wishes to sell, and Purchaser wishes to purchase, all of the interest of Vendor in and to the Assets, subject to and in accordance with the terms and conditions hereof;

**NOW THEREFORE, THIS AGREEMENT WITNESSETH** that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

### **ARTICLE 1 INTERPRETATION**

#### **1.1 Definitions**

In this Agreement, unless the context otherwise requires:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
- (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

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

- (b) "**AER**" means the Alberta Energy Regulator;
- (c) "**Affiliate**" means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term "**control**" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise;
- (d) "**Applicable Law**" means, in relation to any person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, license or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;
- (e) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests, but excluding the Excluded Assets;
- (f) "**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (g) "**Court Order**" means an order to be granted by the Court, based on the Alberta form of Approval and Vesting Order as attached in Schedule "F", which authorizes, approves and confirms this Agreement and the sale of the Assets by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests beneficial right and title to the Assets in Purchaser free and clear of all encumbrances, liens, security interests or claims, other than Permitted Encumbrances;
- (h) "**Closing**" means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Specific Conveyances and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and considerations required to be delivered on the Closing Date pursuant hereto;
- (i) "**Closing Date**" means 10:00 a.m. on the later of:
  - i. October 31, 2018;
  - ii. the day that is seven (7) Business Days after receipt of the Court Order;or such other time and date as may be agreed upon in writing by the Parties;
- (j) "**Closing Place**" means the office of Vendor, or such other place as may be agreed upon in writing by the Parties;
- (k) "**Data Room Information**" means all information provided or made available to the Purchaser in hard copy or electronic form in relation to Manitoak and/or the Assets;
- (l) "**Date of Appointment**" means February 20, 2018;
- (m) "**Effective Date**" means October 1, 2018;
- (n) "**Environmental Liabilities**" means all liabilities in respect of the environment which relate to the Assets or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:



- (i) transportation, storage, use or disposal of toxic or hazardous substances;
- (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
- (iii) pollution or contamination of or damage to the environment;

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the environment and, for purposes of this Agreement, "the environment" includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);

- (o) "**Excluded Assets**" means the agreements and assets listed in Schedule "G";
- (o) "**Facilities**" means Vendor's entire interest in and to all unit facilities under any unit agreement applicable to the Leased Substances and all other field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, including those field facilities specifically identified in Schedule "B" but excluding the Excluded Assets;
- (p) "**General Conveyance**" means the form of general conveyance attached hereto as Schedule "D";
- (q) "**Governmental Authority**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction;
- (r) "**GST**" means the goods and services tax payable pursuant to the GST Legislation;
- (s) "**GST Legislation**" means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder;
- (t) "**Lands**" means the lands set out and described in Schedule "A", and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in Schedule "A" and in the Title Documents as to Petroleum Substances and geological formations);
- (u) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (v) "**Licence Transfers**" means, in relation to the Assets, the transfer of any permits, approvals, licences and authorizations granted by any applicable Governmental Authority (including the AER) from Vendor to Purchaser;
- (w) "**Losses**" means all losses, costs, claims, damages, expenses and liabilities which a Person suffers, sustains, pays or incurs, including reasonable legal fees on a solicitor and his own client basis but notwithstanding the foregoing shall not include any liability for indirect or consequential damages including business loss, loss of profit, economic loss,

punitive damages or income tax liabilities, but shall include any liability for indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities suffered, sustained, paid or incurred by a Third Party entitled to recovery or indemnification from a Person;

- (x) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, Vendor's entire interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
- (i) all contracts and agreements relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
  - (ii) all subsisting rights to carry out operations relating to the Lands or the Tangibles, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles;
  - (iii) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
  - (iv) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them; and
  - (v) the Wells, including the wellbores and any and all casing;

Notwithstanding the foregoing, unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include agreements, documents or data to the extent that: (i) they pertain to Manitok's proprietary technology; (ii) they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by Manitok to an assignee, (iii) they comprise the Vendor's and Manitok's tax and financial records, and economic evaluations, or (iv) the Excluded Assets;

- (y) **"Outside Date"** means December 31, 2018;
- (z) **"Overhead"** means those general and administrative fees, expenses and costs of Vendor relating directly to the management and operation of the Assets;
- (aa) **"Party"** means a party to this Agreement, and **"Parties"** means both of them;
- (bb) **"Permitted Encumbrances"** means:
- (i) all encumbrances, overriding royalties, net profits interests and other burdens identified in Schedule "A";
  - (ii) any Right of First Refusal or any similar restriction applicable to any of the Assets;
  - (iii) the requirement to receive any consent applicable to the Transaction;
  - (iv) the terms and conditions of the Title Documents, including the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or

any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;

- (v) defects or irregularities of title as to which the relevant statute(s) of limitations or prescription would bar any attack or claim against Vendor's title;
- (vi) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Law to terminate any Title Document;
- (vii) liens securing taxes not yet due and payable;
- (viii) easements, right of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (ix) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (x) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than thirty (30) days' notice (without an early termination penalty or other cost);
- (xi) any obligation of Manitok or Vendor to hold any portion of its interest in and to any of the Assets in trust for Third Parties;
- (xii) the right reserved to or vested in any municipality, Governmental Authority or other public authority to control or regulate any of the Assets in any manner, including any directives or notices received from any municipality, Governmental Authority or other public authority pertaining to the Assets;
- (xiii) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards Vendor's or Manitok's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by Vendor;
- (xiv) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xv) agreements and plans relating to pooling or unitization of any of the Petroleum and Natural Gas Rights;
- (xvi) agreements respecting the operation of Wells by contract field operators;
- (xvii) provisions for penalties and forfeitures under agreements as a consequence of non-participation in operations; and
- (xviii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets.

- (cc) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (dd) "**Petroleum and Natural Gas Rights**" means Vendor's entire interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), including the interests set out and described in Schedule "A";
- (ee) "**Petroleum Substances**" means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (ff) "**Prime Rate**" means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary of the National Bank of Canada as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate the "Prime Rate" shall correspondingly change effective on the date the change in such reference rate is effective;
- (gg) "**Representative**" means, with, respect to any Party, its Affiliates, and its and their respective directors, officers, servants, agents, advisors, employees and consultants;
- (hh) "**Rights of First Refusal**" means a preferential, pre-emptive or first purchase right that becomes operative by virtue of this Agreement or the Transaction;
- (ii) "**Sales Taxes**" means all transfer, sales, excise, stamp, license, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind, and includes additions by way of penalties, interest and other amounts with respect thereto, including GST;
- (jj) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of Vendor in and to the Assets to Purchaser and to novate Purchaser in the place and stead of Vendor with respect to the Assets;
- (kk) "**Tangibles**" means Vendor's entire interest in and to the Facilities and any and all tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, make marketable or inject the Leased Substances or any of them, and any real property (other than the Lands);
- (ll) "**Third Party**" means any individual or entity other than Receiver, Manitok, Vendor and Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (mm) "**this Agreement**", "**herein**", "**hereto**", "**hereof**" and similar expressions mean and refer to this Agreement;
- (nn) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i)

explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands; including those, if any, set out and described in Schedule "A", but excluding the Excluded Assets;

- (oo) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement; and
- (pp) **"Wells"** means Vendor's entire interest in and to all producing, shut-in, suspended, abandoned, capped, injection and disposal wells on the Lands, including the wells listed in Schedule "B".

## 1.2 Headings

The expressions "Article", "section", "subsection", "clause", "subclause", "paragraph" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

## 1.3 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, subsections, clauses, subclauses and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

## 1.4 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders. The word "including" or any variation thereof means "including, without limitation," and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

## 1.5 Schedules

There are appended to this Agreement the following schedules pertaining to the following matters:

|              |   |  |
|--------------|---|--|
| Schedule "A" | - | Lands and Petroleum and Natural Gas Rights |
| Schedule "B" | - | Wells and Facilities                       |
| Schedule "C" | - | Rights of First Refusal                    |
| Schedule "D" | - | General Conveyance                         |
| Schedule "E" | - | Form of Officer's Certificate              |
| Schedule "F" | - | Form of Court Order                        |
| Schedule "G" | - | Excluded Assets                            |

Such schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

#### **1.6 Damages**

All losses, costs, claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement include reasonable legal fees and disbursements on a solicitor and client basis.

#### **1.7 Derivatives**

Where a term is defined herein, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires.

#### **1.8 Interpretation if Closing Does Not Occur**

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

#### **1.9 Conflicts**

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a Schedule or a Specific Conveyance, the provision of the body of this Agreement shall prevail. If any term or condition of this Agreement conflicts with a term or condition of a Title Document or any Applicable Law, the term or condition of such Title Document or the Applicable Law shall prevail, and this Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

#### **1.10 Currency**

All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

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

#### **2.1 Purchase and Sale**

Vendor, exercising the powers of sale granted pursuant to the Appointment Order, hereby agrees to sell, assign, transfer, convey and set over to Purchaser, and Purchaser hereby agrees to purchase from Vendor, all of the right, title, estate and interest of Vendor (whether absolute or contingent, legal or beneficial) in and to the Assets, subject to and in accordance with the terms of this Agreement.

#### **2.2 Purchase Price**

The aggregate consideration to be paid by Purchaser to Vendor for Vendor's interest in and to the Assets shall be [REDACTED] (the "**Purchase Price**") plus applicable Sales Taxes, plus or minus (as applicable) the net amount of the adjustments made pursuant to ARTICLE 7. The Purchase Price shall be satisfied by Purchaser as follows:

- (a) payment of the Deposit (as set forth and defined in section 2.11); and
- (b) cash in the amount of [REDACTED], payable to Vendor at Closing.

### 2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price as follows:

Petroleum and Natural Gas Rights  
Tangibles  
Miscellaneous Interests  
Total



### 2.4 Assumption of Abandonment and Reclamation Obligations

In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Abandonment and Reclamation Obligations associated with the Assets, as set forth in this Agreement, and the absolute release of Manitoq and Vendor of all and any responsibility or liability therefor.

### 2.5 Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk and beneficial ownership of Vendor's interest in and to the Assets shall pass from Vendor to Purchaser on the Closing Date.

- (a) On the Closing Date, Vendor shall deliver to Purchaser:
  - (i) the General Conveyance in the form attached as Schedule "D", duly executed by Vendor;
  - (ii) the Officer's Certificate substantially in the form attached as Schedule "E", duly executed by Vendor;
  - (iii) a receipt for the Purchase Price as adjusted herein plus applicable Sales Taxes;
  - (iv) any tax elections as contemplated by this Agreement, duly executed by Vendor;
  - (v) a certified copy of the Court Order; and
  - (vi) any such other items as may be specifically required hereunder.
- (b) On the Closing Date, Purchaser shall deliver to Vendor:
  - (i) the General Conveyance in the form attached as Schedule "D", duly executed by Purchaser;
  - (ii) the Officer's Certificate substantially in the form attached as Schedule "E", duly executed by Purchaser;
  - (iii) the Purchase Price, as adjusted herein, less the Deposit, plus applicable Sales Taxes;
  - (iv) any tax elections as contemplated by this Agreement, duly executed by Purchaser; and
  - (v) any such other items as may be specifically required hereunder.

## 2.6 Licence Transfers

- (a) To the extent applicable, within five (5) Business Days following Closing, Vendor shall prepare and, where applicable, electronically submit, an application to the applicable Governmental Authorities for Licence Transfers and Purchaser or its nominee shall, where applicable, electronically ratify and sign such application.
- (b) Following the submission of the applicable Licence Transfers as contemplated in section 2.6(a), Vendor shall hold legal title to the permits, approvals, licenses and authorizations relating to the Assets (the "**Licenses**") in trust as bare trustee for and on behalf of Purchaser until such time as such Licence Transfers have been completed; provided, Purchaser shall (i) procure and maintain insurance in relation to the Assets in accordance with good industry practice and of the type, kind and amount satisfactory to Vendor (acting reasonably), which shall name Vendor as an insured in connection therewith; (ii) indemnify Vendor in relation to all losses, damages and claims suffered by Vendor in relation to the foregoing; and (iii) report to Vendor on a bi-weekly basis regarding the operating status of the Assets and immediately regarding any matters of actual or potential environmental concern in relation thereto. Notwithstanding anything to the contrary contained herein, the foregoing trust obligations of Vendor and the trust itself shall automatically cease and terminate upon the earlier to occur of ninety (90) days (or such longer period as may be mutually agreed to by the Parties in writing) following the Closing Date and the date on which the Licence Transfers have been completed.
- (c) If a Governmental Authority denies any Licence Transfers because of misdescription or other minor deficiencies in the application, Vendor shall within five (5) Business Days of such denial correct the application and amend and re-submit the application for the Licence Transfers and Purchaser shall, where applicable, electronically ratify and sign such application.
- (d) In the event that the approval by the Governmental Authority of Licence Transfers is conditional upon a Party providing deposits or other security to such Governmental Authority or undertaking any corrective action or remedial work (including inspections, tests or engineering assessments), Purchaser shall be responsible for providing such deposits or security to such Governmental Authority and undertaking such corrective or remedial work as may be required, at Purchaser's sole expense.

## 2.7 Pipeline Records

- (a) In connection with the transfer of pipeline licenses relating to the Tangibles pursuant to the Agreement and the AER Bulletin 2015-34 (as amended, supplemented, revised or replaced, the "**Bulletin**"), Vendor is required to transfer sufficient documentation to satisfy the transferor statement on the AER digital data submission system (the "**Pipeline Records**"). If Purchaser or Vendor receives written notice from the AER that it has determined that Pipeline Records, or any of them, transferred by Vendor to Purchaser under the Agreement do not satisfy or are found to be deficient under the Bulletin in any respect, then Purchaser will be responsible for and shall conduct, in a timely manner, all operations and activities that are required to cure or remedy any and all deficiencies identified by the AER ("**AER Deficiencies**"), in each case in accordance in all material respects with the terms of the applicable Title Documents, Applicable Laws, any requirements set forth in any correspondence with the AER and with generally accepted industry practices in Alberta and following in all material respects the standard of care which would be followed by a reasonably prudent operator in similar circumstances.
- (b) The existence of any deficient Pipeline Records, AER Deficiencies and the remedial work required to be conducted in respect thereof, shall not constitute a breach of any of Vendor's representations, warranties or otherwise in the Agreement, and Purchaser shall have no claim against Vendor in relation thereto.



## 2.8 Specific Conveyances

The Parties shall cooperate in the preparation of the Specific Conveyances. At a reasonable time prior to Closing, Purchaser shall use reasonable efforts to prepare and provide for Vendor's review all Specific Conveyances at Purchaser's own cost and expense. The Parties shall execute such Specific Conveyances at Closing. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, Purchaser shall register and/or distribute (as applicable) all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to Purchaser.

## 2.9 Title Documents and Miscellaneous Interests

As soon as practicable following Closing, Vendor shall deliver to Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession of Vendor or of which Vendor gains possession of prior to Closing.

## 2.10 Form of Payment

All payments to be made pursuant to this Agreement shall be in Canadian funds. All payments to be made pursuant to this Agreement shall be made by certified cheque, bank draft or wire transfer.

## 2.11 Deposit

The Parties acknowledge that a deposit in the amount of [REDACTED], representing ten percent (10%) of the Purchase Price, has been provided by Purchaser to Vendor concurrent with the execution of this Agreement, to be held in trust in a trust account and released only in accordance with the provisions of this section 2.11 (the "**Deposit**", which shall include any interest earned thereon).

The Deposit shall be held in trust by Vendor until one of the following events occur:

- (a) if Closing occurs, the Deposit shall be released and retained by Vendor at Closing for its own account absolutely and be applied as partial payment of the Purchase Price;
- (b) if Closing does not occur due to a breach of this Agreement by Purchaser or by failure of Purchaser to fulfill the conditions set forth in section 3.4, the Deposit shall be released and forfeited to Vendor for the account of Vendor absolutely; and
- (c) if Closing does not occur due to any reason other than as addressed by section 2.11(b), the Deposit shall be paid to Purchaser for the account of Purchaser absolutely.

## 2.12 Damages

The Parties agree that the amount of the Deposit constitutes their genuine estimate of all damages that will be suffered by Vendor as a result of Closing not occurring and that Vendor's retention thereof shall constitute liquidated damages to, and be the sole remedy of, Vendor as a result of Closing not occurring.

## 2.13 Taxes

- (a) GST

Each of Purchaser and Vendor is a registrant for GST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST Legislation. Their respective GST registration numbers are:

Vendor 838609345 RT0001

Purchaser 824101380 RT0001

(b) Sales Taxes

The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. Purchaser shall be solely responsible for all Sales Taxes which may be imposed by any Governmental Authority and which pertain to Purchaser's acquisition of the Assets or to the registration of any Specific Conveyances necessitated hereby. Except where Vendor is required under Applicable Law to collect or pay such Sales Taxes, Purchaser shall pay such Sales Taxes directly to the appropriate Governmental Authority or other entity within the required time period and shall file all necessary documentation with respect to such Sales Taxes when due. Vendor will do and cause to be done such things as are reasonably requested to enable Purchaser to comply with such obligation in a timely manner. If Vendor is required under Applicable Law to pay any such Sales Taxes, Purchaser shall promptly reimburse Vendor the full amount of such Sales Taxes upon delivery to Purchaser of copies of receipts showing payment of such Sales Taxes. Purchaser shall be responsible for the payment of any amount of Sales Taxes payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect thereto and shall indemnify and save harmless Vendor in respect thereof.

(c) Elections

The Parties agree to make any such elections as determined by Vendor (in its sole discretion) as prudent and available to minimize taxes payable as a result of the Transaction. Purchaser, acting reasonably, shall prepare, and each Party agrees to execute and file, any such elections in the form and within the time periods prescribed or specified under Applicable Law.

### ARTICLE 3 CONDITIONS OF CLOSING

#### 3.1 Required Consents

Both before and after Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction. The Parties acknowledge that the acquisition of such consents (other than with respect to any Licence Transfers) shall not be a condition precedent to Closing. It shall be the sole obligation of Purchaser, at Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to Purchaser, and registration of Purchaser as owner and/or operator, of any of the Assets including the Facilities and the Wells.

#### 3.2 Mutual Conditions

The obligation of Purchaser to purchase Vendor's interest in and to the Assets, and of Vendor to sell its interest in and to the Assets to Purchaser, is subject to the following conditions precedent:

- (a) Vendor obtaining the Court Order; and

- (b) there shall not have been instituted any legal proceedings to obtain, and no court or Governmental Authority of competent jurisdiction shall have issued, promulgated, enforced or entered any judgment, decree, injunction or other order, whether temporary, preliminary or permanent, that restrains, enjoins or otherwise prohibits consummation of the Transaction.

Unless otherwise agreed to by the Parties, if the conditions contained in this section 3.2 have not been performed or satisfied on or before the Outside Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser, unless prior to the Outside Date the Parties mutually agree to a later date in writing.

### **3.3 Purchaser's Conditions**

The obligation of Purchaser to purchase Vendor's interest in and to the Assets is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Purchaser and may be waived by Purchaser in whole or in part:

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date; and
- (b) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in sections 2.11 and 11.13.

### **3.4 Vendor's Conditions**

The obligation of Vendor to sell its interest in and to the Assets to Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Vendor and may be waived by Vendor in whole or in part:

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts to be paid by Purchaser to Vendor at Closing, including the Purchase Price, shall have been paid to Vendor in the form stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date, Vendor may terminate this Agreement by written notice to Purchaser. If Vendor terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in sections 2.11 and 11.13.

### **3.5 Efforts to Fulfil Conditions Precedent**

Purchaser and Vendor shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply, and assist in the satisfaction and compliance, with the foregoing conditions precedent.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

### **4.1 Representations and Warranties of Vendor and Receiver**

Vendor makes only the following representations to Purchaser, no claim in respect of which shall be made or be enforceable by Purchaser unless written notice of such claim, with reasonable particulars, is given by Purchaser to Vendor within a period of six (6) months following the Closing Date:

- (a) Receiver has been appointed by the Court as receiver and manager of Manitek and such appointment is valid and subsisting; and
- (b) subject to obtaining and pursuant to the Court Order, Vendor has the right to enter into this Agreement and to complete the Transaction.

### **4.2 Representations and Warranties of Purchaser**

Purchaser makes the following representations and warranties to Vendor, no claim in respect of which shall be made or be enforceable by Vendor unless written notice of such claim, with reasonable particulars, is given by Vendor to Purchaser within a period of six (6) months following the Closing Date:

- (a) Purchaser is a corporation duly organized, validly existing and is authorized to carry on business in the provinces in which the Lands are located;
- (b) Purchaser has good right, full power and absolute authority to purchase and acquire the interest of Vendor in and to the Assets according to the true intent and meaning of this Agreement;
- (c) except for obtaining the Court Order, the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which Purchaser is bound;
- (d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which Purchaser is party or by which Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or license applicable to Purchaser;
- (e) provided the Court Order is obtained, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms;
- (f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirement therefor previously obtained and currently in force or to be obtained prior to or after Closing;
- (g) Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by Purchaser in connection with this Agreement and the Transaction;

- (h) Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which Vendor shall have any obligation or liability;
- (i) Purchaser is and at Closing will continue to be a registrant in good standing with all applicable Governmental Authorities and is eligible to acquire and hold licenses with the AER;
- (j) Purchaser is not a non-resident of Canada within the *Income Tax Act* (Canada); and
- (k) Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act* (Canada).

#### **4.3 Limitation of Representations by Vendor**

- (a) Notwithstanding anything to the contrary in this Agreement, Vendor expressly negates any representations or warranties except as expressly set forth in section 4.1, whether written or verbal, made by Vendor or its Representatives and in particular, without limiting the generality of the foregoing, Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to Purchaser or any of its Representatives. Vendor's interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:
  - (i) any engineering, geological or other interpretation or economic evaluations respecting the Assets;
  - (ii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
  - (iii) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
  - (iv) the rates of production of Petroleum Substances from the Lands;
  - (v) the environmental state or condition of the Lands;
  - (vi) the availability or continued availability of facilities, services or markets for the processing, transportation or sale of any Petroleum Substances;
  - (vii) the quality, condition, fitness, suitability, serviceability or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);
  - (viii) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor or any of its Representatives in connection with the Assets;
  - (ix) the suitability of the Assets for any purpose;
  - (x) compliance with Applicable Laws; or

- (xi) the title and interest or ownership of Vendor in and to the Assets.
- (b) Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of Vendor's interests in the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets and those matters specifically enumerated in section 4.3(a).
- (c) Except with respect to the representations and warranties in section 4.1 or in the event of fraud, Purchaser forever releases and discharges Vendor and its Representatives from any claims and all liability to Purchaser or Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to Purchaser by Vendor or its Representatives prior to or pursuant to this Agreement, including any evaluations, projections, reports and interpretive or non-factual materials prepared by or for Vendor, or otherwise in Vendor's possession.

## **ARTICLE 5 INDEMNITIES FOR REPRESENTATIONS AND WARRANTIES**

### **5.1 Vendor's Indemnities for Representations and Warranties**

Vendor shall be liable to Purchaser for and shall, in addition, indemnify Purchaser from and against, all Losses suffered, sustained, paid or incurred by Purchaser which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.1 been accurate and truthful; provided, that nothing in this section 5.1 shall be construed so as to cause Vendor to be liable to or indemnify Purchaser in connection with any representation or warranty contained in section 4.1 if and to the extent that Purchaser did not rely upon such representation or warranty.

### **5.2 Purchaser's Indemnities for Representations and Warranties**

Purchaser shall be liable to Vendor for and shall, in addition, indemnify Vendor from and against, all Losses suffered, sustained, paid or incurred by Vendor which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.2 been accurate and truthful; provided, that nothing in this section 5.2 shall be construed so as to cause Purchaser to be liable to or indemnify Vendor in connection with any representation or warranty contained in section 4.2 if and to the extent that Vendor did not rely upon such representation or warranty.

### **5.3 Survival of Representations and Warranties**

Each Party acknowledges that the other may rely on the representations and warranties made by such Party pursuant to section 4.1 or 4.2, as the case may be. The representations and warranties in sections 4.1 and 4.2 shall be true as of the date hereof and on the Closing Date, and the representations and warranties in section 4.2 shall continue in full force and effect and shall survive the Closing Date for a period of six (6) months; provided, the representations and warranties in section 4.1 shall not survive the Closing Date. In the absence of fraud, however, no claim or action shall be commenced with respect to a breach of any such representation and warranty, unless, within such period, written notice specifying such breach in reasonable detail has been provided to the Party which made such representation or warranty.

## ARTICLE 6 INDEMNITIES

### 6.1 Post-Closing Date Indemnity

Provided that Closing has occurred, Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Assets and arising or accruing after the Closing Date.

### 6.2 Environmental Matters and Abandonment and Reclamation Obligations

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

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between Vendor and Purchaser (including whether occurring or accruing prior to, on or after the Closing Date), and hereby releases Vendor from any claims Purchaser may have against Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Facilities.

### 6.3 Third Party Claims

The following procedures shall be applicable to any claim by a Party (the "**Indemnitee**") for indemnification pursuant to this Agreement from another Party (the "**Indemnitor**") in respect of any Losses in relation to a Third Party (a "**Third Party Claim**"):

- (a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within ten (10) Business Days of notice thereof provide written notice thereof to the Indemnitor. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Indemnitor within such ten (10) Business Day period, then

such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;

- (b) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Indemnitor shall have the right to do either or both of the following:
  - (i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or
  - (ii) settle the Third Party Claim, provided the Indemnitor pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee;
- (c) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available to the other Party and its Representatives whose assistance, testimony or presence is of material assistance in evaluating and defending the Third Party Claim;
- (d) the Indemnitee shall not enter into any settlement, consent order or other compromise with respect to the Third Party Claim without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;
- (e) upon payment of the Third Party Claim, the Indemnitor shall be subrogated to all claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and co-operate with the Indemnitor to permit the Indemnitor to pursue such subrogated claims as reasonably requested by it; and
- (f) if the Indemnitor has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any Third Party, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) to the Indemnitor, net of taxes required to be paid by the Indemnitee as a result of any such receipt.

## **ARTICLE 7 ADJUSTMENTS**

### **7.1 Costs and Revenues to be Apportioned**

- (a) Subject to paragraph 7.10 below and except as otherwise provided in this Agreement, all costs and expenses relating to the Assets and the Excluded Assets (including Overhead and maintenance, development, capital and operating costs) and all revenues relating to the Assets and the Excluded Assets (including proceeds from the sale of production and fees from processing, treating or transporting Petroleum Substances on behalf of Third Parties) shall be apportioned as of the Effective Date between Vendor and Purchaser on an accrual basis in accordance with generally accepted accounting principles, provided that:
  - (i) advances made by Vendor in respect of the costs of operations on Lands or lands pooled or unitized therewith or facilities interests included in the Assets and the Excluded Assets which have not been applied to the payment of costs prior to the Closing Date and stand to the credit of Manitok or Vendor will be transferred to Purchaser and an adjustment will be made in favour of Vendor equal to the amount of the advance transferred;



- (ii) deposits made by Manitek or Vendor relative to operations on the Lands shall be returned to Vendor;
- (iii) costs and expenses of work done, services provided and goods supplied shall be deemed to accrue for the purposes of this ARTICLE 7 when the work is done or the goods or services are provided, regardless of when such costs and expenses become payable;
- (iv) no adjustments shall be made in respect of Manitek's or Vendor's income taxes;
- (v) revenues from the sale of Petroleum Substances will be deemed to accrue when the Petroleum Substances are produced;
- (vi) all rentals and similar payments in respect of the Leased Substances or surface rights comprised in the Assets and the Excluded Assets and all taxes (other than income taxes) levied with respect to the Assets and the Excluded Assets or operations in respect thereof shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date; and
- (vii) any and all unpaid rentals and royalties which accrue to the Assets and the Excluded Assets and are not a corporate debt (including unpaid surface lease rentals, mineral lease rentals, Crown royalties and municipal taxes for surface sites) which are identified by Purchaser prior to the preparation of the interim accounting statement shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date.

For greater certainty, the Parties acknowledge and agree that all costs and expenses and all revenues associated with the Excluded Assets after the Effective Date shall be for the account of the Purchaser but only until and including the day the Excluded Assets are disclaimed by the Vendor.

- (b) Vendor shall not be liable to make any adjustment in favour of, or make any payment to, Purchaser pursuant hereto in respect of any liability which relates to the period which arose prior to the Date of Appointment.
- (c) Petroleum Substances which were produced, but not sold, as of the Effective Date shall be retained by Vendor and Vendor shall be responsible for all royalties or other encumbrances thereon and all processing, treating and transportation expenses pertaining thereto. Petroleum Substances will be deemed to be sold on a first in, first out basis.

## 7.2 Adjustments to Account

- (a) An interim accounting of the adjustments pursuant to section 7.1 shall be made at Closing based on Vendor's and Purchaser's good faith estimate of the costs and expenses paid by Vendor prior to Closing and the revenues received by Vendor prior to Closing. Vendor and Purchaser shall cooperate in preparing such interim accounting and Vendor shall provide a statement setting forth the adjustments to be made at Closing not later than three (3) Business Days prior to Closing and shall assist Purchaser in verifying the amounts set forth in such statement. Vendor and Purchaser shall cooperate in preparing a final accounting of the adjustments pursuant to section 7.1 and Vendor shall deliver a statement of such final accounting to Purchaser within sixty (60) days following the Closing Date (the "**Final Statement of Adjustments**"), and no further or other adjustments whatsoever will be made thereafter. All adjustments after Closing shall be settled by payment by the Party required to make payment to the other Party hereunder within fifteen (15) Business Days of being notified of the determination of the amount owing.

- (b) All adjustments provided for in this Article shall be adjustments to the Purchase Price. An adjustment payable by a Party after Closing pursuant to this section 7.2 which is not paid within fifteen (15) Business Days of a written request for payment from the other Party, shall bear interest at the Prime Rate plus three percent (3%) per annum payable by the paying Party to the other Party from the end of such fifteen (15) Business Day period until the adjustment is paid.

## **ARTICLE 8 MAINTENANCE OF ASSETS**

### **8.1 Maintenance of Assets and Access**

- (a) From the date hereof until the Closing Date, Vendor shall, to the extent that the nature of its interest permits, taking into account Receiver's status as the receiver and manager over Manitoak and its assets pursuant to the Appointment Order, and subject to the Title Documents and any other agreements and documents to which the Assets are subject:
  - (i) maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and
  - (ii) pay all associated post-receivership operating costs incurred by the Receiver in a timely.
- (b) From the date hereof until the Closing Date, to the extent that Purchaser is given physical access to any of the properties or premises owned, leased, used or otherwise held or occupied by Vendor, Purchaser hereby agrees to indemnify, defend and hold harmless Vendor and its Representatives from and against any and all liabilities, claims and causes of action by Purchaser or any of its Representatives for personal injury, death or property damage occurring on such property or premises as a result of the access to such properties or premises by Purchaser or its Representatives.

### **8.2 Consent of Purchaser**

Notwithstanding section 8.1(a) and subject to Applicable Laws and directions of Governmental Authorities (including in relation to the receivership proceedings of Manitoak and such proceedings themselves), Vendor shall not from the date hereof to the Closing Date, without the written consent of Purchaser, which consent shall not be unreasonably withheld by Purchaser and which, if provided, shall be provided in a timely manner:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets of which Vendor's share is in excess of \$25,000.00, except in case of an emergency or in respect of amounts which Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and Purchaser does not provide same in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) amend or terminate any Title Document or enter into any new agreement or commitment relating to the Assets; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting sales of the Leased Substances in the normal course of business.

### **8.3 Proposed Actions**

If an operation or the exercise of any right or option respecting the Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in Purchaser incurring an obligation pursuant to section 8.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) Vendor shall promptly give Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) Purchaser shall, not later than twenty four (24) hours prior to the time Vendor is required to make its election with respect to the Proposal, advise Vendor, by notice, whether Purchaser wishes Vendor to exercise Vendor's rights with respect to the Proposal on Purchaser's behalf, provided that Purchaser's failure to make such election within such period shall be deemed to be Purchaser's election to participate in the Proposal;
- (c) Vendor shall make the election authorized (or deemed to be authorized) by Purchaser with respect to the Proposal within the period during which Vendor may respond to the Proposal; and
- (d) Purchaser's election not to participate in any Proposal required to preserve the existence of any of the Assets shall not entitle Purchaser to any reduction of the Purchase Price if Vendor's interest therein is terminated as a result of such election, and such termination shall not constitute a failure of Vendor's representations and warranties pertaining to such Assets, notwithstanding section 5.3.

### **8.4 Post-Closing Transition**

Following Closing and to the extent to which Purchaser must be novated into Title Documents and other agreements or documents to which the Assets are subject or otherwise recognized as the owner of the Assets, until that novation or recognition has been effected or for a period of ninety (90) days, whichever is sooner, Vendor shall:

- (a) in a timely manner, deliver to Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and Vendor shall respond to such notices pursuant to Purchaser's written instructions, if received on a timely basis, provided that Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude Vendor from taking such actions as Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (b) receive all revenues which are the property of Purchaser pursuant to this Agreement, as bare trustee and shall remit such revenues to Purchaser in a timely fashion.

### **8.5 Vendor Deemed Purchaser's Trustee and Agent**

- (a) Insofar as Vendor maintains the Assets and takes actions in relation thereto on Purchaser's behalf pursuant to this ARTICLE 8, Vendor shall be deemed to have been the bare trustee and agent of Purchaser hereunder. Purchaser ratifies all actions taken by Vendor or refrained from being taken by Vendor pursuant to this ARTICLE 8 in such capacity during such period, with the intention that all such actions shall be deemed to be Purchaser's actions.

- (b) Insofar as Vendor participates in either operations or the exercise of rights or options as Purchaser's agent pursuant to this ARTICLE 8, Vendor may require Purchaser to secure costs to be incurred by Vendor on Purchaser's behalf pursuant to such election in such manner as may be reasonably appropriate in the circumstances.
- (c) Purchaser shall indemnify Vendor and its Representatives against all Losses which Vendor or its Representatives may suffer or incur as a result of Vendor maintaining the Assets as Purchaser's bare trustee and agent pursuant to this ARTICLE 8, insofar as such Losses are not a direct result of the gross negligence or wilful misconduct of Vendor or its Representatives. An action or omission of Vendor or of its Representatives shall not be regarded as gross negligence or wilful misconduct to the extent to which it was done or omitted from being done in accordance with Purchaser's instructions (including any election deemed pursuant to section 8.3(b)) or concurrence.

### **8.6 Transfer of Operatorship**

Insofar as Vendor operates any of the Assets, Purchaser acknowledges that Vendor may not be able to transfer operatorship of some or all of such Assets to Purchaser at or after Closing. Vendor covenants with Purchaser that Vendor shall reasonably cooperate with Purchaser to obtain appropriate consents and approvals for the assignment and transfer to Purchaser of operatorship of those of the Assets of which Vendor is currently the operator.

## **ARTICLE 9 RIGHTS OF FIRST REFUSAL**

### **9.1 Rights of First Refusal**

- (a) Within three (3) Business Days from the date hereof, Purchaser, acting reasonably and in good faith, shall provide Vendor with its allocated values for the Assets which are subject to Rights of First Refusal as identified in Schedule "C". Promptly after such allocations are provided to Vendor, Vendor shall send notices to the Persons (including Purchaser, if applicable) holding such Rights of First Refusal in accordance with the terms of the Title Documents creating them, using such values provided by Purchaser. Purchaser shall be liable for and indemnify and save Vendor harmless from and against all Losses which Vendor may suffer, sustain, pay or incur as a result of utilizing any value allocations supplied by Purchaser.
- (b) If any Third Party elects to exercise any Rights of First Refusal, the portion of the Assets subject to such Rights of First Refusal (the "**Affected Asset**") shall not be sold pursuant hereto, and the definitions of "Assets", "Lands", "Leases", "Miscellaneous Interests", "Petroleum and Natural Gas Rights", "Facilities", "Tangibles" and "Wells" shall not include the Affected Asset. The Purchase Price and any applicable GST and/or Sales Taxes shall be reduced accordingly upon such Third Party election.

## **ARTICLE 10 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS**

### **10.1 Vendor to Provide Access**

Prior to Closing, Vendor shall, subject to all contractual and fiduciary obligations, at the Calgary offices of Vendor during normal business hours, provide reasonable access for Purchaser and its Representatives to Vendor's records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Assets, as well as physical access to the Assets (insofar as Vendor can reasonably provide such access) for the purpose of Purchaser's review of the Assets and title thereto.

## **10.2 Access to Information**

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, Purchaser shall, on request from Vendor, provide reasonable access to Vendor at Purchaser's offices, during its normal business hours, to the agreements and documents to which the Assets are subject and the contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests and the Title Documents which are then in the possession or control of Purchaser and to make copies thereof, as Vendor may reasonably require, including for purposes relating to:

- (a) Manitok's or Vendor's ownership of the Assets (including taxation matters and liabilities and claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Agreement;
- (c) compliance with Applicable Law; or
- (d) any claim commenced or threatened by any Third Party against Manitok or Vendor.

## **10.3 Maintenance of Information**

All of the information, materials and other records delivered to Purchaser pursuant to the terms hereof shall be maintained in good order and good condition and kept in a reasonably accessible location by Purchaser for a period of two (2) years from the Closing Date.

# **ARTICLE 11 GENERAL**

## **11.1 Further Assurances**

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

## **11.2 No Merger**

The covenants, representations, warranties and indemnities contained in this Agreement shall be deemed to be restated in any and all assignments, conveyances, transfers and other documents conveying the interests of Vendor in and to the Assets to Purchaser, subject to any and all time and other limitations contained in this Agreement. There shall not be any merger of any covenant, representation, warranty or indemnity in such assignments, conveyances, transfers and other documents notwithstanding any rule of law, equity or statute to the contrary and such rules are hereby waived.

## **11.3 Receiver**

Purchaser acknowledges that Receiver is acting solely in its capacity as the Court-appointed receiver and manager of Manitok, and not in its personal or corporate capacity. Under no circumstances shall Receiver or any of its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction, in its or their personal or corporate capacity, whether such liability be in contract, tort or otherwise.

## **11.4 Entire Agreement**

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of

this Agreement shall prevail. This Agreement supersedes all other agreements (other than the Confidentiality Agreement dated August 28, 2018 (the "**Confidentiality Agreement**") between Vendor and Purchaser), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the subject matter hereof.

### **11.5 Governing Law**

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

### **11.6 Signs and Notifications**

Within sixty (60) days following Closing, Purchaser shall remove any signage which indicates Manitok's ownership or operation of the Assets. It shall be the responsibility of Purchaser to erect or install any signage required by applicable Governmental Authorities indicating Purchaser to be the owner or operator of the Assets.

### **11.7 Assignment and Enurement**

This Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

### **11.8 Time of Essence**

Time shall be of the essence in this Agreement.

### **11.9 Notices**

The addresses and fax numbers of the Parties for delivery of notices hereunder shall be as follows:

|             |  |
|-------------|--|
| Vendor -    | Alvarez & Marsal Canada Inc.<br>Suite 1110, 250 – 6 <sup>th</sup> Avenue SW<br>Calgary, AB T2P 3H7 |
|             | Attention: Orest Konowalchuk<br>Fax: (403) 538-7551<br>Email: okonowalchuk@alvarezandmarsal.com    |
| Purchaser - | Shanghai Energy Corporation<br>300, 605 - 5 <sup>th</sup> Avenue S.W.<br>Calgary, AB T2P 3H5       |
|             | Attention: Terri Johnson - Trent, Land Manager<br>Email: ttrent@shanghaienergycorporation.com      |

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by facsimile or email to a Party to the facsimile number or email address of such Party for notices, in which case, if the notice was sent prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was sent and if it is sent on a day which is not a Business Day or is sent after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth (4<sup>th</sup>) Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number for service, email address or designated representative by giving written notice of such change to the other Party.

#### **11.10 Invalidity of Provisions**

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

#### **11.11 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

#### **11.12 Amendment**

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

#### **11.13 Confidentiality and Public Announcements**

Until Closing has occurred and subject to the Confidentiality Agreement, each Party shall keep confidential all information obtained from the other Party in connection with the Assets and shall not release any information concerning this Agreement and the Transaction without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information (i) to any Governmental Authority or regulatory authority or to the public or otherwise if required by Applicable Law or as directed by any Governmental Authority or regulatory authority (including in relation to the receivership proceedings of Manitoak and such proceedings themselves); or (ii) in connection with obtaining the Court Order; or (iii) as required to Manitoak's secured creditors.

***[Remainder of page intentionally left blank. Signature pages to follow.]***

**11.14 Counterpart Execution**

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity

**SHANGHAI ENERGY CORPORATION**



Per: \_\_\_\_\_  
Name: Orest Konowalchuk, CPA, CA, CIRP, LIT  
Title: Senior Vice President

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

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

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



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

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity

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

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

**SHANGHAI ENERGY CORPORATION**

Per:   
Name: \_\_\_\_\_  
Title: **ANTHONY (TONY) KUEHNE**  
**PRESIDENT & CEO**

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

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.

**Lands and Petroleum and Natural Gas Rights**

The following forty-two (42) pages comprise Schedule "A".

*NOTED Changes to  
assets not part of  
transaction. Pages 17  
-11.  
A.*



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number | Lse Type               | Lessor Type      | Exposure | Oper.Cont. | ROFR           | DOI Code | Lease Description / Rights Held |
|-------------|------------------------|------------------|----------|------------|----------------|----------|---------------------------------|
| File Status | Int Type / Lse No/Name | Operator / Payor | Gross    | Net        | Doi Partner(s) | *        | *                               |
| M00968      | A                      |                  |          |            |                |          |                                 |

(cont'd)

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

**Remarks**

**Type** CONTINUE **Date** Nov 26, 2008  
**Description**  
 AUGUST 26, 2008 LETTER FROM THE CROWN: CONTINUES THE FOLLOWING LANDS UNDER SECTION 15 TWP 42 RGE 9 W5M SEC 25 (PNG TO BASE NORDEGG), SEC 35 (PNG TO BASE ROCK CREEK) THE FOLLOWING LANDS ARE TERMINATED:  
 TWP 43 RGE 9 W5M SEC 10  
 CONTINUE Aug 08, 2008  
**Description**  
 JULY 16, 2008 - DEVON LETTER APPEALS CROWN CONTINUATION OF SECTION 25 TO BASE ROCK CREEK.

| File Number  | Lse Type        | CR              | Eff:            | Jan 23, 1997 | 0.000           | C00932     | F No | WI            | Area :                                    |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
|--|-----------------|-----------------|-----------------|--------------|-----------------|------------|------|---------------|---|--------------------------|-----------------|------------|-----------------|------------|-----------------|------------|--------------|-------|-------|----------|-------|--------------|-------|-------------|-------|-------|----------|---------|--------------|-------|--------------|-------|-------|----------|-------|--------------|-------|--|--|--|----------|---------|--------------|--|--|--|--|----------|-----|--------------|--|--|--|--|
| Sub:   | WI              | 5497010205      | Exp:            | Jan 22, 2001 | 0.000           | MANITOK    |      | 100.000000000 | TWP 42 RGE 9 W5M E 25                     |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| ACTIVE   | MANITOK         | Ext:            | 15              | 0.000        |                 |            |      |               | ALL PNG FROM TOP SURFACE TO BASE CARDIUM  |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| 100.00000000   | CENOVUS         | Count Acreage = | No              |              |                 |            |      |               | EXCL CBM FROM TOP SURFACE TO BASE CARDIUM |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <table border="0"> <tr> <td><b>Status</b></td> <td><b>Hectares</b></td> <td><b>Net</b></td> <td><b>Hectares</b></td> <td><b>Net</b></td> <td><b>Hectares</b></td> <td><b>Net</b></td> </tr> <tr> <td><b>Prod:</b></td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> </tr> <tr> <td><b>Dev:</b></td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> </tr> <tr> <td><b>Prov:</b></td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> </tr> </table>   |                 |                 |                 |              |                 |            |      |               |   | <b>Status</b>            | <b>Hectares</b> | <b>Net</b> | <b>Hectares</b> | <b>Net</b> | <b>Hectares</b> | <b>Net</b> | <b>Prod:</b> | 0.000 | 0.000 | 0.000    | 0.000 | 0.000        | 0.000 | <b>Dev:</b> | 0.000 | 0.000 | 0.000    | 0.000   | 0.000        | 0.000 | <b>Prov:</b> | 0.000 | 0.000 | 0.000    | 0.000 | 0.000        | 0.000 |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <b>Status</b>  | <b>Hectares</b> | <b>Net</b>      | <b>Hectares</b> | <b>Net</b>   | <b>Hectares</b> | <b>Net</b> |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <b>Prod:</b>   | 0.000           | 0.000           | 0.000           | 0.000        | 0.000           | 0.000      |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <b>Dev:</b>  | 0.000           | 0.000           | 0.000           | 0.000        | 0.000           | 0.000      |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <b>Prov:</b>   | 0.000           | 0.000           | 0.000           | 0.000        | 0.000           | 0.000      |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <table border="0"> <tr> <td><b>Total Rental:</b></td> <td>0.00</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>   |                 |                 |                 |              |                 |            |      |               |   | <b>Total Rental:</b>     | 0.00            |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <b>Total Rental:</b>   | 0.00            |                 |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <table border="0"> <tr> <td><b>Related Contracts</b></td> <td colspan="9">-----</td> </tr> <tr> <td>C00312 A</td> <td>P&amp;S</td> <td>Sep 29, 2016</td> <td>(I)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>C00808 C</td> <td>FARMOUT</td> <td>Aug 23, 2007</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>C00932 B</td> <td>JOA</td> <td>Jul 28, 2006</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>C01157 U</td> <td>ROYALTY</td> <td>May 19, 2017</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>C00932 F</td> <td>JOA</td> <td>Jul 28, 2006</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> |                 |                 |                 |              |                 |            |      |               |   | <b>Related Contracts</b> | -----           |            |                 |            |                 |            |              |       |       | C00312 A | P&S   | Sep 29, 2016 | (I)   |             |       |       | C00808 C | FARMOUT | Aug 23, 2007 |       |              |       |       | C00932 B | JOA   | Jul 28, 2006 |       |  |  |  | C01157 U | ROYALTY | May 19, 2017 |  |  |  |  | C00932 F | JOA | Jul 28, 2006 |  |  |  |  |
| <b>Related Contracts</b>   | -----           |                 |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| C00312 A   | P&S             | Sep 29, 2016    | (I)             |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| C00808 C   | FARMOUT         | Aug 23, 2007    |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| C00932 B   | JOA             | Jul 28, 2006    |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| C01157 U   | ROYALTY         | May 19, 2017    |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| C00932 F   | JOA             | Jul 28, 2006    |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |
| <b>Royalty / Encumbrances</b>  |                 |                 |                 |              |                 |            |      |               |   |                          |                 |            |                 |            |                 |            |              |       |       |          |       |              |       |             |       |       |          |         |              |       |              |       |       |          |       |              |       |  |  |  |          |         |              |  |  |  |  |          |     |              |  |  |  |  |

Report Date: Oct 02, 2018

Page Number: 3

\*\*REPORTED IN HECTARES\*\*

# MANITOK ENERGY, INC. Mineral Property Report

Category: MINERAL

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

(cont'd)

|                 |   |                          |              |          |   |             |             |                        |                   |
|-----------------|---|--------------------------|--------------|----------|---|-------------|-------------|------------------------|-------------------|
| <Linked> C00808 | C | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N        | N | 60.00000000 | % of PROD   | ----- Well U.W.I.      | Status/Type ----- |
|                 |   | Roy Percent: 7.00000000  |              |          |   |             |             | 103/09-25-042-09-W5/00 | FLOWING/OIL       |
|                 |   | Deduction: YES           |              |          |   |             |             | 100/02-25-042-09-W5/00 | FLOWING/OIL       |
| M00968          | B | Gas: Royalty:            | Max:         | Min Pay: |   |             | Prod/Sales: | 102/16-25-042-09-W5/00 | FLOWING/OIL       |
|                 |   | S/S OIL: Min:            |              | Div:     |   |             | Prod/Sales: |                        |                   |
|                 |   | Other Percent:           |              | Min:     |   |             | Prod/Sales: |                        |                   |

### Royalty / Encumbrances

|                 |   |                          |              |          |   |              |             |  |  |
|-----------------|---|--------------------------|--------------|----------|---|--------------|-------------|--|--|
| <Linked> C01157 | U | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N        | N | 100.00000000 | % of SALES  |  |  |
|                 |   | Roy Percent: 4.00000000  |              |          |   |              |             |  |  |
|                 |   | Deduction: NO            |              |          |   |              |             |  |  |
|                 |   | Gas: Royalty:            | Max:         | Min Pay: |   |              | Prod/Sales: |  |  |
|                 |   | S/S OIL: Min:            |              | Div:     |   |              | Prod/Sales: |  |  |
|                 |   | Other Percent:           |              | Min:     |   |              | Prod/Sales: |  |  |

|                             |              |          |   |              |             |
|-----------------------------|--------------|----------|---|--------------|-------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y        | N | 100.00000000 | % of PROD   |
| Roy Percent:                |              |          |   |              |             |
| Deduction:                  | STANDARD     |          |   |              |             |
| Gas: Royalty:               | Max:         | Min Pay: |   |              | Prod/Sales: |
| S/S OIL: Min:               |              | Div:     |   |              | Prod/Sales: |
| Other Percent:              |              | Min:     |   |              | Prod/Sales: |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Nov 26, 2008 | AUGUST 26, 2008 LETTER FROM THE CROWN: CONTINUES THE |



Report Date: Oct 02, 2018

Page Number: 5

\*\*REPORTED IN HECTARES\*\*

# MANITOK ENERGY, INC. Mineral Property Report

Category: MINERAL

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

(cont'd)

|        |   |                |      |          |  |  |   |
|--------|---|----------------|------|----------|--|--|---|
| M00968 | C |                |      |          |  |  | 100/04-25-042-09-W5/00 SUSP/GAS<br>100/04-25-042-09-W5/02 COMMINGLE/GAS |
|        |   | Deduction: YES |      |          |  |  |   |
|        |   | Gas: Royalty:  |      | Min Pay: |  |  | Prod/Sales:   |
|        |   | S/S OIL: Min:  | Max: | Div:     |  |  | Prod/Sales:   |
|        |   | Other Percent: |      | Min:     |  |  | Prod/Sales:   |

### Royalty / Encumbrances

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C01157 V GROSS OVERRIDING ROYALTY ALL PRODUCTS N N 100.00000000 % of SALES

Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Min:

Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD

Roy Percent:  
 Deduction: STANDARD  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Min:

Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Nov 26, 2008 | AUGUST 26, 2008 LETTER FROM THE CROWN: CONTINUES THE FOLLOWING LANDS UNDER SECTION 15 TWP 42 RGE 9 W5M SEC 25 (PNG TO BASE NORDEGG), SEC 35 (PNG TO BASE ROCK CREEK) THE FOLLOWING LANDS ARE TERMINATED: |





**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M00968 D

Royalty / Encumbrances

<Linked> Royalty Type  
 C00989 A GROSS OVERRIDING ROYALTY ALL PRODUCTS N N 40.00000000 % of PROD

Roy Percent: 10.00000000  
 Deduction: UNKNOWN  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

<Linked> Royalty Type  
 C01157 Z GROSS OVERRIDING ROYALTY ALL PRODUCTS N N 60.00000000 % of SALES

Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

Royalty Type  
 CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD

Roy Percent:  
 Deduction: STANDARD  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

Remarks

|          |              |  |
|----------|--------------|--|
| Type     | Date         | Description  |
| CONTINUE | Nov 26, 2008 | AUGUST 26, 2008 LETTER FROM THE CROWN: CONTINUES THE |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

|        |   |  |  |  |  |   |
|--------|---|--|--|--|--|---|
| M00968 | D |  |  |  |  | Remarks   |
|        |   |  |  |  |  | Description<br>FOLLOWING LANDS UNDER SECTION 15 TWP 42 RGE 9 W5M SEC 25<br>(PNG TO BASE NORDEGG), SEC 35 (PNG TO BASE ROCK CREEK) THE<br>FOLLOWING LANDS ARE TERMINATED:<br>TWP 43 RGE 9 W5M SEC 10 |

| M00968                           | LICENCE    | CR               | Eff:     | Jan 23, 1997 | 256.000  | C00932  | G | No | WI            |
|----------------------------------|------------|------------------|----------|--------------|----------|---------|---|----|---------------|
| Sub:                             | E          | WI               | Exp:     | Jan 22, 2001 | 256.000  | MANITOK |   |    | 100.000000000 |
| ACTIVE                           | 5497010205 |                  | Ext:     | 15           | 256.000  |         |   |    |               |
| MANITOK                          |            |                  |          |              |          |         |   |    |               |
| 100.000000000 CENOVUS            |            |                  |          |              |          |         |   |    |               |
| Total Rental: 896.00             |            |                  |          |              |          |         |   |    |               |
| Status                           | Hectares   | Net              | Hectares | Net          | Hectares | Net     |   |    |               |
| DEVELOPED                        | 0.000      | 0.000            | 0.000    | 0.000        | 0.000    | 0.000   |   |    |               |
|                                  | 256.000    | 256.000          | 0.000    | 0.000        | 0.000    | 0.000   |   |    |               |
|                                  | 0.000      | 0.000            | 0.000    | 0.000        | 0.000    | 0.000   |   |    |               |
| Area : WILLES DEN GREEN          |            |                  |          |              |          |         |   |    |               |
| TWP 42 RGE 9 W5M SEC 35          |            |                  |          |              |          |         |   |    |               |
| ALL PNG FROM BASE CARDIUM TO     |            |                  |          |              |          |         |   |    |               |
| BASE ROCK_CREEK                  |            |                  |          |              |          |         |   |    |               |
| EXCL ALL PNG FROM TOP            |            |                  |          |              |          |         |   |    |               |
| OSTRACOD_ZONE TO BASE ROCK_CREEK |            |                  |          |              |          |         |   |    |               |
| EXCL ALL CBM FROM BASE CARDIUM   |            |                  |          |              |          |         |   |    |               |
| TO BASE ROCK_CREEK               |            |                  |          |              |          |         |   |    |               |
| ----- Related Contracts -----    |            |                  |          |              |          |         |   |    |               |
| C00312 A                         | P&S        | Sep 29, 2016 (I) |          |              |          |         |   |    |               |
| C00808 A                         | FARMOUT    | Aug 23, 2007     |          |              |          |         |   |    |               |
| C00932 G                         | JOA        | Jul 28, 2006     |          |              |          |         |   |    |               |
| C01157 AA                        | ROYALTY    | May 19, 2017     |          |              |          |         |   |    |               |

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C00808 A | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 60.000000000 % of PROD |
|          | Roy Percent:             | 7.000000000  |               |             |                        |
|          | Deduction:               | YES          |               |             |                        |
|          | Gas Royalty:             |              |               |             |                        |
|          | S/S OIL: Min:            |              |               |             |                        |
|          | Other Percent:           |              |               |             |                        |
|          | Max:                     |              |               |             |                        |
|          | Min Pay:                 |              |               |             |                        |
|          | Div:                     |              |               |             |                        |
|          | Min:                     |              |               |             |                        |
|          | Prod/Sales:              |              |               |             |                        |
|          | Prod/Sales:              |              |               |             |                        |
|          | Prod/Sales:              |              |               |             |                        |

Report Date: Oct 02, 2018

Page Number: 9

\*\*REPORTED IN HECTARES\*\*

# MANITOK ENERGY, INC. Mineral Property Report

Category: MINERAL

| File Number | Lse Type               | Lessor Type      | Exposure | Oper.Cont. | ROFR           | DOI Code | Lease Description / Rights Held |
|-------------|------------------------|------------------|----------|------------|----------------|----------|---------------------------------|
| File Status | Int Type / Lse No/Name | Operator / Payor | Gross    | Net        | Doi Partner(s) | *        | *                               |
| M00968      | E                      |                  |          |            |                |          |                                 |

(cont'd)

M00968

E

### Royalty / Encumbrances

| <Linked> | Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales         |
|----------|-----------------------------|--------------|---------------|-------------|-------------------------|
| C01157   | AA GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 100.00000000 % of SALES |
|          | Roy Percent:                |              |               |             |                         |
|          | Deduction:                  |              |               |             |                         |
|          | Gas: Royalty:               |              |               |             |                         |
|          | S/S OIL: Min:               |              |               |             |                         |
|          | Other Percent:              |              |               |             |                         |
|          |                             | Min Pay:     |               |             | Prod/Sales:             |
|          |                             | Div:         |               |             | Prod/Sales:             |
|          |                             | Min:         |               |             | Prod/Sales:             |

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| Roy Percent:                |              |               |             |                        |
| Deduction:                  |              |               |             |                        |
| Gas: Royalty:               |              |               |             |                        |
| S/S OIL: Min:               |              |               |             |                        |
| Other Percent:              |              |               |             |                        |
|                             | Min Pay:     |               |             | Prod/Sales:            |
|                             | Div:         |               |             | Prod/Sales:            |
|                             | Min:         |               |             | Prod/Sales:            |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Jun 20, 2008 | JUNE 17, 2008 LETTER FROM THE CROWN: 2008-JUN-20 CONTINUES THE FOLLOWING LANDS UNDER SECTION 15 TWP 42 RGE 9 W5M SEC 25, 35 (PNG TO BAES ROCK CREEK) THE FOLLOWING LANDS ARE TERMINATED: TWP 43 RGE 9 W5M SEC 10 |

M00968

LICENCE CR

Eff: Jan 23, 1997

0.000 C00932 C No

WI

Area : WILLESDEN GREEN

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

|               |            |            |       |       |          |              |                                 |
|---------------|------------|------------|-------|-------|----------|--------------|---------------------------------|
| M00968        | WI         | CONOCO BRC | 0.000 | 0.000 | MANITOK  | 40.000000000 | TWP 42 RGE 9 W5M W 25           |
| Sub: F        | 5497010205 | CENOVOUS   | 0.000 | 0.000 | CENOVOUS | 60.000000000 | ALL CBM FROM TOP SURFACE TO     |
| ACTIVE        |            |            |       |       |          |              | BASE NORDEGG                    |
| 100.000000000 |            |            |       |       |          |              | (EXCLUDES                       |
|               |            |            |       |       |          |              | 100/09-25-042-09W5/00 WELLBORE) |
|               |            |            |       |       |          |              | ----- Related Contracts -----   |
|               |            |            |       |       |          |              | C00312 A P&S Sep 29, 2016 (I)   |
|               |            |            |       |       |          |              | C00932 C JOA Jul 28, 2006       |
|               |            |            |       |       |          |              | C01157 W ROYALTY May 19, 2017   |

**Royalty / Encumbrances**

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 W | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 40.00000000 % of SALES |
|          | Roy Percent:             | 4.00000000   |               |             |                        |
|          | Deduction:               | NO           |               |             |                        |
|          | Gas: Royalty:            |              |               |             | Prod/Sales:            |
|          | S/S OIL: Min:            |              |               |             | Prod/Sales:            |
|          | Other Percent:           |              |               |             | Prod/Sales:            |

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| Roy Percent:                |              |               |             |                        |
| Deduction:                  | STANDARD     |               |             |                        |
| Gas: Royalty:               |              |               |             | Prod/Sales:            |
| S/S OIL: Min:               |              |               |             | Prod/Sales:            |
| Other Percent:              |              |               |             | Prod/Sales:            |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number | Lse Type               | Lessor Type      | Exposure | Oper.Cont.     | ROFR | DOI Code | Lease Description / Rights Held |
|-------------|------------------------|------------------|----------|----------------|------|----------|---------------------------------|
| File Status | Int Type / Lse No/Name | Operator / Payor | Net      | Doi Partner(s) | *    | *        |                                 |
| M00968      | GENERAL                |                  | 0.000    | C00932         | D    | No       |                                 |

(cont'd)

F \_\_\_\_\_ Remarks \_\_\_\_\_

**Type** GENERAL  
**Date** Nov 21, 2012  
**Description** RIGHTS ACQUIRED THROUGH PETROLEUM, NATURAL GAS AND GENERAL CONVEYANCE DATED NOVEMBER 19, 2012 BETWEEN DEVON NEC CORPORATION, AS VENDOR, AND TOURNAMENT EXPLORATION LTD., AS PURCHASER. (C0150)

| Sub:   | Area   | Eff:         | Exp:         | Ext: | Count | Acreage | WI           | Net   | Hectares | Net   | Hectares | Net   |
|--------|--|--------------|--------------|------|-------|---------|--------------|-------|----------|-------|----------|-------|
| G      | WILLES DEN GREEN   | Jan 23, 1997 | Jan 22, 2001 | 15   | =     | No      | 40.000000000 | 0.000 | 0.000    | 0.000 | 0.000    | 0.000 |
| ACTIVE | TWP 42 RGE 9 W5M SEC 35  |              |              |      |       |         |              | 0.000 | 0.000    | 0.000 | 0.000    | 0.000 |
|        | ALL CBM FROM TOP SURFACE TO BASE ROCK CREEK  |              |              |      |       |         |              | 0.000 | 0.000    | 0.000 | 0.000    | 0.000 |
|        | EXCL CBM FROM TOP OSTRACOD_ZONE TO BASE ROCK_CREEK (EXCL. PROD. FROM 100/08-35-042-09W5/00 & /02 WELLS - TVD INTERVAL OF 2541 - 2582M) |              |              |      |       |         |              | 0.000 | 0.000    | 0.000 | 0.000    | 0.000 |

**Related Contracts**

|           |         |                  |
|-----------|---------|------------------|
| C00312 A  | P&S     | Sep 29, 2016 (I) |
| C00932 D  | JOA     | Jul 28, 2006     |
| C01157 AB | ROYALTY | May 19, 2017     |

**Royalty / Encumbrances**

| Product Type | Sliding Scale | Convertible | % of Prod/Sales         |
|--------------|---------------|-------------|-------------------------|
| ALL PRODUCTS | N             | N           | 40.000000000 % of SALES |

|                 |  |                    |
|-----------------|--|--------------------|
| <b>Min Pay:</b> |  | <b>Prod/Sales:</b> |
| <b>Max:</b>     |  | <b>Prod/Sales:</b> |
| <b>Div:</b>     |  | <b>Prod/Sales:</b> |
| <b>Min:</b>     |  | <b>Prod/Sales:</b> |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M00968 G \_\_\_\_\_ Royalty / Encumbrances

**Royalty Type**  
 CROWN SLIDING SCALE ROYALTYPALL PRODUCTS Y N 100.00000000 % of PROD

**Roy Percent:**  
 Deduction: STANDARD

**Gas: Royalty:**  
 S/S OIL: Min: \_\_\_\_\_ Max: \_\_\_\_\_

**Other Percent:**  
 Min Pay: \_\_\_\_\_ Prod/Sales: \_\_\_\_\_

Div: \_\_\_\_\_ Prod/Sales: \_\_\_\_\_

Min: \_\_\_\_\_ Prod/Sales: \_\_\_\_\_

**Remarks**

**Type** GENERAL **Date** Nov 21, 2012 **Description**  
 PTN LEASE/LANDS ACQUIRED THROUGH PETROLEUM, NATURAL GAS AND  
 GENERAL CONVEYANCE DATED NOVEMBER 19, 2012 BETWEEN DEVON  
 NEC CORPORATION, AS VENDOR, AND TOURNAMENT EXPLORATION  
 LTD., AS PURCHASER. (C0150)

| Area         | WILLESDEN GREEN | WI                 | Area          | WILLESDEN GREEN | WI          |
|--------------|-----------------|--------------------|---------------|-----------------|-------------|
| Sub: H       | LICENCE CR      | Eff: Jan 23, 1997  | 0.000         | C00932 A        | No          |
| ACTIVE       | WI              | Exp: Jan 22, 2001  | 0.000         | MANITOK         | 60.00000000 |
|              | 5497010205      | Ext: 15            | 0.000         | CENOVUS         | 40.00000000 |
|              | CNR             |                    |               |                 |             |
| 100.00000000 | CENOVUS         | Count Acreage = No | Total Rental: | 0.00            |             |

| Status | Hectares | Net   | Hectares | Net   | Related Contracts              |
|--------|----------|-------|----------|-------|--------------------------------|
| Prod:  | 0.000    | 0.000 | 0.000    | 0.000 | C00312 A P&S Sep 29, 2016 (I)  |
| Dev:   | 0.000    | 0.000 | 0.000    | 0.000 | C00808 A FARMOUT Aug 23, 2007  |
| Prov:  | 0.000    | 0.000 | 0.000    | 0.000 | C00932 A JOA Jul 28, 2006      |
|        |          |       |          |       | C01157 AC ROYALTY May 19, 2017 |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M00968 H Royalty / Encumbrances ----- Well U.W.I. Status/Type -----  
 100/08-35-042-09-W5/00 FLOWING/GAS  
 100/08-35-042-09-W5/02 COMMINGLE/GAS

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C00808 A GROSS OVERRIDING ROYALTY ALL PRODUCTS N 60.00000000 % of PROD  
 Roy Percent: 7.00000000  
 Deduction: YES  
 Gas: Royalty: Min Pay: Prod/Sales:  
 S/S OIL: Min: Div: Prod/Sales:  
 Other Percent: Min: Prod/Sales:

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C01157 ACROSS OVERRIDING ROYALTY ALL PRODUCTS N 60.00000000 % of SALES  
 Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty: Min Pay: Prod/Sales:  
 S/S OIL: Min: Div: Prod/Sales:  
 Other Percent: Min: Prod/Sales:

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

Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Jun 20, 2008 | JUNE 17, 2008 LETTER FROM THE CROWN: CONTINUES THE |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M00968 H \_\_\_\_\_ Remarks \_\_\_\_\_

**Description**  
 FOLLOWING LANDS UNDER SECTION 15 TWP 42 RGE 9 W5M SEC 25,  
 35 (PNG TO BAES ROCK CREEK)  
 THE FOLLOWING LANDS ARE TERMINATED: TWP 43 RGE 9 W5M SEC 10

| M00980       | PNG        | CR                | Eff: Dec 13, 2007 | 192.000 | WI            | Area: WILLESDEN GREEN        |
|--------------|------------|-------------------|-------------------|---------|---------------|------------------------------|
| Sub: A       | WI         | Exp: Dec 12, 2012 | 192.000           | MANITOK | 100.000000000 | TWP 42 RGE 8 W5M N 31, SE 31 |
| ACTIVE       | 0507120160 | Ext: 15           | 192.000           |         |               | ALL PNG FROM BASE CARDIUM TO |
| 100.00000000 | MANITOK    |                   |                   |         |               | BASE MANNVILLE               |
|              | MANITOK    |                   |                   |         |               |                              |

Total Rental: 672.00

| Status    | Hectares | Net     | Hectares | Net   | Related Contracts             |
|-----------|----------|---------|----------|-------|-------------------------------|
| DEVELOPED | 0.000    | 0.000   | 0.000    | 0.000 | C00312 A P&S Sep 29, 2016 (I) |
|           | 192.000  | 192.000 | 0.000    | 0.000 | C00997 A FO&OPT Apr 21, 2014  |
|           | 0.000    | 0.000   | 0.000    | 0.000 | C01157 M ROYALTY May 19, 2017 |

----- Well U.W.I. Status/Type -----  
 102/16-31-042-08-W5/00 FLOWING/GAS

**Royalty / Encumbrances**

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C00997 A | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 25.000000000 % of PROD |
|          | Roy Percent: 10.00000000 |              |               |             |                        |
|          | Deduction: NO            |              |               |             |                        |
|          | Gas Royalty:             | Max:         |               |             | Prod/Sales:            |
|          | S/S OIL: Min:            | Min:         |               |             | Prod/Sales:            |
|          | Other Percent:           |              |               |             | Prod/Sales:            |



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M00980 A

Royalty / Encumbrances

<Linked> Royalty Type  
 C01157 M GROSS OVERRIDING ROYALTY ALL PRODUCTS N 100.00000000 % of SALES  
 Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Max:  
 Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

Royalty Type  
 CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD  
 Roy Percent:  
 Deduction: STANDARD  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Max:  
 Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Dec 05, 2012 | RESPONSE RECEIVED FROM CROWN DATED OCT 24 2012. ALLOWING SEC 15 CONTINUATION FROM BELOW BASE CARDIUM TO BASE MANVILLE. SEE FILE FOR DETAILS.  |
| CONTINUE | Sep 12, 2012 | AGREEMENTS 0507120160 (M0073) AND 0507120161 (M0074) EXPIRING DECEMBER 12, 2012. ADVANCED RULING APPLICATION FAXED AND SENT BY COURIER TO CROWN SEPT 12 2012 TO CONTINUE UNDER SECTION 15(1)(E)- MAPPING. SEE FILE FOR DETAILS. W/O CROWN RESPONSE... |







Report Date: Oct 02, 2018  
 Page Number: 19

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M01181  
 Sub: B

|       |       |        |       |       |       |
|-------|-------|--------|-------|-------|-------|
| Prod: | 0.000 | NProd: | 0.000 | 0.000 | 0.000 |
| Dev:  | 0.000 | Undev: | 0.000 | 0.000 | 0.000 |
| Prov: | 0.000 | NProv: | 0.000 | 0.000 | 0.000 |

Well U.W.I. Status/Type  
 100/04-24-043-07-W5/00 DRILL CAS/UNK

**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

Roy Percent:  
 Deduction: STANDARD  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Max:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

**Remarks**

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Sep 12, 2012 | CONTINUATION APPLICATION SUBMITTED BY SUNCOR JUNE 28/12 REQUESTING SECTION 15 CONTINUATION BASED ON PRODUCTION --PER LETTER FROM CROWN DATED AUGUST 23, 2012, A PORTION OF LEASE HAS BEEN CONTINUED UNDER SECTION 15 -- INCLUDING ALL LANDS IN WHICH TOURNAMENT HAS AN INTEREST -- SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS. N&SW 24-43-7W5M - CONTINUED INDEFINITELY TO BASE ROCK CREEK UNDER SECTION 15. |
| GENERAL  | Sep 18, 2008 | LEASE FORMS PART OF NON CROSS-CONVEYED POOLING AGREEMENT DATED JUNE 5, 2008. RENTALS PAYABLE PETRO-CANADA 100%.  |
| VALIDATE | Sep 17, 2008 | LICENCE VALIDATED FOR A 5-YEAR TERM TO JULY 2012.  |

Report Date: Oct 02, 2018

Page Number: 20

\*\*REPORTED IN HECTARES\*\*

# MANITOK ENERGY, INC. Mineral Property Report

Category: MINERAL

| File Number  | Lse Type               | Lessor Type      | Exposure             | Oper. Cont.  | ROFR           | DOI Code    | Lease Description / Rights Held                                    |
|--------------|------------------------|------------------|----------------------|--------------|----------------|-------------|--|
| File Status  | Int Type / Lse No/Name | Operator / Payor | Gross                | Net          | Doi Partner(s) | *           | *  |
| Mineral Int  |                        |                  |                      |              |                |             |  |
| M01227       | PNG                    | CR               | 64.000               | C00946       | A No           | POOLED      | Area : WILLES DEN GREEN  |
| Sub: A       | WI                     |                  | 64.000               | MANITOK      |                | 66.67000000 | TWP 42 RGE 9 W5M NW 36   |
| ACTIVE       | 0505060804             | MANITOK          | 42.669               | WHITECAP RES |                | 33.33000000 | ALL PNG FROM TOP SURFACE TO<br>BASE CARDIUM<br>EXCL PNG IN CARDIUM |
| 100.00000000 | MANITOK                |                  | Total Rental: 224.00 |              |                |             |  |

----- Related Contracts -----

|           |         |                  |
|-----------|---------|------------------|
| C00312 A  | P&S     | Sep 29, 2016 (I) |
| C00945 A  | ROYALTY | Nov 02, 2009     |
| C00946 A  | POOL    | Nov 10, 2009     |
| C01157 AE | ROYALTY | May 19, 2017     |

### Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C00945 A | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 100.00000000 % of PROD |
|          | Roy Percent:             | 6.00000000   |               |             |                        |
|          | Deduction:               | UNKNOWN      |               |             |                        |
|          | Gas: Royalty:            |              |               |             | Prod/Sales:            |
|          | S/S OIL: Min:            |              |               |             | Prod/Sales:            |
|          | Other Percent:           |              |               |             | Prod/Sales:            |

| <Linked>  | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 AE | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 66.67000000 % of SALES |
|           | Roy Percent:             | 4.00000000   |               |             |                        |
|           | Deduction:               | NO           |               |             |                        |
|           | Gas: Royalty:            |              |               |             | Prod/Sales:            |
|           | S/S OIL: Min:            |              |               |             | Prod/Sales:            |
|           | Other Percent:           |              |               |             | Prod/Sales:            |

Royalty Type Sliding Scale Convertible % of Prod/Sales



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number | Lse Type               | Lessor Type      | Exposure | Oper.Cont. | ROFR           | DOI Code  | Lease Description / Rights Held |
|-------------|------------------------|------------------|----------|------------|----------------|-----------|---------------------------------|
| File Status | Int Type / Lse No/Name | Operator / Payor | Gross    | Net        | Doi Partner(s) | *         | *                               |
| M01227      | Sub: B                 |                  | 0.000    | 0.000      | 0.000          | 0.000     | 0.000                           |
|             |                        |                  | Dev:     | Undev:     |                |           |                                 |
|             |                        |                  | Prov:    | NProv:     |                |           |                                 |
|             |                        |                  |          |            |                | C01157 AF | ROYALTY                         |
|             |                        |                  |          |            |                |           | May 19, 2017                    |

(cont'd)

Royalty / Encumbrances

<Linked> Royalty Type  
 C00945 A GROSS OVERRIDING ROYALTY  
 Product Type ALL PRODUCTS Sliding Scale N Convertible N % of Prod/Sales 100.00000000  
 Roy Percent: 6.00000000  
 Deduction: UNKNOWN  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Max:  
 Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

<Linked> Royalty Type  
 C01157 AF GROSS OVERRIDING ROYALTY  
 Product Type ALL PRODUCTS Sliding Scale N Convertible N % of Prod/Sales 66.67000000  
 Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Max:  
 Min Pay:  
 Div:  
 Min:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

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



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

| Type     | Date         | Description  | Remarks |
|----------|--------------|--|---------|
| CONTINUE | Apr 18, 2011 | ADVANCED RULING APPLICATION FAXED AND COURIERED TO CROWN APRIL 18/11 REQUESTING SECTION 15 CONTINUANCE BASED ON THE 1-36 WELL... PER LETTER FROM CROWN DATED MAY 27, 2011 AND SEPTEMBER 19, 2011, LEASE CONTINUED INDEFINITELY UNDER A SECTION 15 TO BASE CARDIUM. SEE FILE FOR FURTHER DETAILS....CCD BARRICK & ROCKY LAYMAN... |         |
| CONTINUE | Mar 26, 2010 | ADVANCED RULING APPLICATION FAXED TO CROWN MARCH 4, 2010 REQUESTING CONTINUANCE UNDER SECTION 15 OR 8(1)(H). LEASE CONTINUED UNDER SECTION 17 FOR ONE YEAR UNTIL JUNE 30, 2011 -SECTION 17 FEES & RENTAL PAID TOTALLING \$1824.00. SEE LETTER ON FILE DATED MARCH 25, 2010.  |         |

| Area                                     | WILLES DEN GREEN | Area                                     | WILLES DEN GREEN                    | Area                                     | WILLES DEN GREEN               |
|--|------------------|--|-------------------------------------|--|--------------------------------|
| TWP 42 RGE 9 W5M SE 36                   | 66.67000000      | TWP 42 RGE 9 W5M SE 36                   | 66.67000000                         | TWP 42 RGE 9 W5M SE 36                   | 66.67000000                    |
| ALL PNG FROM TOP SURFACE TO BASE CARDIUM | 33.33000000      | ALL PNG FROM TOP SURFACE TO BASE CARDIUM | 33.33000000                         | ALL PNG FROM TOP SURFACE TO BASE CARDIUM | 33.33000000                    |
| Total Rental: 224.00                     |                  | Total Rental: 224.00                     |                                     | Total Rental: 224.00                     |                                |
| Status                                   | Hectares         | Net                                      | Hectares                            | Net                                      | Related Contracts              |
| DEVELOPED                                | 0.000            | 0.000                                    | 0.000                               | 0.000                                    | C00312 A P&S Sep 29, 2016 (I)  |
|  | 64.000           | 42.669                                   | 0.000                               | 0.000                                    | C00945 A ROYALTY Nov 02, 2009  |
|  | 0.000            | 0.000                                    | 0.000                               | 0.000                                    | C00946 A POOL Nov 10, 2009     |
|  |                  |  |                                     |  | C01157 AG ROYALTY May 19, 2017 |
| Royalty / Encumbrances                   |                  |  | Well U.W.I. Status/Type             |  |                                |
|  |                  |  | 100/02-36-042-09-W/5/00 FLOWING/OIL |  |                                |
|  |                  |  | 102/08-36-042-09-W/5/00 FLOWING/OIL |  |                                |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

|          |                          |              |               |             |                        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
| C00945 A | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 100.00000000 % of PROD |
|          | Roy Percent: 6.00000000  |              |               |             |                        |
|          | Deduction: UNKNOWN       |              |               |             |                        |
| M01230   | A                        | Max:         | Min Pay:      |             | Prod/Sales:            |
|          | Gas: Royalty:            |              | Div:          |             | Prod/Sales:            |
|          | S/S OIL: Min:            |              | Min:          |             | Prod/Sales:            |
|          | Other Percent:           |              |               |             |                        |

Royalty / Encumbrances

|          |                            |              |               |             |                        |
|----------|----------------------------|--------------|---------------|-------------|------------------------|
| <Linked> | Royalty Type               | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
| C01157   | AGGROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 66.67000000 % of SALES |
|          | Roy Percent: 4.00000000    |              |               |             |                        |
|          | Deduction: NO              |              |               |             |                        |
|          | Gas: Royalty:              |              | Min Pay:      |             | Prod/Sales:            |
|          | S/S OIL: Min:              |              | Div:          |             | Prod/Sales:            |
|          | Other Percent:             |              | Min:          |             | Prod/Sales:            |

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

Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Mar 26, 2010 | ADVANCED RULING APPLICATION FAXED TO CROWN MARCH 4, 2010 |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

| M01230 | A |  | Remarks   |
|--------|---|--|---|
|        |   |  | REQUESTING CONTINUANCE UNDER SECTION 15 OR 8(1)(H). LEASE CONTINUED INDEFINITELY TO BASE CARDIUM UNDER SECTION 15. SEE LETTER ON FILE DATED MARCH 25, 2010. |

| M01244        | PNG        | CR | Eff: Jan 14, 2010    | 256.000 | WI            | Area : WILLES DEN GREEN |
|---------------|------------|----|----------------------|---------|---------------|-------------------------|
| Sub: A        | WI         |    | Exp: Jan 13, 2015    | 256.000 | 100.000000000 | TWP 42 RGE 9 W5M SEC 26 |
| ACTIVE        | 0510010131 |    | Ext: 15              | 256.000 |               | ALL PNG IN CARDIUM      |
| 100.000000000 | MANITOK    |    | Total Rental: 896.00 |         |               |                         |
|               | MANITOK    |    |                      |         |               |                         |

----- Related Contracts -----  
 C00312 A P&S Sep 29, 2016 (I)  
 C01157 X ROYALTY May 19, 2017  
 ----- Well U.W.I. Status/Type -----  
 100/01-26-042-09-W5/00 FLOWING/OIL

Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales          |
|----------|--------------------------|--------------|---------------|-------------|--------------------------|
| C01157 X | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 100.000000000 % of SALES |
|          | Roy Percent:             | 4.000000000  |               |             |                          |
|          | Deduction:               | NO           |               |             |                          |
|          | Gas: Royalty:            |              |               |             |                          |
|          | S/S OIL: Min:            |              |               |             |                          |
|          | Other Percent:           |              |               |             |                          |
|          | Min Pay:                 |              |               |             | Prod/Sales:              |
|          | Div:                     |              |               |             | Prod/Sales:              |
|          | Min:                     |              |               |             | Prod/Sales:              |

Report Date: Oct 02, 2018  
 Page Number: 26

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M01244 A Royalty / Encumbrances

Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.000000000 % of PROD

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

Remarks

Type Date Description  
 CONTINUE Mar 25, 2015 PER CROWN RESPONSE LETTER DATED MARCH 11, 2015, SECTION 26 HAS BEEN CONTINUED INDEFINITELY UNDER SECTION 15 IN THE CARDIUM ONLY. TEX ALSO ACCEPTED CROWN'S OFFER OF A SECTION 17 CONTINUATION FROM SURFACE TO TOP CARDIUM AND BELOW BASE CARDIUM TO BASE ROCK CREEK (RIGHTS EXPIRED JAN 24/16). ENCANA'S INTERESTS IN LEASE HAVE EXPIRED. SEE FILE FOR FURTHER DETAILS.

| M01247 | PNG        | CR | Eff: | Jan 14, 2010 | 256.000 | C00977    | A | No | WI           | Area : WILLES DEN GREEN |
|--------|------------|----|------|--------------|---------|-----------|---|----|--------------|-------------------------|
| Sub: A | WI         |    | Exp: | Jan 13, 2015 | 256.000 | MANITOK   |   |    | 70.000000000 | TWP 42 RGE 9 W5M SEC 34 |
| ACTIVE | 0510010133 |    | Ext: | 15           | 179.200 | RIDGEBACK |   |    | 30.000000000 | ALL PNG IN CARDIUM      |

100.000000000 MANITOK  
 Status Hectares Net Hectares Net Hectares Net  
 Total Rental: 896.00  
 Related Contracts -----  
 C00312 A P&S Sep 29, 2016 (I)  
 C00977 A FO&OPT Feb 01, 2012

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number | Lse Type               | Lessor Type      | Exposure | Oper.Cont.     | ROFR   | DOI Code | Lease Description / Rights Held   |
|-------------|------------------------|------------------|----------|----------------|--------|----------|---|
| File Status | Int Type / Lse No/Name | Operator / Payor | Net      | Doi Partner(s) | *      | *        |   |
| M01247      | DEVELOPED              |                  | 0.000    | 0.000          | NProd: | 0.000    | C01157 Y ROYALTY May 19, 2017   |
|             |                        |                  | 64.000   | 44.800         | Undev: | 192.000  |   |
|             |                        |                  | 0.000    | 0.000          | NProv: | 0.000    | ----- Well U.W.I. Status/Type -----<br>100/16-34-042-09-W5/00 FLOWING/OIL |

(cont'd)

M01247

Sub: A

Prod: 0.000 NProd: 0.000 0.000  
 Dev: 64.000 44.800 Undev: 192.000 134.400  
 Prov: 0.000 0.000 NProv: 0.000 0.000

Royalty / Encumbrances

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C01157 Y GROSS OVERRIDING ROYALTY ALL PRODUCTS N N 70.00000000 % of SALES  
 Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Max: Min Pay: Prod/Sales:  
 Div: Div: Prod/Sales:  
 Min: Min: Prod/Sales:

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

Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | May 25, 2015 | PER LETTER FROM CROWN ON FILE DATED MAY 19, 2015, SECTION 34-42-9W5M HAS BEEN CONTINUED INDEFINITELY IN THE CARDIUM FORMATION ONLY, UNDER A SECTION 15. SEE FILE FOR FURTHER |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M01247 A \_\_\_\_\_ Remarks \_\_\_\_\_

| Type | Date | Description | DETAILS. |
|------|------|-------------|----------|
|------|------|-------------|----------|

M01251 PNG CR Eff: Jan 14, 2010 256.000 WI  
 Sub: A WI Exp: Jan 13, 2015 256.000 MANITOK 100.000000000  
 ACTIVE 0510010134 Ext: 15 256.000  
 MANITOK  
 100.000000000 MANITOK  
 Total Rental: 896.00

Area : WILLES DEN GREEN  
 TWP 43 RGE 9 W5M SEC 2  
 ALL PNG IN CARDIUM

----- Related Contracts -----  
 C00312 A P&S Sep 29, 2016 (I)  
 C01157 AH ROYALTY May 19, 2017  
 ----- Well U.W.I. StatusType -----  
 102/01-02-043-09-W5/00 FLOWING/OIL  
 100/02-02-043-09-W5/00 FLOWING/OIL

Royalty / Encumbrances

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C01157 AHGROSS OVERRIDING ROYALTY ALL PRODUCTS N 100.000000000 % of SALES

Roy Percent: 4.000000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:

Min Pay:  
 Div:  
 Min:

Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.000000000 % of PROD



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M01252 A  
 Roy Percent: 4.00000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Min Pay:  
 Div:  
 Max:  
 Prod/Sales:  
 Prod/Sales:  
 Prod/Sales:

Royalty / Encumbrances

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

Remarks

Type Date Description  
 CONTINUE Mar 25, 2015 PER CROWN RESPONSE LETTER DATED MARCH 11, 2015, ALL OF SECTION 10 HAS BEEN CONTINUED UNDER AN INDEFINITE SECTION 15 IN THE CARDIUM FORMATION ONLY. ALL OTHER RIGHTS HAVE BEEN ALLOWED TO EXPIRE. SEE FILE FOR FURTHER DETAILS.

M01253 LICENCE CR Eff: Jul 23, 1998 256.000 C00990 A No WI Area: WILLES DEN GREEN  
 Sub: A WI Exp: Jul 22, 2002 256.000 MANITOK 50.00000000 TWP 42 RGE 9 W5M SEC 13  
 ACTIVE 5498070066 Ext: 15 128.000 BELLATRIX 25.00000000 ALL PNG IN CARDIUM  
 BELLATRIX DAEWOOD E&P CAN 6.25000000 (EXCL 102/04-13-042-09W5/00  
 100.00000000 TAQA KIS DEVONIAN 18.75000000 PENALTY WELL)



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number | Lse Type               | Lessor Type      | Exposure | Oper.Cont. | ROFFR          | DOI Code | Lease Description / Rights Held |
|-------------|------------------------|------------------|----------|------------|----------------|----------|---------------------------------|
| File Status | Int Type / Lse No/Name | Operator / Payor | Gross    | Net        | Doi Partner(s) | *        | *                               |
| M01253      | Sub: A                 |                  |          |            |                |          |                                 |

(cont'd)

| Status    | Hectares | Prod: | Dev:    | Prov: | Net    | Hectares | Net    | Related Contracts                |
|-----------|----------|-------|---------|-------|--------|----------|--------|----------------------------------|
| DEVELOPED | 0.000    | 0.000 | 128.000 | 0.000 | 0.000  | 0.000    | 0.000  | C00312 A P&S Sep 29, 2016 (I)    |
|           |          |       |         |       | 64.000 | 128.000  | 64.000 | C00990 A SEISREVOPT Jun 30, 1999 |
|           |          |       |         |       | 0.000  | 0.000    | 0.000  | C01157 N ROYALTY May 19, 2017    |

Total Rental: 896.00  
 (EXCL. PRODUCTION FROM TVD INTERVAL 2648 - 2651M)

**Royalty / Encumbrances**

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 N | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 50.00000000 % of SALES |
|          | Roy Percent: 4.00000000  |              |               |             |                        |
|          | Deduction: NO            |              |               |             |                        |
|          | Gas: Royalty:            |              |               |             | Prod/Sales:            |
|          | S/S OIL: Min:            |              |               |             | Prod/Sales:            |
|          | Other Percent:           |              |               |             | Prod/Sales:            |

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| Roy Percent: STANDARD       |              |               |             |                        |
| Gas: Royalty:               |              |               |             | Prod/Sales:            |
| S/S OIL: Min:               |              |               |             | Prod/Sales:            |
| Other Percent:              |              |               |             | Prod/Sales:            |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

M01253 LICENCE CR Eff: Jul 23, 1998 B No WI  
 Sub: B WI Exp: Jul 22, 2002 0.000 MANITOK 50.000000000  
 ACTIVE 5498070066 Ext: 15 0.000 TAQA NORT 50.000000000  
 MANITOK  
 100.000000000 TAQA Count Acreage = No Total Rental: 0.00

Status Hectares Net Hectares Net  
 Prod: 0.000 0.000 NProd: 0.000 0.000  
 Dev: 0.000 0.000 Undev: 0.000 0.000  
 Prov: 0.000 0.000 NProv: 0.000 0.000

Area : WILLESDEN GREEN  
 TWP 42 RGE 9 W5M SEC 13  
 ALL PNG FROM TOP SURFACE TO  
 BASE ROCK\_CREEK  
 EXCL PNG IN ROCK\_CREEK  
 EXCL PNG IN CARDIUM  
 (EXCL. PRODUCTION FROM TVD  
 INTERVAL 2648 - 2651M)

----- Related Contracts -----  
 C00312 A P&S Sep 29, 2016 (I)  
 C00990 B SEISREVOPT Jun 30, 1999  
 C01157 O ROYALTY May 19, 2017

Royalty / Encumbrances

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C01157 O GROSS OVERRIDING ROYALTY ALL PRODUCTS N N 50.000000000 % of SALES  
 Roy Percent: 4.000000000  
 Deduction: NO  
 Gas: Royalty: Min Pay:  
 S/S OIL: Min: Div:  
 Other Percent: Max: Min:

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

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number   | Lse Type               | Lessor Type        | Exposure | Oper.Cont.     | ROFR | DOI Code     | Lease Description / Rights Held |
|---------------|------------------------|--------------------|----------|----------------|------|--------------|---------------------------------|
| File Status   | Int Type / Lse No/Name | Operator / Payor   | Net      | Doi Partner(s) | *    | *            |                                 |
| M01253        | LICENCE CR             | Eff: Jul 23, 1998  | 0.000    | C00990         | C No | BPEN         | Area : WILLESDEN GREEN          |
| Sub: C        | PEN                    | Exp: Jul 22, 2002  | 0.000    | BELLATRIX      |      | 75.000000000 | TWP 42 RGE 9 W5M SEC 13         |
| ACTIVE        | 5498070066             | Ext: 15            | 0.000    | DAEWOO E&P CAN |      | 6.250000000  | ALL PNG IN CARDIUM              |
|               | MANITOK                |                    |          | KIS DEVONIAN   |      | 18.750000000 | (102/04-13-042-09W5/00 PENALTY  |
| 100.000000000 | TAQA                   | Count Acreage = No |          | MANITOK        |      |              | WELL)                           |

Total Rental: 0.00

----- Related Contracts -----  
 C00312 A P&S Sep 29, 2016 (I)  
 C00990 C SEISREVOPT Jun 30, 1999  
 C01157 P ROYALTY May 19, 2017  
 ----- Well U.W.I. Status/Type -----  
 102/04-13-042-09-W5/00 FLOWING/OIL

Royalty / Encumbrances

| <Linked>                    | Royalty Type             | Product Type | Sliding Scale | Convertible   | % of Prod/Sales         |
|-----------------------------|--------------------------|--------------|---------------|---------------|-------------------------|
| C01157 P                    | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N             | 50.000000000 % of SALES |
|                             | Roy Percent: 4.000000000 |              |               |               |                         |
|                             | Deduction: NO            |              |               |               |                         |
|                             | Gas: Royalty:            | Max:         | Min Pay:      |               | Prod/Sales:             |
|                             | S/S OIL: Min:            |              | Div:          |               | Prod/Sales:             |
|                             | Other Percent:           |              | Min:          |               | Prod/Sales:             |
|                             | Royalty Type             | Product Type | Sliding Scale | Convertible   | % of Prod/Sales         |
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS             | Y            | N             | 100.000000000 | % of PROD               |
|                             | Roy Percent:             |              |               |               |                         |
|                             | Deduction: STANDARD      |              |               |               |                         |
|                             | Gas: Royalty:            | Max:         | Min Pay:      |               | Prod/Sales:             |
|                             | S/S OIL: Min:            |              | Div:          |               | Prod/Sales:             |
|                             | Other Percent:           |              | Min:          |               | Prod/Sales:             |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

| Type    | Date         | Description  | Remarks |
|---------|--------------|--|---------|
| GENERAL | May 12, 2014 | TOURNAMENT ELECTED TO GO PENALTY FOR 300% ON THE BELLATRIX HZ WILLGR 4-13-42-9W5 WELL. SEE CONTRACT FOR FURTHER DETAILS. |         |

|              |            |    |                   |         |         |   |
|--------------|------------|----|-------------------|---------|---------|---|
| M01254       | PNG        | CR | Eff: Aug 26, 1999 | 256.000 | WI      | Area : WILLES DEN GREEN   |
| Sub: A       | WI         |    | Exp: Aug 25, 2004 | 256.000 | MANITOK | TWP 42 RGE 9 W5M SEC 23   |
| ACTIVE       | 0599080333 |    | Ext: 15           | 256.000 |         | ALL PNG FROM TOP SURFACE TO BASE ROCK_CREEK   |
| 100.00000000 | MANITOK    |    | Total Rental:     | 896.00  |         | EXCL PNG FROM TOP   |
|              | CNRL       |    |                   |         |         | OSTRACOD_ZONE TO BASE ROCK_CREEK (EXCLUDING THE OSTRACOD TO ROCK CREEK PRODUCTION BETWEEN INTERVALS OF 2602 TO 2643M) |

----- Related Contracts -----  
 C00312 A P&S Sep 29, 2016(I)  
 C01157 Q ROYALTY May 19, 2017

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales         |
|----------|--------------------------|--------------|---------------|-------------|-------------------------|
| C01157 Q | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 100.00000000 % of SALES |
|          | Roy Percent:             | 4.00000000   |               |             |                         |
|          | Deduction:               | NO           |               |             |                         |
|          | Gas: Royalty:            |              |               |             |                         |
|          | S/S OIL: Min:            |              |               |             |                         |
|          | Other Percent:           |              |               |             |                         |
|          | Min Pay:                 |              |               |             |                         |
|          | Div:                     |              |               |             |                         |
|          | Min:                     |              |               |             |                         |
|          | Prod/Sales:              |              |               |             |                         |
|          | Prod/Sales:              |              |               |             |                         |
|          | Prod/Sales:              |              |               |             |                         |

----- Well U.W.I. Status/Type -----  
 100/01-23-042-09-W5/00 FLOWING/OIL  
 100/02-23-042-09-W5/00 FLOWING/OIL

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M01254 A

**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| Roy Percent:                | STANDARD     |               |             |                        |
| Deduction:                  | STANDARD     |               |             |                        |
| Gas: Royalty:               | Max:         | Min Pay:      | Prod/Sales: |                        |
| S/S OIL: Min:               | Max:         | Div:          | Prod/Sales: |                        |
| Other Percent:              | Min:         | Min:          | Prod/Sales: |                        |

**Remarks**

| Type    | Date         | Description   |
|---------|--------------|---|
| GENERAL | Nov 21, 2012 | LEASE/LANDS ACQUIRED THROUGH PETROLEUM, NATURAL GAS AND GENERAL CONVEYANCE DATED NOVEMBER 19, 2012 BETWEEN DEVON NEC CORPORATION, AS VENDOR, AND TOURNAMENT EXPLORATION LTD., AS PURCHASER. (C0150)   |
| TRUST   | Dec 12, 2012 | TRUST AGREEMENT DATED NOV 19/12 WHEREBY DEVON NEC (NOW CANADIAN NATURAL RESOURCES LIMITED PER NOA ON FILE) HOLDS TOURNAMENT IN TRUST UNDER LEASE FOR P&NG TO TOP ROCK CREEK. SEE FILE FOR FURTHER DETAILS.  |
| ASSIGN  | Apr 14, 2014 | NOA TO TRUST AGREEMENT ORIGINALLY BETWEEN DEVON NEC CORPORATION, AS TRUSTE, AND TOURNAMENT EXPLORATION LTD., AS BENEFICIARY, WHEREBY DEVON ASSIGNED THEIR ENTIRE INTEREST IN THE TRUST AGREEMENT TO CANADIAN NATURAL RESOURCES LIMITED. NOA BINDING JUNE 1, 2014. SEE FILE FOR FURTHER DETAILS. |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number  | Lse Type               | Lessor Type        | Exposure | Oper. Cont.    | ROFR           | DOI Code     | Lease Description / Rights Held |
|--------------|------------------------|--------------------|----------|----------------|----------------|--------------|---------------------------------|
| File Status  | Int Type / Lse No/Name | Operator / Payor   | Gross    | Net            | DOI Partner(s) | *            | *                               |
| M01258       | PNG                    | CR                 | 0.000    | C00992         | A No           | WI           | Area : WILLESDEN GREEN          |
| Sub: A       | WI                     |                    | 0.000    | MANITOK        |                | 19.500000000 | TWP 42 RGE 9 W5M SEC 24         |
| ACTIVE       | 0599080334             | SINOPEC DAYLGT     | 0.000    | ENERPLUS CORP  |                | 35.000000000 | ALL PNG FROM TOP SURFACE TO TOP |
| 100.00000000 | ENERPLUS CORP          | Count Acreage = No |          | SINOPEC DAYLGT |                | 19.500000000 | CARDIUM                         |
|              | ENERPLUS CORP          |                    |          | INPLAY         |                | 26.000000000 |                                 |

----- Related Contracts -----  
 C00312 A P&S Sep 29, 2016 (I)  
 C00992 A FO&OPT Dec 03, 2004  
 C01157 R ROYALTY May 19, 2017

Total Rental: 0.00

| Status | Hectares | Net   | Hectares | Net   |
|--------|----------|-------|----------|-------|
| Prod:  | 0.000    | 0.000 | 0.000    | 0.000 |
| Dev:   | 0.000    | 0.000 | 0.000    | 0.000 |
| Prov:  | 0.000    | 0.000 | 0.000    | 0.000 |

**Royalty / Encumbrances**

| <Linked> | Royalty Type                | Product Type | Sliding Scale   | Convertible | % of Prod/Sales         |
|----------|-----------------------------|--------------|---|-------------|-------------------------|
| C01157 R | GROSS OVERRIDING ROYALTY    | ALL PRODUCTS | N   | N           | 19.500000000 % of SALES |
|          | Roy Percent: 4.000000000    |              |   |             |                         |
|          | Deduction: NO               |              |   |             |                         |
|          | Gas: Royalty:               | Max:         | Min Pay:  |             | Prod/Sales:             |
|          | S/S OIL: Min:               |              | Div:  |             | Prod/Sales:             |
|          | Other Percent:              |              | Min:  |             | Prod/Sales:             |
|          |                             |              |   |             |                         |
|          | Royalty Type                | Product Type | Sliding Scale <td>Convertible</td> <td>% of Prod/Sales</td> | Convertible | % of Prod/Sales         |
|          | CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y   | N           | 100.000000000 % of PROD |
|          | Roy Percent: STANDARD       |              |   |             |                         |
|          | Deduction:                  |              |   |             |                         |
|          | Gas: Royalty:               | Max:         | Min Pay:  |             | Prod/Sales:             |
|          | S/S OIL: Min:               |              | Div:  |             | Prod/Sales:             |
|          | Other Percent:              |              | Min:  |             | Prod/Sales:             |



**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

M01258 B Gas: Royalty: S/S OIL: Min: Other Percent: Max: Min Pay: Div: Min: Prod/Sales: Prod/Sales: Prod/Sales:

M01264 LICENCE CR Eff: Oct 04, 2012 Exp: Oct 03, 2016 Ext: INTERM Ext: Oct 03, 2021  
 Sub: A WI 64.000 MANITOK \* 100.000000000 WI  
 ACTIVE 5412100231 64.000  
 MANITOK Total Rental: 224.00  
 100.000000000 INPLAY

Area : WILLESDEN GREEN  
 TWP 42 RGE 8 W5M SW 31  
 ALL PNG FROM BASE CARDIUM TO  
 BASE MANNVILLE

----- Related Contracts -----

C00312 A P&S Sep 29, 2016 (I)  
 C00997 FO&OPT Apr 21, 2014  
 C00997 A FO&OPT Apr 21, 2014  
 C01157 M ROYALTY May 19, 2017

----- Well U.W.I. Status/Type -----  
 102/16-31-042-08-W5/00 FLOWING/GAS

Royalty / Encumbrances

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C00997 A GROSS OVERRIDING ROYALTY ALL PRODUCTS N 25.000000000 % of PROD

Roy Percent: 10.000000000  
 Deduction: NO  
 Gas: Royalty:  
 S/S OIL: Min:  
 Other Percent:  
 Max: Min Pay: Div: Min: Prod/Sales: Prod/Sales: Prod/Sales:

<Linked> Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
 C01157 M GROSS OVERRIDING ROYALTY ALL PRODUCTS N 100.000000000 % of SALES  
 Roy Percent: 4.000000000





**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

|        |   |             |       |       |        |         |         |
|--------|---|-------------|-------|-------|--------|---------|---------|
| M01276 | A | UNDEVELOPED | 0.000 | 0.000 | 0.000  | 256.000 | 256.000 |
|        |   |             | 0.000 | 0.000 | NProv: | 0.000   | 0.000   |

Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales          |
|----------|--------------------------|--------------|---------------|-------------|--------------------------|
| C01157 M | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 100.000000000 % of SALES |
|          | Roy Percent:             |              |               |             |                          |
|          | Deduction:               |              |               |             |                          |
|          | Gas: Royalty:            |              |               |             |                          |
|          | S/S OIL: Min:            |              |               |             |                          |
|          | Other Percent:           |              |               |             |                          |

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales         |
|-----------------------------|--------------|---------------|-------------|-------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.000000000 % of PROD |
| Roy Percent:                |              |               |             |                         |
| Deduction:                  |              |               |             |                         |
| Gas: Royalty:               |              |               |             |                         |
| S/S OIL: Min:               |              |               |             |                         |
| Other Percent:              |              |               |             |                         |

Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Dec 05, 2012 | PER CROWN LETTER ON FILE DATED OCTOBER 24, 2012, LEASE |
|          |              | 2012-DEC-05  |
|          |              | CONTINUED INDEFINITELY BELOW BASE CARDIUM TO BASE      |
|          |              | MANNVILLE. SEE FILE FOR FURTHER DETAILS.               |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

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

(cont'd)

|        |   |  |  |  |  |  |   |
|--------|---|--|--|--|--|--|---|
| M01276 | A |  |  |  |  |  | Remarks   |
|        |   |  |  |  |  |  | <p><b>Description</b><br/>           AGREEMENTS 0507120160 (M0073) AND 0507120161 (M0074)<br/>           EXPIRING 2012-SEP-12<br/>           DECEMBER 12, 2012. ADVANCED RULING APPLICATION FAXED AND<br/>           SENT BY COURIER TO CROWN SEPT 12 2012 TO CONTINUE UNDER<br/>           SECTION 15(1)(E)- MAPPING.<br/>           SEE FILE FOR DETAILS.</p> |

**MANITOK ENERGY, INC.**  
**Mineral Property Report**

Category: MINERAL

\*\*REPORTED IN HECTARES\*\*

| File Number            | Lse Type               | Lessor Type | Exposure Gross    | Oper. Cont.    | ROFR | DOI Code | Lease Description / Rights Held |
|------------------------|------------------------|-------------|-------------------|----------------|------|----------|---------------------------------|
| File Status            | Int Type / Lse No/Name |             | Net               | DoI Partner(s) | *    | *        |                                 |
| <b>Category Total:</b> | <b>Total Gross:</b>    | 3,200.000   | <b>Total Net:</b> | 2,475.527      |      |          |                                 |
|                        | <b>Prod Gross:</b>     | 0.000       | <b>Prod Net:</b>  | 0.000          |      |          | <b>NProd Net:</b> 0.000         |
|                        | <b>Dev Gross:</b>      | 1,728.000   | <b>Dev Net:</b>   | 1,255.578      |      |          | <b>Undev Net:</b> 1,219.949     |
|                        | <b>Prov Gross:</b>     | 0.000       | <b>Prov Net:</b>  | 0.000          |      |          | <b>NProv Net:</b> 0.000         |
|                        |                        |             |                   |                |      |          |                                 |
| <b>Report Total:</b>   | <b>Total Gross:</b>    | 3,200.000   | <b>Total Net:</b> | 2,475.527      |      |          |                                 |
|                        | <b>Prod Gross:</b>     | 0.000       | <b>Prod Net:</b>  | 0.000          |      |          | <b>NProd Net:</b> 0.000         |
|                        | <b>Dev Gross:</b>      | 1,728.000   | <b>Dev Net:</b>   | 1,255.578      |      |          | <b>Undev Net:</b> 1,219.949     |
|                        | <b>Prov Gross:</b>     | 0.000       | <b>Prov Net:</b>  | 0.000          |      |          | <b>NProv Net:</b> 0.000         |

\*\* End of Report \*\*

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.

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**Wells and Facilities**

The following three (3) pages comprise Schedule "B".

**Willesden Green  
Wells**

| Area            | License | CPA Pretty Well ID    | Well Name                            | Surface Location | WIP Company         | WIP        | Operator Name      | Producing Zone |
|-----------------|---------|-----------------------|--------------------------------------|------------------|---------------------|------------|--------------------|----------------|
| WILLESDEN GREEN | 0468348 | 102/16-31-042-08W5/00 | MNK WILLGR 16-31-42-8                | 13-30-042-08W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | NTKN           |
| WILLESDEN GREEN | 0456782 | 100/01-13-042-09W5/00 | BELLATRIX WILLGR 1-13-42-9           | 01-24-042-09W5   | MANITOK ENERGY INC. | 50.000000  | Bellatrix Expl Ltd | CRDM           |
| WILLESDEN GREEN | 0456783 | 100/02-13-042-09W5/00 | BELLATRIX WILLGR 2-13-42-9           | 01-24-042-09W5   | MANITOK ENERGY INC. | 50.000000  | Bellatrix Expl Ltd | CRDM           |
| WILLESDEN GREEN | 0462770 | 100/03-13-042-09W5/00 | BELLATRIX HZ WILLGR 3-13-42-9        | 03-24-042-09W5   | MANITOK ENERGY INC. | 50.000000  | Bellatrix Expl Ltd | CRDM           |
| WILLESDEN GREEN | 0456665 | 100/01-23-042-09W5/00 | MNK WILLGR 1-23-42-9                 | 01-26-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0456666 | 100/02-23-042-09W5/00 | MNK WILLGR 2-23-42-9                 | 01-26-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0461514 | 100/01-24-042-09W5/00 | MNK WILLGR 1-24-42-9                 | 01-25-042-09W5   | MANITOK ENERGY INC. | 19.500000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0461903 | 100/02-24-042-09W5/00 | MNK WILLGR 2-24-42-9                 | 01-25-042-09W5   | MANITOK ENERGY INC. | 19.500000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0466805 | 102/03-24-042-09W5/00 | MNK WILLGR 3-24-42-9                 | 01-25-042-09W5   | MANITOK ENERGY INC. | 19.500000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0459263 | 100/13-24-042-09W5/00 | INPLAY OIL WILLGR 13-24-42-9         | 14-13-042-09W5   | MANITOK ENERGY INC. | 19.500000  | Inplay Oil Corp    | CRDM           |
| WILLESDEN GREEN | 0455194 | 100/14-24-042-09W5/00 | TIMBERROCK ETAL HZ WILLGR 14-24-42-9 | 14-13-042-09W5   | MANITOK ENERGY INC. | 19.500000  | Bellatrix Expl Ltd | CRDM           |
| WILLESDEN GREEN | 0445148 | 100/02-25-042-09W5/00 | MNK WILLGR 2-25-42-9                 | 03-36-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0443981 | 100/03-25-042-09W5/00 | MNK WILLGR 3-25-42-9                 | 03-36-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0385484 | 100/04-25-042-09W5/00 | MNK WILLGR 4-25-42-9                 | 06-25-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | NRDG           |
| WILLESDEN GREEN | 0385484 | 100/04-25-042-09W5/02 | MNK WILLGR 4-25-42-9                 | 06-25-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | NRDG           |
| WILLESDEN GREEN | 0435575 | 102/04-25-042-09W5/00 | MNK WILLGR 4-25-42-9                 | 01-35-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0419129 | 103/09-25-042-09W5/00 | MNK WILLGR 9-25-42-9                 | 01-25-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0458042 | 102/16-25-042-09W5/00 | MNK WILLGR 16-25-42-9                | 16-24-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0445940 | 100/01-26-042-09W5/00 | MNK WILLGR 1-26-42-9                 | 01-35-042-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0445955 | 100/16-34-042-09W5/00 | MNK WILLGR 16-34-42-9                | 15-27-042-09W5   | MANITOK ENERGY INC. | 70.000000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0379836 | 100/08-35-042-09W5/00 | CNRL WILLGR 8-35-42-9                | 08-35-042-09W5   | MANITOK ENERGY INC. | 60.000000  | Cdn Nat Rsrcs Ltd  | RCKK           |
| WILLESDEN GREEN | 0379836 | 100/08-35-042-09W5/02 | CNRL WILLGR 8-35-42-9                | 08-35-042-09 W5  | MANITOK ENERGY INC. | 60.000000  | Cdn Nat Rsrcs Ltd  |                |
| WILLESDEN GREEN | 0449258 | 100/13-35-042-09W5/00 | MNK WILLGR 13-35-42-9                | 14-26-042-09W5   | MANITOK ENERGY INC. | 60.000000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0440170 | 100/14-35-042-09W5/00 | MNK WILLGR 14-35-42-9                | 14-26-042-09W5   | MANITOK ENERGY INC. | 60.000000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0419130 | 100/16-35-042-09W5/00 | MNK WILLGR 16-35-42-9                | 01-35-042-09W5   | MANITOK ENERGY INC. | 60.000000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0418547 | 100/02-36-042-09W5/00 | MNK WILLGR 2-36-42-9                 | 01-35-042-09W5   | MANITOK ENERGY INC. | 66.670000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0435576 | 102/08-36-042-09W5/00 | MNK WILLGR 8-36-42-9                 | 01-35-042-09W5   | MANITOK ENERGY INC. | 66.670000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0445982 | 100/01-10-043-09W5/00 | MNK WILLGR 1-10-43-9                 | 01-15-043-09W5   | MANITOK ENERGY INC. | 70.000000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0445983 | 102/01-02-043-09W5/00 | MNK WILLGR 1-2-43-9                  | 01-11-043-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0459820 | 100/02-02-043-09W5/00 | MNK WILLGR 2-2-43-9                  | 01-11-043-09W5   | MANITOK ENERGY INC. | 100.000000 | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0458960 | 100/02-10-043-09W5/00 | MNK WILLGR 2-10-43-9                 | 01-15-043-09W5   | MANITOK ENERGY INC. | 70.000000  | Manitok Enrg Inc   | CRDM           |
| WILLESDEN GREEN | 0466721 | 104/03-10-043-09W5/00 | MNK WILLGR 3-10-43-9                 | 03-15-043-09W5   | MANITOK ENERGY INC. | 70.000000  | Manitok Enrg Inc   | CRDM           |

**Willesden Green  
Facilities**

| Area            | Licence | Description | Sub Type                          | Surface Location | Status  | Licensee            | WIP        |
|-----------------|---------|-------------|-----------------------------------|------------------|---------|---------------------|------------|
| WILLESDEN GREEN | F46706  | Battery     | Crude Oil Multiwell Group Battery | 01-25-042-09W5   | Issued  | MANITOK ENERGY INC. | 80.440000  |
| WILLESDEN GREEN | F47251  | Satellite   |                                   | 01-25-042-09W5   | Issued  | MANITOK ENERGY INC. | 80.440000  |
| WILLESDEN GREEN | F46362  | Battery     |                                   | 01-26-042-09W5   | Issued  | MANITOK ENERGY INC. | 100.000000 |
| WILLESDEN GREEN | F45705  | Battery     |                                   | 14-26-042-09W5   | Issued  | MANITOK ENERGY INC. | 60.000000  |
| WILLESDEN GREEN | F42758  | Battery     |                                   | 01-35-042-09W5   | Amended | MANITOK ENERGY INC. | 78.670000  |
| WILLESDEN GREEN | F45961  | Battery     |                                   | 03-36-042-09W5   | Issued  | MANITOK ENERGY INC. | 100.000000 |
| WILLESDEN GREEN | F46604  | Battery     |                                   | 01-11-043-09W5   | Issued  | MANITOK ENERGY INC. | 100.000000 |
| WILLESDEN GREEN | F46506  | Battery     |                                   | 01-15-043-09W5   | Issued  | MANITOK ENERGY INC. | 70.000000  |

**Willesden Green  
Pipelines**

| Area            | Lic_Line | Substance | From Location  | From Facility | To Location    | To Facility | Licensee            | Status          | Diam (mm) | Length (km) |
|-----------------|----------|-----------|----------------|---------------|----------------|-------------|---------------------|-----------------|-----------|-------------|
| WILLESDEN GREEN | 47917-18 | NG        | 01-25-042-09W5 | Well          | 06-25-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 1.16        |
| WILLESDEN GREEN | 47917-24 | NG        | 15-27-042-09W5 | Well          | 10-27-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 0.46        |
| WILLESDEN GREEN | 47917-28 | NG        | 01-25-042-09W5 | Battery       | 08-25-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 0.36        |
| WILLESDEN GREEN | 50894-10 | OE        | 06-25-042-09W5 | Pipeline      | 01-25-042-09W5 | Battery     | MANITOK ENERGY INC. | Operating       | 219.1     | 1.2         |
| WILLESDEN GREEN | 50894-13 | OE        | 14-26-042-09W5 | Battery       | 01-26-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 1.61        |
| WILLESDEN GREEN | 50894-14 | OE        | 16-24-042-09W5 | Well          | 01-25-042-09W5 | Battery     | MANITOK ENERGY INC. | Operating       | 114.3     | 0.35        |
| WILLESDEN GREEN | 50894-15 | OE        | 16-10-043-09W5 | Blind end     | 01-15-043-09W5 | Blind end   | MANITOK ENERGY INC. | Discontinued    | 114.3     | 0.42        |
| WILLESDEN GREEN | 50894-16 | OE        | 01-25-042-09W5 | Battery       | 08-19-042-08W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 2.09        |
| WILLESDEN GREEN | 50894-17 | OE        | 01-35-042-09W5 | Battery       | 06-25-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 219.1     | 1.67        |
| WILLESDEN GREEN | 50894-18 | OE        | 03-15-043-09W5 | Battery       | 01-15-043-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 0.92        |
| WILLESDEN GREEN | 50894-19 | OE        | 13-36-042-09W5 | Blind end     | 05-06-043-08W5 | Blind end   | MANITOK ENERGY INC. | Discontinued    | 168.3     | 1.51        |
| WILLESDEN GREEN | 50894-2  | OE        | 13-36-042-09W5 | Pipeline      | 01-35-042-09W5 | Battery     | MANITOK ENERGY INC. | Operating       | 168.3     | 1.57        |
| WILLESDEN GREEN | 50894-3  | OE        | 03-36-042-09W5 | Well          | 01-35-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 0.76        |
| WILLESDEN GREEN | 50894-4  | OE        | 01-11-043-09W5 | Well          | 13-36-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 2.76        |
| WILLESDEN GREEN | 50894-5  | OE        | 01-15-043-09W5 | Battery       | 01-11-043-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 2.67        |
| WILLESDEN GREEN | 50894-6  | OE        | 03-15-043-09W5 | Battery       | 01-15-043-09W5 | Pipeline    | MANITOK ENERGY INC. | Not Constructed | 168.3     | 0.92        |
| WILLESDEN GREEN | 50894-8  | OE        | 01-26-042-09W5 | Battery       | 01-26-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 0.28        |
| WILLESDEN GREEN | 50894-9  | OE        | 01-26-042-09W5 | Pipeline      | 06-25-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 0.84        |
| WILLESDEN GREEN | 54658-1  | NG        | 06-25-042-09W5 | Pipeline      | 01-26-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 0.89        |
| WILLESDEN GREEN | 54658-2  | NG        | 01-26-042-09W5 | Pipeline      | 01-26-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 0.2         |
| WILLESDEN GREEN | 54658-3  | NG        | 01-26-042-09W5 | Pipeline      | 03-23-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 114.3     | 1.66        |
| WILLESDEN GREEN | 54658-4  | NG        | 03-23-042-09W5 | Pipeline      | 10-14-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 1.29        |
| WILLESDEN GREEN | 54658-5  | NG        | 10-14-042-09W5 | Pipeline      | 05-10-042-09W5 | Pipeline    | MANITOK ENERGY INC. | Operating       | 168.3     | 3.04        |
| WILLESDEN GREEN | 57589-1  | NG        | 01-35-042-09W5 | Blind end     | 08-35-042-09W5 | Blind end   | MANITOK ENERGY INC. | Discontinued    | 88.9      | 0.37        |



[THE FOLLOWING COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.]

**RIGHTS OF FIRST REFUSAL**

Nil.

THE FOLLOWING COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.

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### **GENERAL CONVEYANCE**

**THIS GENERAL CONVEYANCE** made as of this \_\_\_\_ day of \_\_\_\_\_, 2018.

#### **BETWEEN:**

**ALVAREZ & MARSAL CANADA INC.**, in its capacity as the receiver and manager of MANITOK ENERGY INC. and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

**SHANGHAI ENERGY CORPORATION**, a corporation incorporated under the laws of Alberta (hereinafter referred to as "**Purchaser**")

**WHEREAS** pursuant to an order of the Honourable Madam Justice K.M. Horner of the Alberta Court of Queen's Bench (the "**Court**") dated February 20, 2018 (the "**Appointment Order**"), Alvarez & Marsal Canada Inc. ("**Receiver**") was appointed receiver and manager of MANITOK ENERGY INC. ("**Manitok**");

**AND WHEREAS** Vendor wishes to sell, and Purchaser wishes to purchase, the Assets subject to and in accordance with the terms and conditions contained herein;

**NOW THEREFORE** for the consideration provided in the Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

#### **1. Definitions**

In this General Conveyance, including the recitals hereto, the definitions set forth in the Purchase Agreement are adopted herein by reference and, in addition:

"**Purchase Agreement**" means that Purchase and Sale Agreement between Vendor and Purchaser dated October 10, 2018.

#### **2. Conveyance**

Pursuant to and for the consideration provided for in the Purchase Agreement, Vendor hereby sells, assigns, transfers, conveys and sets over to Purchaser the entire right, title, estate and interest of Vendor in and to the Assets, to have and to hold the same absolutely, together with all benefit and advantage to be derived therefrom.

#### **3. Subordinate Document**

This General Conveyance is executed and delivered by the Parties pursuant to the Purchase Agreement and the provisions of the Purchase Agreement shall prevail in the event of a conflict between the provisions of the Purchase Agreement and the provisions of this General Conveyance.

#### **4. No Merger**

The covenants, representations, warranties and indemnities contained in the Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of

any covenant, representation, warranty or indemnity contained in the Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

**5. Governing Law**

This General Conveyance shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

**6. Enurement**

This General Conveyance shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

**7. Further Assurances**

Each Party will, from time to time and at all times hereafter, at the request of the other Party but without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms hereof.

**8. Counterpart Execution**

This Agreement may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

**IN WITNESS WHEREOF**, the Parties have executed this General Conveyance on the date first above written.

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity

**SHANGHAI ENERGY CORPORATION**

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

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

THE FOLLOWING COMPRISES SCHEDULE "E" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.

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**[VENDOR'S][PURCHASER'S] OFFICER'S CERTIFICATE**

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

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

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

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

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

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, 2018.

**[Name of Vendor/Purchaser]**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE FOLLOWING COMPRISES SCHEDULE "F" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.

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**COURT ORDER**

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF

DEFENDANT

DOCUMENT

**APPROVAL AND VESTING ORDER  
(Sale by Receiver)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

**DATE ON WHICH ORDER WAS PRONOUNCED:** \_\_\_\_\_

**LOCATION WHERE ORDER WAS PRONOUNCED:** \_\_\_\_\_

**NAME OF JUSTICE WHO MADE THIS ORDER:** \_\_\_\_\_

**UPON THE APPLICATION** by **[Receiver's Name]** in its capacity as the Court-appointed **[receiver/receiver and manager]** (the "Receiver") of the undertaking, property and assets of **[Debtor]** (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") dated **[Date]** and appended to the \_\_\_ Report of the Receiver dated **[Date]** (the "Report"), and vesting in the Purchaser (or its nominee)<sup>1</sup> the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets");

**AND UPON HAVING READ** the Receivership Order dated **[Date]** (the "Receivership Order"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser **[Names of other parties appearing]**, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

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<sup>1</sup> Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)

## IT IS HEREBY ORDERED AND DECLARED THAT:

### SERVICE

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

### APPROVAL OF TRANSACTIONS

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

### VESTING OF PROPERTY

[3] Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in Schedule "A" hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule "B" hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats,<sup>1</sup> mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims")<sup>3</sup> including, without limiting the generality of the foregoing:

any encumbrances or charges created by the Receivership Order;

all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and

those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats,<sup>2</sup> easements and restrictive covenants listed on **Schedule "D"**); and,

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<sup>2</sup> In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding.

<sup>3</sup> The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.<sup>4</sup>

- [4] Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "Registrar") is hereby authorized, requested, and directed to cancel the existing Certificate of Title No. \* for those lands and premises municipally described as \*, and legally described as:

\*

**(the "Lands")**

and to issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, \*, and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to those encumbrances (the "Permitted Encumbrances") listed on **Schedule "D"** hereto.<sup>5</sup>

- [5] This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the Land Titles Act, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

- [6] For the purposes of determining the nature and priority of Claims, the net proceeds<sup>6</sup> from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale<sup>7</sup>, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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<sup>4</sup> Should the removal of Encumbrances include removal of registrations at the Personal Property Registry involving serial numbered personal property, include this paragraph:

**"[From and after the closing of the Transaction (including the payment of the purchase price by the Purchaser to the Receiver), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Debtor.]"**

<sup>5</sup> Paragraphs 4 and 5 only apply if the Purchased Assets include land. Should the removal of restricted covenants from title be required, the Registrar of Land Titles will require the instrument number to be expressly identified in this Order. In the event that any encumbrances (such as builders liens) were registered against the land **after** the date of the Receivership Order, the Registrar requires that the Order clearly states whether those encumbrances should also be discharged. If such is the case, the Committee suggests the addition of the following at the end of paragraph: "The Registrar is expressly authorized and directed to include in the discharge of the encumbrances registered against the Lands, all encumbrances registered after the date the Receivership Order was granted."

<sup>6</sup> The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

<sup>7</sup> This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

[7] The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.

[8] The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

[9] The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.

[10] Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.

[11] The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).

[12] Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

[13] Notwithstanding:

The pendency of these proceedings;

Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

Any assignment in bankruptcy made in respect of the Debtor

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



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

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

#### MISCELLANEOUS MATTERS

[15]This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

[16]This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

[17]Service of this Order on any party not attending this application is hereby dispensed with.

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

**Schedule "A"**

**Form of Receiver's Certificate**

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF

DEFENDANT

DOCUMENT

**RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice **[Name]** of the Court of Queen's Bench of Alberta, Judicial District of \_\_\_\_\_ (the "Court") dated **[Date of Order]**, **[Name of Receiver]** was appointed as the receiver (the "Receiver") of the undertaking, property and assets of **[Debtor]** (the "Debtor").
- B. Pursuant to an Order of the Court dated **[Date]**, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section \* of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

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

**[Name of Receiver], in its capacity as Receiver of the undertaking, property and assets of [Debtor], and not in its personal capacity.**

**Per;** \_\_\_\_\_

**Name:**

**Title:**

THE FOLLOWING COMPRISES SCHEDULE "G" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 10TH DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and SHANGHAI ENERGY CORPORATION.

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#### **EXCLUDED ASSETS**

1. Lease Agreement 14-835 dated February 3, 2016 between Bull Moose Capital Ltd. and Tournament Exploration Ltd., as may have been amended from time to time (the "**Lease Agreement**").
2. 1680 HP compressor package, unit #14-835, located at 01-25-042-09W5M, designed for 2% sour gas service, as further described in Schedule "A" to the Lease Agreement.

**TAB B**

**APPENDIX B**

Bonavista PSA - REDACTED

## **PURCHASE AND SALE AGREEMENT**

**THIS AGREEMENT** made as of the 23<sup>rd</sup> day of October, 2018.

### **BETWEEN:**

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.**, and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

**BONAVISTA ENERGY CORPORATION**, a corporation incorporated under the laws of Alberta (hereinafter referred to as "**Purchaser**")

**WHEREAS** pursuant to an order of the Honourable Madam Justice K.M. Horner of the Alberta Court of Queen's Bench (the "**Court**") dated February 20, 2018 (the "**Appointment Order**"), Alvarez & Marsal Canada Inc. ("**Receiver**") was appointed receiver and manager of Manitok Energy Inc. ("**Manitok**");

**AND WHEREAS** Vendor wishes to sell, and Purchaser wishes to purchase, all of the interest of Vendor in and to the Assets, subject to and in accordance with the terms and conditions hereof;

**NOW THEREFORE, THIS AGREEMENT WITNESSETH** that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

### **ARTICLE 1 INTERPRETATION**

#### **1.1 Definitions**

In this Agreement, unless the context otherwise requires:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
- (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

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

- (b) "**AER**" means the Alberta Energy Regulator;
- (c) "**Affiliate**" means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term "**control**" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise;
- (d) "**Applicable Law**" means, in relation to any person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, license or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;
- (e) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests;
- (f) "**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (g) "**Court Order**" means an order to be granted by the Court, based on the Alberta form of Approval and Vesting Order attached in Schedule "F" and as revised by agreement between Vendor and Purchaser, acting reasonably, which authorizes, approves and confirms this Agreement and the sale of the Assets by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests beneficial title to the Assets in Purchaser free and clear of all encumbrances, liens, security interests or claims, other than Permitted Encumbrances;
- (h) "**Closing**" means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Specific Conveyances and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and considerations required to be delivered on the Closing Date pursuant hereto;
- (i) "**Closing Date**" means 10:00 a.m. on the later of:
  - i. November 1, 2018;
  - ii. the day that is seven (7) Business Days after receipt of the Court Order; orsuch other time and date as may be agreed upon in writing by the Parties;
- (j) "**Closing Place**" means the office of Vendor's counsel, or such other place as may be agreed upon in writing by the Parties;
- (k) "**Data Room Information**" means all information provided or made available to the Purchaser in hard copy or electronic form in relation to Manitoak and/or the Assets;
- (l) "**Date of Appointment**" means February 20, 2018;
- (m) "**Effective Date**" means October 1, 2018;



- (n) "**Environmental Liabilities**" means all liabilities in respect of the environment which relate to the Assets or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:
- (i) transportation, storage, use or disposal of toxic or hazardous substances;
  - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
  - (iii) pollution or contamination of or damage to the environment;
- including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the environment and, for purposes of this Agreement, "the environment" includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (o) "**Facilities**" means Vendor's entire interest in and to all unit facilities under any unit agreement applicable to the Leased Substances and all other field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, but only to the extent specifically identified in Schedule "B";
- (p) "**General Conveyance**" means the form of general conveyance attached hereto as Schedule "D";
- (q) "**Governmental Authority**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction;
- (r) "**GST**" means the goods and services tax payable pursuant to the GST Legislation;
- (s) "**GST Legislation**" means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder;
- (t) "**Lands**" means the lands set out and described in Schedule "A", and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in Schedule "A" and in the Title Documents as to Petroleum Substances and geological formations);
- (u) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (v) "**Licence Transfers**" means, in relation to the Assets, the transfer of any permits, approvals, licences and authorizations granted by any applicable Governmental Authority (including the AER) from Vendor to Purchaser;
- (w) "**Losses**" means all losses, costs, claims, damages, expenses and liabilities which a Person suffers, sustains, pays or incurs, including reasonable legal fees on a solicitor and his own client basis but notwithstanding the foregoing shall not include any liability for

indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities, but shall include any liability for indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities suffered, sustained, paid or incurred by a Third Party entitled to recovery or indemnification from a Person;

- (x) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, Vendor's entire interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
- (i) all contracts and agreements relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
  - (ii) all subsisting rights to carry out operations relating to the Lands or the Tangibles, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles;
  - (iii) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
  - (iv) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to proprietary seismic, geological or geophysical matters; and
  - (v) the Wells, including the wellbores and any and all casing;

Notwithstanding the foregoing, unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include agreements, documents or data to the extent that: (i) they pertain to Manitok's proprietary technology; (ii) they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by Manitok to an assignee, or (iii) they comprise the Vendor's and Manitok's tax and financial records, and economic evaluations;

- (y) **"Outside Date"** means December 31, 2018;
- (z) **"Overhead"** means those Third Party fees, expenses and costs relating directly to the management and operation of the Assets;
- (aa) **"Party"** means a party to this Agreement, and **"Parties"** means both of them;
- (bb) **"Permitted Encumbrances"** means:
- (i) all encumbrances, overriding royalties, net profits interests and other burdens identified in Schedule "A";
  - (ii) any Right of First Refusal or any similar restriction applicable to any of the Assets;
  - (iii) the requirement to receive any consent applicable to the Transaction;

- (iv) the terms and conditions of the Title Documents, including the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (v) defects or irregularities of title as to which the relevant statute(s) of limitations or prescription would bar any attack or claim against Vendor's title;
- (vi) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Law to terminate any Title Document;
- (vii) liens securing taxes not yet due and payable;
- (viii) easements, right of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (ix) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (x) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than thirty (30) days' notice (without an early termination penalty or other cost);
- (xi) any obligation of Manitok or Vendor to hold any portion of its interest in and to any of the Assets in trust for Third Parties;
- (xii) the right reserved to or vested in any municipality, Governmental Authority or other public authority to control or regulate any of the Assets in any manner, including any directives or notices received from any municipality, Governmental Authority or other public authority pertaining to the Assets;
- (xiii) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards Vendor's or Manitok's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by Vendor;
- (xiv) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xv) agreements and plans relating to pooling or unitization of any of the Petroleum and Natural Gas Rights;
- (xvi) agreements respecting the operation of Wells by contract field operators;
- (xvii) provisions for penalties and forfeitures under agreements as a consequence of non-participation in operations; and

(xviii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets,

but specifically excluding any rental or royalty amounts owing or accruing prior to the Effective Date and excluding any liens or claims for property or municipal taxes accruing prior to the Effective Date;

- (cc) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (dd) "**Petroleum and Natural Gas Rights**" means Vendor's entire interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), including the interests set out and described in Schedule "A";
- (ee) "**Petroleum Substances**" means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (ff) "**Prime Rate**" means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary of the National Bank of Canada as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate the "Prime Rate" shall correspondingly change effective on the date the change in such reference rate is effective;
- (gg) "**Receiver's Certificate**" means a certificate executed by the Receiver substantially in the form set out in Schedule "A" of the Court Order;
- (hh) "**Representative**" means, with, respect to any Party, its Affiliates, and its and their respective directors, officers, servants, agents, advisors, employees and consultants;
- (ii) "**Rights of First Refusal**" or "**ROFRs**" means a preferential, pre-emptive or first purchase right that becomes operative by virtue of this Agreement or the Transaction;
- (jj) "**Sales Taxes**" means all transfer, sales, excise, stamp, license, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind, and includes additions by way of penalties, interest and other amounts with respect thereto, including GST;
- (kk) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of Vendor in and to the Assets to Purchaser and to novate Purchaser in the place and stead of Vendor with respect to the Assets;
- (ll) "**Tangibles**" means Vendor's entire interest in and to the Facilities and any and all tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, make marketable or inject the Leased Substances or any of them, and any real property (other than the Lands);
- (mm) "**Third Party**" means any individual or entity other than Receiver, Manitok, Vendor and Purchaser, including any partnership, corporation, trust, unincorporated organization,

union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;

- (nn) **"this Agreement"**, **"herein"**, **"hereto"**, **"hereof"** and similar expressions mean and refer to this Agreement;
- (oo) **"Title Documents"** means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands; including those, if any, set out and described in Schedule "A";
- (pp) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement; and
- (qq) **"Wells"** means Vendor's entire interest in and to all producing, shut-in, suspended, capped, injection and disposal wells specifically listed in Schedule "B".

## 1.2 Headings

The expressions "Article", "section", "subsection", "clause", "subclause", "paragraph" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

## 1.3 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, subsections, clauses, subclauses and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

## 1.4 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders. The word "including" or any variation thereof means "including, without limitation," and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

## 1.5 Schedules

There are appended to this Agreement the following schedules pertaining to the following matters:

|              |   |  |
|--------------|---|--|
| Schedule "A" | - | Lands and Petroleum and Natural Gas Rights |
| Schedule "B" | - | Wells and Facilities                       |
| Schedule "C" | - | Rights of First Refusal                    |
| Schedule "D" | - | General Conveyance                         |

Schedule "E" - Form of Officer's Certificate

Schedule "F" - Form of Court Order

Such schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

#### **1.6 Damages**

All losses, costs, claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement include reasonable legal fees and disbursements on a solicitor and client basis.

#### **1.7 Derivatives**

Where a term is defined herein, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires.

#### **1.8 Interpretation if Closing Does Not Occur**

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

#### **1.9 Conflicts**

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a Schedule or a Specific Conveyance, the provision of the body of this Agreement shall prevail. If any term or condition of this Agreement conflicts with a term or condition of a Title Document or any Applicable Law, the term or condition of such Title Document or the Applicable Law shall prevail, and this Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

#### **1.10 Currency**

All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

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

#### **2.1 Purchase and Sale**

Vendor, exercising the powers of sale granted pursuant to the Appointment Order, hereby agrees to sell, assign, transfer, convey and set over to Purchaser, and Purchaser hereby agrees to purchase from Vendor, all of the right, title, estate and interest of Vendor (whether absolute or contingent, legal or beneficial) in and to the Assets, subject to and in accordance with the terms of this Agreement.

#### **2.2 Purchase Price**

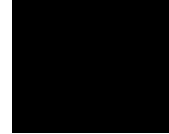
The aggregate consideration to be paid by Purchaser to Vendor for Vendor's interest in and to the Assets shall be [REDACTED] (the "**Purchase Price**") plus applicable Sales Taxes, plus or minus (as applicable) the net amount of the adjustments made pursuant to ARTICLE 7. The Purchase Price shall be satisfied by Purchaser as follows:

- (a) payment of the Deposit (as set forth and defined in section 2.11); and
- (b) cash in the amount of [REDACTED], payable to Vendor at Closing.

### 2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price as follows:

|                                  |            |
|----------------------------------|------------|
| Petroleum and Natural Gas Rights | [REDACTED] |
| Tangibles                        | [REDACTED] |
| Miscellaneous Interests          | [REDACTED] |
| Total                            | [REDACTED] |



### 2.4 Assumption of Abandonment and Reclamation Obligations

In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Abandonment and Reclamation Obligations associated with the Assets, as set forth in this Agreement, and the absolute release of Manitoq and Vendor of all and any responsibility or liability therefor.

### 2.5 Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk and beneficial ownership of Vendor's interest in and to the Assets shall pass from Vendor to Purchaser on the Closing Date.

- (a) On the Closing Date, Vendor shall deliver to Purchaser:
  - (i) the General Conveyance in the form attached as Schedule "D", duly executed by Vendor;
  - (ii) the Officer's Certificate substantially in the form attached as Schedule "E", duly executed by Vendor;
  - (iii) a receipt for the Purchase Price as adjusted herein plus applicable Sales Taxes;
  - (iv) any tax elections as contemplated by this Agreement, duly executed by Vendor;
  - (v) a certified copy of the Court Order;
  - (vi) the Receiver's Certificate; and
  - (vii) any such other items as may be specifically required hereunder.
- (b) On the Closing Date, Purchaser shall deliver to Vendor:
  - (i) the General Conveyance in the form attached as Schedule "D", duly executed by Purchaser;
  - (ii) the Officer's Certificate substantially in the form attached as Schedule "E", duly executed by Purchaser;

- (iii) the Purchase Price, as adjusted herein, less the Deposit, plus applicable Sales Taxes;
- (iv) any tax elections as contemplated by this Agreement, duly executed by Purchaser; and
- (v) any such other items as may be specifically required hereunder.

## 2.6 Licence Transfers

- (a) To the extent applicable, within three (3) Business Days following Closing, Vendor shall prepare and, where applicable, electronically submit, an application to the applicable Governmental Authorities for Licence Transfers and Purchaser or its nominee shall, where applicable, electronically ratify and sign such application.
- (b) Following the submission of the applicable Licence Transfers as contemplated in section 2.6(a), Vendor shall hold legal title to the permits, approvals, licenses and authorizations relating to the Assets (the "**Licenses**") in trust as bare trustee for and on behalf of Purchaser until such time as such Licence Transfers have been completed; provided, Purchaser shall indemnify Vendor in relation to all Losses and claims suffered by Vendor in relation to Vendor acting as bare trustee except to the extent that any such Losses or any such claims arise as a direct consequence of the gross negligence or wilful misconduct of Vendor or any of the Vendor's Representatives. Notwithstanding anything to the contrary contained herein, the foregoing trust obligations of Vendor and the trust itself shall automatically cease and terminate upon the date on which the Licence Transfers have been completed.
- (c) If a Governmental Authority denies any Licence Transfers because of misdescription or other minor deficiencies in the application, Vendor shall within five (5) Business Days of such denial correct the application and amend and re-submit the application for the Licence Transfers and Purchaser shall, where applicable, electronically ratify and sign such application.
- (d) In the event that the approval by the Governmental Authority of Licence Transfers is conditional upon a Party providing deposits or other security to such Governmental Authority or undertaking any corrective action or remedial work (including inspections, tests or engineering assessments), Purchaser shall be responsible for providing such deposits or security to such Governmental Authority and undertaking such corrective or remedial work as may be required, at Purchaser's sole expense.

## 2.7 Pipeline Records

- (a) In connection with the transfer of pipeline licenses relating to the Tangibles pursuant to the Agreement and the AER Bulletin 2015-34 (as amended, supplemented, revised or replaced, the "**Bulletin**"), Vendor is required to transfer sufficient documentation to satisfy the transferor statement on the AER digital data submission system (the "**Pipeline Records**"). If Purchaser or Vendor receives written notice from the AER that it has determined that Pipeline Records, or any of them, transferred by Vendor to Purchaser under the Agreement do not satisfy or are found to be deficient under the Bulletin in any respect, then, with all assistance reasonably required from Vendor, Purchaser shall conduct, in a timely manner, all operations and activities that are required to cure or remedy any and all deficiencies identified by the AER ("**AER Deficiencies**"), in each case in accordance in all material respects with the terms of the applicable Title Documents, Applicable Laws, any requirements set forth in any correspondence with the AER and with generally accepted industry practices in Alberta and following in all material respects the standard of care which would be followed by a reasonably prudent operator in similar circumstances.



- (b) The existence of any deficient Pipeline Records, AER Deficiencies and the remedial work required to be conducted in respect thereof, shall not constitute a breach of any of Vendor's representations, warranties or otherwise in the Agreement, and Purchaser shall have no claim against Vendor in relation thereto.

## **2.8 Specific Conveyances**

The Parties shall cooperate in the preparation of the Specific Conveyances. At a reasonable time prior to Closing, Purchaser shall use reasonable efforts to prepare and provide for Vendor's review all Specific Conveyances at Purchaser's own cost and expense. The Parties shall execute such Specific Conveyances at Closing. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, Purchaser shall register and/or distribute (as applicable) all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to Purchaser.

## **2.9 Title Documents and Miscellaneous Interests**

As soon as practicable following Closing, but in any event no later than ten (10) Business Days following Closing, Vendor shall deliver to Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession of Vendor or of which Vendor gains possession of prior to Closing.

## **2.10 Form of Payment**

All payments to be made pursuant to this Agreement shall be in Canadian funds. Subject to section 2.11, all payments to be made pursuant to this Agreement shall be made by certified cheque, bank draft or wire transfer.

## **2.11 Deposit**

The Parties acknowledge that a deposit in the amount of [REDACTED] representing ten percent (10%) of the Purchase Price, has been provided by Purchaser to Vendor by regular cheque concurrent with the execution of this Agreement, to be held in trust in a trust account and released only in accordance with the provisions of this section 2.11 (the "**Deposit**", which shall include any interest earned thereon).

The Deposit shall be held in trust by Vendor until one of the following events occur:

- (a) if Closing occurs, the Deposit shall be released and retained by Vendor at Closing for its own account absolutely and be applied as partial payment of the Purchase Price;
- (b) if Closing does not occur due to a material breach of this Agreement by Purchaser or by Purchaser's failure to fulfill the conditions set forth in section 3.4, the Deposit shall be released and forfeited to Vendor for the account of Vendor absolutely; and
- (c) if Closing does not occur due to any reason other than as addressed by section 2.11(b), the Deposit shall be paid to Purchaser for the account of Purchaser absolutely.

## **2.12 Damages**

The Parties agree that the amount of the Deposit constitutes their genuine estimate of all damages that will be suffered by Vendor as a result of Closing not occurring and that Vendor's retention thereof shall constitute liquidated damages to, and be the sole remedy of, Vendor as a result of Closing not occurring.

## 2.13 Taxes

### (a) GST

Each of Purchaser and Vendor is a registrant for GST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST Legislation. Their respective GST registration numbers are:

Vendor 838609345RT0001

Purchaser 136072618RT0001

### (b) Sales Taxes

The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. Purchaser shall be solely responsible for all Sales Taxes which may be imposed by any Governmental Authority and which pertain to Purchaser's acquisition of the Assets or to the registration of any Specific Conveyances necessitated hereby. Except where Vendor is required under Applicable Law to collect or pay such Sales Taxes, Purchaser shall pay such Sales Taxes directly to the appropriate Governmental Authority or other entity within the required time period and shall file all necessary documentation with respect to such Sales Taxes when due. Vendor will do and cause to be done such things as are reasonably requested to enable Purchaser to comply with such obligation in a timely manner. If Vendor is required under Applicable Law to pay any such Sales Taxes, Purchaser shall promptly reimburse Vendor the full amount of such Sales Taxes upon delivery to Purchaser of copies of receipts showing payment of such Sales Taxes. Purchaser shall be responsible for the payment of any amount of Sales Taxes payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect thereto and shall indemnify and save harmless Vendor in respect thereof.

### (c) Elections

The Parties agree to make any such elections as determined by Vendor (in its sole discretion) as prudent and available to minimize taxes payable as a result of the Transaction. Purchaser, acting reasonably, shall prepare, and each Party agrees to execute and file, any such elections in the form and within the time periods prescribed or specified under Applicable Law.

## ARTICLE 3 CONDITIONS OF CLOSING

### 3.1 Required Consents

Both before and after Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of Purchaser, at Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to Purchaser, and registration of Purchaser as owner and/or operator, of any of the Assets including the Facilities and the Wells.

### 3.2 Mutual Conditions

The obligation of Purchaser to purchase Vendor's interest in and to the Assets, and of Vendor to sell its interest in and to the Assets to Purchaser, is subject to the following conditions precedent:

- (a) Vendor obtaining the Court Order; and
- (b) there shall not have been instituted any legal proceedings to obtain, and no court or Governmental Authority of competent jurisdiction shall have issued, promulgated, enforced or entered any judgment, decree, injunction or other order, whether temporary, preliminary or permanent, that restrains, enjoins or otherwise prohibits consummation of the Transaction.

Unless otherwise agreed to by the Parties, if the conditions contained in this section 3.2 have not been performed or satisfied on or before the Outside Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser, unless prior to the Outside Date the Parties mutually agree to a later date in writing.

### **3.3 Purchaser's Conditions**

The obligation of Purchaser to purchase Vendor's interest in and to the Assets is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Purchaser and may be waived by Purchaser in whole or in part:

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date; and
- (b) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in sections 2.11 and 11.13.

### **3.4 Vendor's Conditions**

The obligation of Vendor to sell its interest in and to the Assets to Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Vendor and may be waived by Vendor in whole or in part:

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts to be paid by Purchaser to Vendor at Closing, including the Purchase Price, shall have been paid to Vendor in the form stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date, Vendor may terminate this Agreement by written notice to Purchaser. If Vendor terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in sections 2.11 and 11.13.

### **3.5 Efforts to Fulfil Conditions Precedent**

Purchaser and Vendor shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply, and assist in the satisfaction and compliance, with the foregoing conditions precedent.

**ARTICLE 4**  
**REPRESENTATIONS AND WARRANTIES**

**4.1 Representations and Warranties of Vendor and Receiver**

Vendor makes only the following representations to Purchaser, no claim in respect of which shall be made or be enforceable by Purchaser unless written notice of such claim, with reasonable particulars, is given by Purchaser to Vendor within a period of six (6) months following the Closing Date:

- (a) Receiver has been appointed by the Court as receiver and manager of Manitok and such appointment is valid and subsisting;
- (b) subject to obtaining and pursuant to the Court Order, Vendor has the right to enter into this Agreement and to complete the Transaction;
- (c) subject to obtaining and pursuant to the Court Order, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Vendor enforceable against Vendor in accordance with their terms;
- (d) Vendor has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which Purchaser shall have any liability;
- (e) Manitok is not a non-resident of Canada for the purposes of section 116 of the *Income Tax Act* (Canada); and
- (f) the Assets are not subject to the Production Volume Royalty Acquisition Agreement dated June 11, 2015 or the Production Volume Royalty Agreement dated June 11, 2015, or any associated agreements between Manitok and Freehold Royalties Partnership or any affiliate thereof.

**4.2 Representations and Warranties of Purchaser**

Purchaser makes the following representations and warranties to Vendor, no claim in respect of which shall be made or be enforceable by Vendor unless written notice of such claim, with reasonable particulars, is given by Vendor to Purchaser within a period of six (6) months following the Closing Date:

- (a) Purchaser is a corporation duly organized, validly existing and is authorized to carry on business in the provinces in which the Lands are located;
- (b) Purchaser has good right, full power and absolute authority to purchase and acquire the interest of Vendor in and to the Assets according to the true intent and meaning of this Agreement;
- (c) except for obtaining the Court Order, the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which Purchaser is bound;
- (d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which Purchaser is party or by which Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or license applicable to Purchaser;

- (e) provided the Court Order is obtained, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms;
- (f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirement therefor previously obtained and currently in force or to be obtained prior to or after Closing;
- (g) Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by Purchaser in connection with this Agreement and the Transaction;
- (h) Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which Vendor shall have any obligation or liability;
- (i) Purchaser is not a non-resident of Canada within the *Income Tax Act* (Canada); and
- (j) Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act* (Canada).

#### **4.3 Limitation of Representations by Vendor**

- (a) Notwithstanding anything to the contrary in this Agreement, Vendor expressly negates any representations or warranties except as expressly set forth in section 4.1, whether written or verbal, made by Vendor or its Representatives and in particular, without limiting the generality of the foregoing, Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to Purchaser or any of its Representatives. Vendor's interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:
  - (i) any engineering, geological or other interpretation or economic evaluations respecting the Assets;
  - (ii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
  - (iii) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
  - (iv) the rates of production of Petroleum Substances from the Lands;
  - (v) the environmental state or condition of the Lands;
  - (vi) the availability or continued availability of facilities, services or markets for the processing, transportation or sale of any Petroleum Substances;

- (vii) the quality, condition, fitness, suitability, serviceability or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);
  - (viii) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor or any of its Representatives in connection with the Assets;
  - (ix) the suitability of the Assets for any purpose;
  - (x) compliance with Applicable Laws; or
  - (xi) the title and interest or ownership of Vendor in and to the Assets.
- (b) Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of Vendor's interests in the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets and those matters specifically enumerated in section 4.3(a).
- (c) Except with respect to the representations and warranties in section 4.1 or in the event of fraud, Purchaser forever releases and discharges Vendor and its Representatives from any claims and all liability to Purchaser or Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to Purchaser by Vendor or its Representatives prior to or pursuant to this Agreement, including any evaluations, projections, reports and interpretive or non-factual materials prepared by or for Vendor, or otherwise in Vendor's possession.

## **ARTICLE 5 INDEMNITIES FOR REPRESENTATIONS AND WARRANTIES**

### **5.1 Vendor's Indemnities for Representations and Warranties**

Vendor shall be liable to Purchaser for and shall, in addition, indemnify Purchaser from and against, all Losses suffered, sustained, paid or incurred by Purchaser which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.1 been accurate and truthful; provided, that nothing in this section 5.1 shall be construed so as to cause Vendor to be liable to or indemnify Purchaser in connection with any representation or warranty contained in section 4.1 if and to the extent that Purchaser did not rely upon such representation or warranty.

### **5.2 Purchaser's Indemnities for Representations and Warranties**

Purchaser shall be liable to Vendor for and shall, in addition, indemnify Vendor from and against, all Losses suffered, sustained, paid or incurred by Vendor which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.2 been accurate and truthful; provided, that nothing in this section 5.2 shall be construed so as to cause Purchaser to be liable to or indemnify Vendor in connection with any representation or warranty contained in section 4.2 if and to the extent that Vendor did not rely upon such representation or warranty.

### **5.3 Survival of Representations and Warranties**

Each Party acknowledges that the other may rely on the representations and warranties made by such Party pursuant to section 4.1 or 4.2, as the case may be. The representations and warranties in sections 4.1 and 4.2 shall be true as of the date hereof and on the Closing Date, and the representations and warranties in section 4.2 shall continue in full force and effect and shall survive the Closing Date for a

period of six (6) months and the representations and warranties in section 4.1 shall continue in full force and effect and shall survive the Closing Date for a period of six (6) months or until the Receiver obtains a discharge from the Court if such discharge is obtained prior to six (6) months following Closing. In the absence of fraud, however, no claim or action shall be commenced with respect to a breach of any such representation and warranty, unless, within such period, written notice specifying such breach in reasonable detail has been provided to the Party which made such representation or warranty.

## **ARTICLE 6 INDEMNITIES**

### **6.1 Post-Closing Date Indemnity**

Provided that Closing has occurred, Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Assets and arising or accruing after the Closing Date.

### **6.2 Environmental Matters and Abandonment and Reclamation Obligations**

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

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between Vendor and Purchaser (including whether occurring or accruing prior to, on or after the Closing Date), and hereby releases Vendor from any claims Purchaser may have against Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Facilities.

### **6.3 Third Party Claims**

The following procedures shall be applicable to any claim by a Party (the "**Indemnitee**") for indemnification pursuant to this Agreement from another Party (the "**Indemnitor**") in respect of any Losses in relation to a Third Party (a "**Third Party Claim**"):

- (a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within ten (10) Business Days of notice thereof provide written notice thereof to the Indemnitor. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Indemnitor within such ten (10) Business Day period, then such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;
- (b) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Indemnitor shall have the right to do either or both of the following:
  - (i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or
  - (ii) settle the Third Party Claim, provided the Indemnitor pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee;
- (c) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available to the other Party and its Representatives whose assistance, testimony or presence is of material assistance in evaluating and defending the Third Party Claim;
- (d) the Indemnitee shall not enter into any settlement, consent order or other compromise with respect to the Third Party Claim without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;
- (e) upon payment of the Third Party Claim, the Indemnitor shall be subrogated to all claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and co-operate with the Indemnitor to permit the Indemnitor to pursue such subrogated claims as reasonably requested by it; and
- (f) if the Indemnitor has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any Third Party, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) to the Indemnitor, net of taxes required to be paid by the Indemnitee as a result of any such receipt.

## **ARTICLE 7 ADJUSTMENTS**

### **7.1 Costs and Revenues to be Apportioned**

- (a) Subject to paragraph 7.1(b) below and except as otherwise provided in this Agreement, all costs and expenses relating to the Assets (including Overhead and maintenance, development, capital and operating costs) and all revenues relating to the Assets (including proceeds from the sale of production and fees from processing, treating or transporting Petroleum Substances on behalf of Third Parties) shall be apportioned as of the Effective Date between Vendor and Purchaser on an accrual basis in accordance with generally accepted accounting principles, provided that:
  - (i) advances made by Vendor in respect of the costs of operations on Lands or lands pooled or unitized therewith or facilities interests included in the Assets



which have not been applied to the payment of costs prior to the Closing Date and stand to the credit of Manitok or Vendor will be transferred to Purchaser and an adjustment will be made in favour of Vendor equal to the amount of the advance transferred;

- (ii) deposits made by Manitok or Vendor relative to operations on the Lands shall be returned to Vendor;
  - (iii) costs and expenses of work done, services provided and goods supplied shall be deemed to accrue for the purposes of this ARTICLE 7 when the work is done or the goods or services are provided, regardless of when such costs and expenses become payable;
  - (iv) no adjustments shall be made in respect of Manitok's or Vendor's income taxes;
  - (v) revenues from the sale of Petroleum Substances will be deemed to accrue when the Petroleum Substances are produced;
  - (vi) all rentals and similar payments in respect of the Leased Substances or surface rights comprised in the Assets and all taxes (other than income taxes) levied with respect to the Assets or operations in respect thereof shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date; and
  - (vii) any and all unpaid rentals and royalties which accrue to the Assets and are not a corporate debt (including unpaid surface lease rentals, mineral lease rentals, Crown royalties and municipal taxes for surface sites) shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date.
- (b) Vendor shall not be liable to make any adjustment in favour of, or make any payment to, Purchaser pursuant hereto in respect of any liability which relates to the period which arose prior to the Date of Appointment.
- (c) Petroleum Substances which were produced, but not sold, as of the Effective Date shall be retained by Vendor and Vendor shall be responsible for all royalties or other encumbrances thereon and all processing, treating and transportation expenses pertaining thereto. Petroleum Substances will be deemed to be sold on a first in, first out basis.

## 7.2 Adjustments to Account

- (a) An interim accounting of the adjustments pursuant to section 7.1 shall be made at Closing based on Vendor's and Purchaser's good faith estimate of the costs and expenses paid by Vendor prior to Closing and the revenues received by Vendor prior to Closing. Vendor and Purchaser shall cooperate in preparing such interim accounting and Vendor shall provide a statement setting forth the adjustments to be made at Closing not later than three (3) Business Days prior to Closing and shall assist Purchaser in verifying the amounts set forth in such statement. Vendor and Purchaser shall cooperate in preparing a final accounting of the adjustments pursuant to section 7.1 and Vendor shall deliver a statement of such final accounting to Purchaser within sixty (60) days following the Closing Date (the "**Final Statement of Adjustments**"), and no further or other adjustments whatsoever will be made thereafter. All adjustments after Closing shall be settled by payment by the Party required to make payment to the other Party hereunder within fifteen (15) Business Days of being notified of the determination of the amount owing.
- (b) All adjustments provided for in this Article shall be adjustments to the Purchase Price. An adjustment payable by a Party after Closing pursuant to this section 7.2 which is not paid

within fifteen (15) Business Days of a written request for payment from the other Party, shall bear interest at the Prime Rate plus three percent (3%) per annum payable by the paying Party to the other Party from the end of such fifteen (15) Business Day period until the adjustment is paid.

## **ARTICLE 8 MAINTENANCE OF ASSETS**

### **8.1 Maintenance of Assets**

From the date hereof until the Closing Date, Vendor shall, to the extent that the nature of its interest permits, taking into account Receiver's status as the receiver and manager over ManitoK and its assets pursuant to the Appointment Order, and subject to the Title Documents and any other agreements and documents to which the Assets are subject:

- (a) maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and
- (b) pay all associated post-receivership operating costs incurred by the Receiver in a timely manner.

### **8.2 Consent of Purchaser**

Notwithstanding section 8.1 and subject to Applicable Laws and directions of Governmental Authorities (including in relation to the receivership proceedings of ManitoK and such proceedings themselves), Vendor shall not from the date hereof to the Closing Date, without the written consent of Purchaser, which consent shall not be unreasonably withheld by Purchaser and which, if provided, shall be provided in a timely manner:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets of which Vendor's share is in excess of \$25,000.00, except in case of an emergency or in respect of amounts which Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and Purchaser does not provide same in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) amend or terminate any Title Document or enter into any new agreement or commitment relating to the Assets; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting sales of the Leased Substances in the normal course of business.

### **8.3 Proposed Actions**

If an operation or the exercise of any right or option respecting the Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in Purchaser incurring an obligation pursuant to section 8.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) Vendor shall promptly give Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) Purchaser shall, not later than twenty four (24) hours prior to the time Vendor is required to make its election with respect to the Proposal, advise Vendor, by notice, whether Purchaser wishes Vendor to exercise Vendor's rights with respect to the Proposal on Purchaser's behalf, provided that Purchaser's failure to make such election within such period shall be deemed to be Purchaser's election to participate in the Proposal;
- (c) Vendor shall make the election authorized (or deemed to be authorized) by Purchaser with respect to the Proposal within the period during which Vendor may respond to the Proposal; and
- (d) Purchaser's election not to participate in any Proposal required to preserve the existence of any of the Assets shall not entitle Purchaser to any reduction of the Purchase Price if Vendor's interest therein is terminated as a result of such election, and such termination shall not constitute a failure of Vendor's representations and warranties pertaining to such Assets, notwithstanding section 5.3.

#### **8.4 Post-Closing Transition**

Following Closing and to the extent to which Purchaser must be novated into Title Documents and other agreements or documents to which the Assets are subject or otherwise recognized as the owner of the Assets, until that novation or recognition has been effected or for a period of ninety (90) days, whichever is sooner, Vendor shall:

- (a) promptly deliver to Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and Vendor shall respond to such notices pursuant to Purchaser's written instructions, if received on a timely basis, provided that Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude Vendor from taking such actions as Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (b) receive all revenues which are the property of Purchaser pursuant to this Agreement, as bare trustee and shall promptly remit such revenues to Purchaser.

#### **8.5 Vendor Deemed Purchaser's Trustee and Agent**

- (a) Insofar as Vendor maintains the Assets and takes actions in relation thereto on Purchaser's behalf pursuant to this ARTICLE 8, Vendor shall be deemed to have been the bare trustee and agent of Purchaser hereunder. Purchaser ratifies all actions taken by Vendor or refrained from being taken by Vendor pursuant to this ARTICLE 8 in such capacity during such period, with the intention that all such actions shall be deemed to be Purchaser's actions.
- (b) Insofar as Vendor participates in either operations or the exercise of rights or options as Purchaser's agent pursuant to this ARTICLE 8, Vendor may require Purchaser to secure costs to be incurred by Vendor on Purchaser's behalf pursuant to such election in such manner as may be reasonably appropriate in the circumstances.
- (c) Purchaser shall indemnify Vendor and its Representatives against all Losses which Vendor or its Representatives may suffer or incur as a result of Vendor maintaining the Assets as Purchaser's bare trustee and agent pursuant to this ARTICLE 8, insofar as

such Losses are not a direct result of the gross negligence or wilful misconduct of Vendor or its Representatives. An action or omission of Vendor or of its Representatives shall not be regarded as gross negligence or wilful misconduct to the extent to which it was done or omitted from being done in accordance with Purchaser's written instructions (including any election deemed pursuant to section 8.3(b)) or concurrence.

## 8.6 Transfer of Operatorship

Insofar as Vendor operates any of the Assets, Purchaser acknowledges that Vendor may not be able to transfer operatorship of some or all of such Assets to Purchaser at or after Closing. Vendor covenants with Purchaser that Vendor shall reasonably cooperate with Purchaser to obtain appropriate consents and approvals for the assignment and transfer to Purchaser of operatorship of those of the Assets of which Vendor is currently the operator.

## ARTICLE 9 RIGHTS OF FIRST REFUSAL

### 9.1 Rights of First Refusal

- (a) The Parties acknowledge that they do not believe that any Assets are subject to ROFRs held by Third Parties and that they believe the ROFRs are limited to the ROFRs set forth and described in Schedule "C" (the "**Identified ROFRs**"). The Parties further acknowledge they believe that any Identified ROFRs triggered by virtue of the Transaction are held solely by Purchaser. Accordingly, Purchaser agrees to waive its rights to exercise any Identified ROFR and agrees to dispose with all notice requirements provided for under any Identified ROFR.
- (b) Notwithstanding section 9.1(a), in the event that any of the Assets are subject to a ROFR held by a Third Party:
  - (i) Vendor and Purchaser shall cooperate to comply with any ROFR in accordance with the terms thereof, using value allocations for the Assets which are subject to such ROFR provided to Vendor by Purchaser, acting reasonably and in good faith and Purchaser shall be liable for and indemnify and save Vendor harmless from and against all Losses which Vendor may suffer, sustain, pay or incur as a result of utilizing any value allocations supplied by Purchaser;
  - (ii) if any Third Party elects to exercise any ROFR prior to Closing, the portion of the Assets subject to such ROFR (the "**Affected Asset**") shall not be sold pursuant hereto, and the definitions of "Assets", "Lands", "Leases", "Miscellaneous Interests", "Petroleum and Natural Gas Rights", "Facilities", "Tangibles" and "Wells" shall not include the Affected Asset. The Purchase Price and any applicable GST and/or Sales Taxes shall be reduced accordingly upon such Third Party election; and
  - (iii) if Closing has occurred and a Third Party exercises a ROFR, Purchaser shall sell the portion of the Assets that are applicable to such ROFR to such Third Party holder and Purchaser shall be entitled to receive all proceeds payable by such Third Party holder of such ROFR, and there will be no adjustment to the Purchase Price as a consequence of the identification or exercise of any such ROFR.

**ARTICLE 10  
PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS**

**10.1 Vendor to Provide Access**

Prior to Closing, Vendor shall, subject to all contractual and fiduciary obligations, at the Calgary offices of Vendor during normal business hours, provide reasonable access for Purchaser and its Representatives to Vendor's records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Assets, as well as physical access to the Assets (insofar as Vendor can reasonably provide such access) for the purpose of Purchaser's review of the Assets and title thereto.

**10.2 Access to Information**

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, Purchaser shall, on request from Vendor, provide reasonable access to Vendor at Purchaser's offices, during its normal business hours, to the agreements and documents to which the Assets are subject and the contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests and the Title Documents which are then in the possession or control of Purchaser and to make copies thereof, as Vendor may reasonably require, including for purposes relating to:

- (a) Manitok's or Vendor's ownership of the Assets (including taxation matters and liabilities and claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Agreement;
- (c) compliance with Applicable Law; or
- (d) any claim commenced or threatened by any Third Party against Manitok or Vendor.

**10.3 Maintenance of Information**

All of the information, materials and other records delivered to Purchaser pursuant to the terms hereof shall be maintained in good order and good condition and kept in a reasonably accessible location by Purchaser for a period of two (2) years from the Closing Date.

**ARTICLE 11  
GENERAL**

**11.1 Further Assurances**

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

**11.2 No Merger**

The covenants, representations, warranties and indemnities contained in this Agreement shall be deemed to be restated in any and all assignments, conveyances, transfers and other documents conveying the interests of Vendor in and to the Assets to Purchaser, subject to any and all time and other limitations contained in this Agreement. There shall not be any merger of any covenant, representation, warranty or indemnity in such assignments, conveyances, transfers and other documents notwithstanding any rule of law, equity or statute to the contrary and such rules are hereby waived.

### **11.3 Receiver**

Purchaser acknowledges that Receiver is acting solely in its capacity as the Court-appointed receiver and manager of Manitoak, and not in its personal or corporate capacity. Under no circumstances shall Receiver or any of its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction, in its or their personal or corporate capacity, whether such liability be in contract, tort or otherwise.

### **11.4 Entire Agreement**

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement supersedes all other agreements (other than the Confidentiality Agreement dated August 15, 2018 (the "**Confidentiality Agreement**") between Vendor and Purchaser), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the subject matter hereof.

### **11.5 Governing Law**

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

### **11.6 Signs and Notifications**

Within sixty (60) days following Closing, Purchaser shall remove any signage which indicates Manitoak's ownership or operation of the Assets. It shall be the responsibility of Purchaser to erect or install any signage required by applicable Governmental Authorities indicating Purchaser to be the owner or operator of the Assets.

### **11.7 Assignment and Enurement**

This Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

### **11.8 Time of Essence**

Time shall be of the essence in this Agreement.

### **11.9 Notices**

The addresses and fax numbers of the Parties for delivery of notices hereunder shall be as follows:

Vendor - Alvarez & Marsal Canada Inc.  
Suite 1110, 250 – 6<sup>th</sup> Avenue SW  
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk  
Fax: (403) 538-7551  
Email: okonowalchuk@alvarezandmarsal.com

Purchaser - Bonavista Energy Corporation  
1500, 525 8<sup>th</sup> Avenue SW  
Calgary, AB T2P 1G1  
Attention: Land Department  
Fax: (403) 538-8573

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by facsimile or email to Vendor or by facsimile only to Purchaser to the facsimile number or email address of such Party set out above for notices, in which case, if the notice was sent prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was sent and if it is sent on a day which is not a Business Day or is sent after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth (4<sup>th</sup>) Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number for service, email address or designated representative by giving written notice of such change to the other Party.

#### **11.10 Invalidity of Provisions**

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

#### **11.11 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

#### **11.12 Amendment**

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

#### **11.13 Confidentiality and Public Announcements**

Until Closing has occurred and subject to the Confidentiality Agreement, each Party shall keep confidential all information obtained from the other Party in connection with the Assets and shall not release any information concerning this Agreement and the Transaction without the prior written consent

of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information (i) to any Governmental Authority or regulatory authority or to the public or otherwise if required by Applicable Law or as directed by any Governmental Authority or regulatory authority (including in relation to the receivership proceedings of Manitok and such proceedings themselves); or (ii) in connection with obtaining the Court Order; or (iii) as required to Manitok's secured creditors. The Parties agree that this Agreement shall be filed with the Court on a confidential basis such that the Deposit, Purchase Price, Purchase Price allocation and such other sensitive terms as the Parties may agree, shall be sealed, kept confidential and not form part of the public record. Concurrent with obtaining the Court Order, the Receiver shall apply for a sealing order to effect the confidentiality of such terms.

***[Remainder of page intentionally left blank. Signature pages to follow.]***



**11.14 Counterpart Execution**

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity

**BONAVISTA ENERGY CORPORATION**



Per: \_\_\_\_\_  
Name: Orest Konowalchuk, CPA, CA, CIRP, LIT  
Title: Senior Vice President

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

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

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

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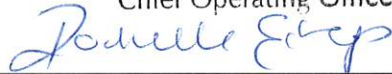
**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity

**BONAVISTA ENERGY CORPORATION**

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

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

Per:   
Name: Bruce Jensen  
Title: Chief Operating Officer

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

**Rochelle Estep**  
Vice President, Strategy & Planning

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 23<sup>RD</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and BONAVISTA ENERGY CORPORATION.

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**Lands and Petroleum and Natural Gas Rights**

The following 58 pages comprise Schedule "A".

# MANITOK ENERGY, INC.

## Mineral Property Report

### WILL GR #2 - FINAL (R1)

Generated by Kathryn Bailey on October 17, 2018 at 8:46:09 am.

#### Selection

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

#### Print Options

Acres / Hectares: Acres  
Working Interest DOI: Yes  
Other DOI: No  
Related Contracts: Yes    **Related Units:** Yes  
Royalty Information: Yes    **Expand:** Yes  
Well Information: Yes  
Remarks: Yes  
Types:

Acreage: Developed / Undeveloped

#### Sort Options



**MANITOK ENERGY, INC.**

**Mineral Property Report**

**WILL GR #2 - FINAL (R1)**

**Generated by Kathryn Bailey on October 17, 2018 at 8:46:09 am.**

**Sort Options**

|                  |     |
|------------------|-----|
| <b>Division:</b> | No  |
| <b>Category:</b> | No  |
| <b>Province:</b> | Yes |
| <b>Area:</b>     | Yes |
| <b>Location:</b> | Yes |



CS LAND Version: 11.1.4

Report Date: Oct 17, 2018

Page Number: 1

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

| File Number   | Lse Type               | Lessor Type | Exposure | Oper.Cont.     | ROFR   | DOI Code    |                                 |
|---------------|------------------------|-------------|----------|----------------|--------|-------------|---------------------------------|
| File Status   | Int Type / Lse No/Name |             | Gross    | Doi Partner(s) | *      | *           |                                 |
| Mineral Int   | Operator / Payor       |             | Net      |                |        |             | Lease Description / Rights Held |
| M01232        | PNG                    | CR          | 640.000  | C00980         | A No   | AFTER EARN  | TWP 40 RGE 4 W5M SEC 30         |
| <b>Sub:</b> A | WI                     |             | 640.000  | MANITOK        |        | 30.00000000 | ALL PNG IN MANNVILLE            |
| ACTIVE        | 0410070512             |             | 192.000  | BONAVISTA EN C |        | 70.00000000 | EXCL PNG IN GLAUCONITIC_A       |
|               | BONAVISTA EN C         |             |          |                |        |             | (EXCL 100/03-30-040-04W5/00     |
| 100.00000000  | BONAVISTA EN C         |             |          |                |        |             | PENALTY WELL BUT INCLUDING      |
|               |                        |             |          | Total Rental:  | 896.00 |             | GLAUC PRODUCTION FROM           |
|               |                        |             |          |                |        |             | 100/01-30-040-04W5/00 WELL)     |

| Status    | Acres   | Net     | Acres | Net   |
|-----------|---------|---------|-------|-------|
| DEVELOPED | 640.000 | 192.000 | 0.000 | 0.000 |

### ----- Related Contracts -----

|          |        |                  |
|----------|--------|------------------|
| C00312 A | P&S    | Sep 29, 2016 (I) |
| C00980 A | FARMIN | May 04, 2012     |

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

Roy Percent:

Deduction: STANDARD

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: AFTER EAF(C)

MANITOK

30.00000000

BONAVISTA EN C

70.00000000

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Aug 27, 2015 | CROWN LETTER DATED AUGUST 20, 2015. PNG AGREEMENT 0410070512 TO BE CONTINUED PURSUANT TO SECTION 15. AMENDED TO P&NG IN MANVILLE IN SEC 30. SEE FILE FOR DETAILS. |

Report Date: Oct 17, 2018

Page Number: 2

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

| File Number   | Lse Type               | Lessor Type               | Exposure | Oper.Cont.     | ROFR | DOI Code     |                                 |
|---------------|------------------------|---------------------------|----------|----------------|------|--------------|---------------------------------|
| File Status   | Int Type / Lse No/Name |                           | Gross    |                |      |              |                                 |
| Mineral Int   | Operator / Payor       |                           | Net      | Doi Partner(s) | *    | *            | Lease Description / Rights Held |
| M01232        | PNG                    | CR                        | 0.000    | C00980         | B No | BPEN         | TWP 40 RGE 4 W5M SEC 30         |
| <b>Sub:</b> B | WI                     |                           | 0.000    | BONAVISTA EN C |      | 100.00000000 | ALL PNG IN GLAUCONITIC_A        |
| ACTIVE        | 0410070512             |                           | 0.000    | MANITOK        |      |              | (100/03-30-040-04W5/00 PENALTY  |
|               | BONAVISTA EN C         |                           |          |                |      |              | WELL ONLY -- TOURNAMENT 300%    |
| 100.00000000  | BONAVISTA EN C         | <b>Count Acreage =</b> No |          | Total Rental:  | 0.00 |              | PENALTY)                        |

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   | ----- Related Contracts ----- |
|--------|------|-------|-------|--------|-------|-------|-------------------------------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 | C00312 A P&S Sep 29, 2016 (I) |
|        |      |       |       |        |       |       | C00980 B FARMIN May 04, 2012  |

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|-----------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y               | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                 |             |                        |
| <b>Deduction:</b> STANDARD  |              |                 |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

**Paid to:** LESSOR (M)  
AB ENERGY 100.00000000

**Paid by:** BPEN (C)  
BONAVISTA EN C 100.00000000  
MANITOK

----- Well U.W.I. Status/Type -----  
100/03-30-040-04-W5/00 DRILL CAS/GAS

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Aug 27, 2015 | CROWN LETTER DATED AUGUST 20, 2015. PNG AGREEMENT 0410070512 TO BE CONTINUED PURSUANT TO SECTION 15. AMENDED TO P&NG IN MANVILLE IN SEC 30. SEE FILE FOR DETAILS. |

Report Date: Oct 17, 2018

Page Number: 3

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

|              |                |    |                   |       |                 |             |  |
|--------------|----------------|----|-------------------|-------|-----------------|-------------|--|
| M01232       | PNG            | CR | Eff: Jul 22, 2010 | 0.000 | C00980 C No     | AFTER EARN  |  |
| Sub: C       | WI             |    | Exp: Jul 21, 2015 | 0.000 | BONAVISTA EN C  | 70.00000000 |  |
| ACTIVE       | 0410070512     |    | Ext: 15           | 0.000 | NAL RES LIMITED | 30.00000000 |  |
|              | BONAVISTA EN C |    |                   |       | MANITOK         |             |  |
| 100.00000000 | BONAVISTA EN C |    | Count Acreage =   | No    |                 |             |  |

TWP 40 RGE 4 W5M SEC 30  
ALL PNG IN GLAUCONITIC\_A  
(EXCL 100/03-30-040-04W5/00 &  
100/01-30-040-04W5/00 WELLS)  
(TEX HOLDS NAL IN TRUST)

Total Rental: 0.00

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   |
|--------|------|-------|-------|--------|-------|-------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 |

----- Related Contracts -----  
C00267 A P&S Nov 14, 2014 (I)  
C00312 A P&S Sep 29, 2016 (I)  
C00980 C FARMIN May 04, 2012

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

Roy Percent:

Deduction: STANDARD

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: AFTER EAF(C)

BONAVISTA EN C

70.00000000

NAL RES LIMITED

30.00000000

MANITOK

----- Well U.W.I. Status/Type -----  
100/08-30-040-04-W5/00 PUMPING/GAS

### Remarks

| Type  | Date         | Description   |
|-------|--------------|---|
| TRUST | Dec 05, 2014 | TEX SOLD ITS INTEREST IN THE GLAUC FORMATION UNDER SECTION 30-40-4W5M TO NAL RESOURCES LIMITED UNDER ASSET PURCHASE |



Report Date: Oct 17, 2018

Page Number: 4

\*\* REPORTED IN ACRES\*\*

**MANITOK ENERGY. INC.  
Mineral Property Report**

**WILL GR #2 - FINAL (R1)**

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| File Number | Lse Type    | Operator / Payor | Remarks   |
|-------------|-------------|------------------|---|
| M01232      | C           |                  |   |
|             | <b>Type</b> | <b>Date</b>      | <b>Description</b>  |
|             |             |                  | AGREEMENT DATED NOVEMBER 14, 2014 (C0166) FURTHER TO NAL ELECTING TO PARTICIPATE IN THE 102/03-30-04-04W5/00 DRILL NOTICE ISSUED TO TEX FROM BONAVIDA UNDER FARMIN AGREEMENT DATED MAY 4, 2012. NAL PARTICIPATED IN THE WELL ON TEX'S BEHALF AND THEN PROCEEDED TO PURCHASE TEX'S 30% INTEREST IN THE MINERAL LANDS. TRUST AGREEMENT ON FILE DATED NOVEMBER 14, 2014 SHOW'S TOURNAMENT HOLDING NAL'S INTEREST IN TRUST. SEE FILE FOR FURTHER DETAILS. |
|             | CONTINUE    | Aug 27, 2015     | CROWN LETTER DATED AUGUST 20, 2015. PNG AGREEMENT 0410070512 TO BE CONTINUED PURSUANT TO SECTION 15. AMENDED TO P&NG IN MANVILLE IN SEC 30. SEE FILE FOR DETAILS.   |

|               |            |    |                          |         |          |   |    |             |                                |
|---------------|------------|----|--------------------------|---------|----------|---|----|-------------|--------------------------------|
| M00638        | PNG        | CR | <b>Eff:</b> Sep 18, 2003 | 640.000 | C00402   | B | No | WI          | TWP 40 RGE 7 W5M E 24          |
| <b>Sub:</b> A | WI         |    | <b>Exp:</b> Sep 17, 2008 | 320.000 | MANITOK  |   |    | 60.00000000 | ALL PNG FROM TOP SURFACE TO    |
| ACTIVE        | 0503090497 |    | <b>Ext:</b> 15           | 192.000 | BIRCHILL |   |    | 40.00000000 | BASE                           |
|               | MANITOK    |    |                          |         |          |   |    |             | SECOND_WHITE_SPECKLED_SHALE;   |
| 100.00000000  | MANITOK    |    |                          |         |          |   |    |             | ALL PNG FROM BASE MANNVILLE TO |
|               |            |    |                          |         |          |   |    |             | BASE ROCK_CREEK                |

| Status    | Acres   | Net     | Acres | Net   |
|-----------|---------|---------|-------|-------|
| DEVELOPED | 320.000 | 192.000 | 0.000 | 0.000 |

**Royalty / Encumbrances**

| Royalty Type | Product Type | Sliding Scale | Convertible | % of Prod/Sales | Well U.W.I. | Status/Type |
|--------------|--------------|---------------|-------------|-----------------|-------------|-------------|
|--------------|--------------|---------------|-------------|-----------------|-------------|-------------|

----- **Related Contracts** -----

|          |        |                  |
|----------|--------|------------------|
| C00312 A | P&S    | Sep 29, 2016 (I) |
| C00402 B | JOA    | Jan 01, 2006     |
| C00974 A | FARMIN | Jan 18, 2012     |

Report Date: Oct 17, 2018

Page Number: 5

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD 100/16-24-040-07-W5/00 ABD/GAS

Roy Percent:

Deduction: STANDARD

M00638

A

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: WI

MANITOK

BIRCHILL

(C)

60.00000000

40.00000000

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Sep 10, 2008 | CONTINUATION APPLICATION FORWARDED TO CROWN VIA FAX ON SEPTEMBER 10TH REQUESTING A SECTION 16 BASED ON THE RR OF THE 100/16-24 WELL. PER LETTER ON FILE DATED OCTOBER 1, 2008, LEASE IS CONTINUED FOR 6 MONTHS TO FEBRUARY 22, 2009. SEE FILE FOR FURTHER DETAILS.  |
| CONTINUE | Jan 21, 2009 | CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15 FROM SURFACE TO BASE ROCK CREEK ONLY. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS. |
| RECEIVER | Sep 11, 2018 | 2018-19 RENTAL NOT PAID PER RECEIVER  |

|        |            |    |                   |         |                |      |             |                          |
|--------|------------|----|-------------------|---------|----------------|------|-------------|--------------------------|
| M00638 | PNG        | CR | Eff: Sep 18, 2003 | 640.000 | C00974         | A No | AFTER EARN  | TWP 40 RGE 7 W5M E 24    |
| Sub: B | WI         |    | Exp: Sep 17, 2008 | 0.000   | MANITOK        |      | 21.00000000 | ALL PNG IN GLAUCONITIC_A |
| ACTIVE | 0503090497 |    | Ext: 15           | 0.000   | BONAVISTA EN C |      | 79.00000000 |                          |

Report Date: Oct 17, 2018

Page Number: 6

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00638

Sub: B MANITOK

100.00000000 MANITOK

Count Acreage = No

Total Rental: 224.00

----- Related Contracts -----

|          |        |                  |
|----------|--------|------------------|
| C00312 A | P&S    | Sep 29, 2016 (I) |
| C00402 D | JOA    | Jan 01, 2006     |
| C00974 A | FARMIN | Jan 18, 2012     |

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   |
|--------|------|-------|-------|--------|-------|-------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 |

----- Well U.W.I. Status/Type -----

|                        |          |
|------------------------|----------|
| 103/16-24-040-07-W5/00 | SUSP/GAS |
| 102/16-24-040-07-W5/00 | SUSP/GAS |

Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

Roy Percent:

Deduction: STANDARD

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: AFTER EAF(C)

MANITOK

21.00000000

BONAVISTA EN C

79.00000000

Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Sep 10, 2008 | CONTINUATION APPLICATION FORWARDED TO CROWN VIA FAX ON SEPTEMBER 10TH REQUESTING A SECTION 16 BASED ON THE RR OF THE 100/16-24 WELL. PER LETTER ON FILE DATED OCTOBER 1, 2008, LEASE IS CONTINUED FOR 6 MONTHS TO FEBRUARY 22, 2009. SEE FILE FOR FURTHER DETAILS. |

Report Date: Oct 17, 2018

Page Number: 7

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00638 B \_\_\_\_\_ Remarks \_\_\_\_\_

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Jan 21, 2009 | CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15 FROM SURFACE TO BASE ROCK CREEK ONLY. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS. |

|              |            |    |                   |         |                |   |      |             |                                |
|--------------|------------|----|-------------------|---------|----------------|---|------|-------------|--------------------------------|
| M00638       | PNG        | CR | Eff: Sep 18, 2003 | 640.000 | C00974         | A | No   | AFTER EARN  | TWP 40 RGE 7 W5M E 24          |
| Sub: C       | WI         |    | Exp: Sep 17, 2008 | 0.000   | MANITOK        |   |      | 21.00000000 | ALL PNG FROM BASE              |
| ACTIVE       | 0503090497 |    | Ext: 15           | 0.000   | BONAVISTA EN C |   |      | 79.00000000 | SECOND_WHITE_SPECKLED_SHALE TO |
|              | MANITOK    |    |                   |         |                |   |      |             | BASE MANNVILLE                 |
| 100.00000000 | MANITOK    |    | Count Acreage =   | No      | Total Rental:  |   | 0.00 |             | EXCL PNG IN GLAUCONITIC_A      |

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   | ----- Related Contracts ----- |
|--------|------|-------|-------|--------|-------|-------|-------------------------------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 | C00312 A P&S Sep 29, 2016 (I) |
|        |      |       |       |        |       |       | C00402 C JOA Jan 01, 2006     |
|        |      |       |       |        |       |       | C00974 A FARMIN Jan 18, 2012  |

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|-----------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y               | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                 |             |                        |
| <b>Deduction:</b>           | STANDARD     |                 |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

Report Date: Oct 17, 2018

Page Number: 8

\*\* REPORTED IN ACRES\*\*

**MANITOK ENERGY. INC.  
Mineral Property Report**

**WILL GR #2 - FINAL (R1)**

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |   |              |   |                            |  |  |
|--------|---|---|--------------|---|----------------------------|--|--|
| M00638 | C | <b>Paid to:</b> LESSOR (M)<br>AB ENERGY | 100.00000000 | <b>Paid by:</b> AFTER EAF(C)<br>MANITOK<br>BONAVISTA EN C | 21.00000000<br>79.00000000 |  |  |
|--------|---|---|--------------|---|----------------------------|--|--|

**Remarks**

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Sep 10, 2008 | CONTINUATION APPLICATION FORWARDED TO CROWN VIA FAX ON SEPTEMBER 10TH REQUESTING A SECTION 16 BASED ON THE RR OF THE 100/16-24 WELL. PER LETTER ON FILE DATED OCTOBER 1, 2008, LEASE IS CONTINUED FOR 6 MONTHS TO FEBRUARY 22, 2009. SEE FILE FOR FURTHER DETAILS.  |
| CONTINUE | Jan 21, 2009 | CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15 FROM SURFACE TO BASE ROCK CREEK ONLY. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS. |

|               |            |    |                          |         |                      |             |                                |
|---------------|------------|----|--------------------------|---------|----------------------|-------------|--------------------------------|
| M00645        | PNG        | CR | <b>Eff:</b> Feb 06, 2003 | 640.000 | C00402 B No          | WI          | TWP 40 RGE 7 W5M W 24          |
| <b>Sub:</b> A | WI         |    | <b>Exp:</b> Feb 05, 2008 | 320.000 | MANITOK              | 60.00000000 | ALL PNG FROM TOP SURFACE TO    |
| ACTIVE        | 0503020158 |    | <b>Ext:</b> 15           | 192.000 | BIRCHILL             | 40.00000000 | BASE                           |
| 100.00000000  | MANITOK    |    |                          |         |                      |             | SECOND_WHITE_SPECKLED_SHALE;   |
|               | MANITOK    |    |                          |         | Total Rental: 224.00 |             | ALL PNG FROM BASE MANNVILLE TO |
|               |            |    |                          |         |                      |             | BASE ROCK_CREEK                |

| Status      | Acres   | Net     | Acres         | Net   |
|-------------|---------|---------|---------------|-------|
| DEVELOPED   | 320.000 | 192.000 | 0.000         | 0.000 |
| <b>Dev:</b> |         |         | <b>Undev:</b> |       |

**Royalty / Encumbrances**

----- Related Contracts -----

|          |        |                  |
|----------|--------|------------------|
| C00312 A | P&S    | Sep 29, 2016 (I) |
| C00402 B | JOA    | Jan 01, 2006     |
| C00974 A | FARMIN | Jan 18, 2012     |

Report Date: Oct 17, 2018

Page Number: 9

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| Royalty Type                | Product Type | Sliding Scale      | Convertible | % of Prod/Sales        | ----- Well U.W.I.              | Status/Type ----- |
|-----------------------------|--------------|--------------------|-------------|------------------------|--------------------------------|-------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                  | N           | 100.00000000 % of PROD | 100/16-24-040-07-W5/00 ABD/GAS |                   |
| <b>Roy Percent:</b>         |              |                    |             |                        |                                |                   |
| <b>Deduction:</b> STANDARD  |              |                    |             |                        |                                |                   |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>    |             | <b>Prod/Sales:</b>     |                                |                   |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>        |             | <b>Prod/Sales:</b>     |                                |                   |
| <b>Other Percent:</b>       |              | <b>Min:</b>        |             | <b>Prod/Sales:</b>     |                                |                   |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> WI | (C)         |                        |                                |                   |
| AB ENERGY                   | 100.00000000 | MANITOK            |             | 60.00000000            |                                |                   |
|                             |              | BIRCHILL           |             | 40.00000000            |                                |                   |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Mar 12, 2008 | APPLICATION SENT IN TO CROWN BY TOURNAMENT REQUESTING SECTION 17 CONTINUANCE. AUTHORIZATION ON FILE FROM HERITAGE FREEHOLD. CROWN RESPONSE LETTER DATED MARCH 4, 2008 WHEREBY CROWN HAS ACCEPTED THE REQUEST FOR SECTION 17 CONTINUANCE TO FEBRUARY 6, 2009. FEES PAID UNDER TEX LETTER. CROWN LETTER DATED MARCH 27, 2008 CONFIRMS SECTION 17 CONTINUANCE FROM SURFACE TO BASE ROCK CREEK ONLY. |
| CONTINUE | Jan 21, 2009 | CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS.   |

|        |     |    |                   |         |        |      |            |                       |
|--------|-----|----|-------------------|---------|--------|------|------------|-----------------------|
| M00645 | PNG | CR | Eff: Feb 06, 2003 | 640.000 | C00974 | A No | AFTER EARN | TWP 40 RGE 7 W5M W 24 |
|--------|-----|----|-------------------|---------|--------|------|------------|-----------------------|

Report Date: Oct 17, 2018

Page Number: 10

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLES DEN GREEN

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

(cont'd)

M00645

Sub: B WI Exp: Feb 05, 2008 0.000 MANITOK 21.00000000  
ACTIVE 0503020158 Ext: 15 0.000 BONA VISTA EN C 79.00000000  
MANITOK  
100.00000000 MANITOK Count Acreage = No Total Rental: 224.00

ALL PNG IN GLAUCONITIC\_A

----- Related Contracts -----

C00312 A P&S Sep 29, 2016 (I)  
C00402 D JOA Jan 01, 2006  
C00974 A FARMIN Jan 18, 2012

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   |
|--------|------|-------|-------|--------|-------|-------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 |

----- Well U.W.I. Status/Type -----

103/16-24-040-07-W5/00 SUSP/GAS  
102/16-24-040-07-W5/00 SUSP/GAS

Royalty / Encumbrances

Royalty Type Product Type Sliding Scale Convertible % of Prod/Sales  
CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD

Roy Percent:

Deduction: STANDARD

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: AFTER EAF(C)

MANITOK

21.00000000

BONA VISTA EN C

79.00000000

Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Mar 12, 2008 | APPLICATION SENT IN TO CROWN BY TOURNAMENT REQUESTING SECTION 17 CONTINUANCE. AUTHORIZATION ON FILE FROM HERITAGE FREEHOLD. CROWN RESPONSE LETTER DATED MARCH 4, 2008 WHEREBY |

Report Date: Oct 17, 2018

Page Number: 11

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| M00645   | B            | Remarks   |      |      |             |          |              |   |
|----------|--------------|---|------|------|-------------|----------|--------------|---|
|          |              | <table border="1"> <thead> <tr> <th>Type</th> <th>Date</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>CONTINUE</td> <td>Jan 21, 2009</td> <td>CROWN HAS ACCEPTED THE REQUEST FOR SECTION 17 CONTINUANCE TO FEBRUARY 6, 2009. FEES PAID UNDER TEX LETTER. CROWN LETTER DATED MARCH 27, 2008 CONFIRMS SECTION 17 CONTINUANCE FROM SURFACE TO BASE ROCK CREEK ONLY. CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS.</td> </tr> </tbody> </table> | Type | Date | Description | CONTINUE | Jan 21, 2009 | CROWN HAS ACCEPTED THE REQUEST FOR SECTION 17 CONTINUANCE TO FEBRUARY 6, 2009. FEES PAID UNDER TEX LETTER. CROWN LETTER DATED MARCH 27, 2008 CONFIRMS SECTION 17 CONTINUANCE FROM SURFACE TO BASE ROCK CREEK ONLY. CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS. |
| Type     | Date         | Description   |      |      |             |          |              |   |
| CONTINUE | Jan 21, 2009 | CROWN HAS ACCEPTED THE REQUEST FOR SECTION 17 CONTINUANCE TO FEBRUARY 6, 2009. FEES PAID UNDER TEX LETTER. CROWN LETTER DATED MARCH 27, 2008 CONFIRMS SECTION 17 CONTINUANCE FROM SURFACE TO BASE ROCK CREEK ONLY. CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS.   |      |      |             |          |              |   |

|              |            |         |                   |         |                |   |      |             |   |
|--------------|------------|---------|-------------------|---------|----------------|---|------|-------------|---|
| M00645       | PNG        | CR      | Eff: Feb 06, 2003 | 640.000 | C00974         | A | No   | AFTER EARN  | TWP 40 RGE 7 W5M W 24                         |
| Sub: C       | WI         |         | Exp: Feb 05, 2008 | 0.000   | MANITOK        |   |      | 21.00000000 | ALL PNG FROM BASE                             |
| ACTIVE       | 0503020158 | MANITOK | Ext: 15           | 0.000   | BONAVISTA EN C |   |      | 79.00000000 | SECOND_WHITE_SPECKLED_SHALE TO BASE MANNVILLE |
| 100.00000000 | MANITOK    |         |                   |         | Total Rental:  |   | 0.00 |             | EXCL PNG IN GLAUCONITIC_A                     |

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   | ----- Related Contracts ----- |
|--------|------|-------|-------|--------|-------|-------|-------------------------------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 | C00312 A P&S Sep 29, 2016 (I) |
|        |      |       |       |        |       |       | C00402 C JOA Jan 01, 2006     |
|        |      |       |       |        |       |       | C00974 A FARMIN Jan 18, 2012  |

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| Roy Percent:                |              |               |             |                        |
| Deduction:                  | STANDARD     |               |             |                        |



Report Date: Oct 17, 2018

Page Number: 12

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |                            |              |                              |                    |
|--------|---|----------------------------|--------------|------------------------------|--------------------|
| M00645 | C | <b>Gas: Royalty:</b>       |              | <b>Min Pay:</b>              | <b>Prod/Sales:</b> |
|        |   | <b>S/S OIL: Min:</b>       | <b>Max:</b>  | <b>Div:</b>                  | <b>Prod/Sales:</b> |
|        |   | <b>Other Percent:</b>      |              | <b>Min:</b>                  | <b>Prod/Sales:</b> |
|        |   | <b>Paid to:</b> LESSOR (M) |              | <b>Paid by:</b> AFTER EAF(C) |                    |
|        |   | AB ENERGY                  | 100.00000000 | MANITOK                      | 21.00000000        |
|        |   |                            |              | BONAVISTA EN C               | 79.00000000        |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Mar 12, 2008 | APPLICATION SENT IN TO CROWN BY TOURNAMENT REQUESTING SECTION 17 CONTINUANCE. AUTHORIZATION ON FILE FROM HERITAGE FREEHOLD. CROWN RESPONSE LETTER DATED MARCH 4, 2008 WHEREBY CROWN HAS ACCEPTED THE REQUEST FOR SECTION 17 CONTINUANCE TO FEBRUARY 6, 2009. FEES PAID UNDER TEX LETTER. CROWN LETTER DATED MARCH 27, 2008 CONFIRMS SECTION 17 CONTINUANCE FROM SURFACE TO BASE ROCK CREEK ONLY. |
| CONTINUE | Jan 21, 2009 | CONTINUATION APPLICATION FAXED INTO CROWN JAN 21/09 REQUESTING SECTION 15 INDEFINITE LEASE CONTINUANCE BASED ON PRODUCTION FROM THE 16-24 WELL. PER LETTER ON FILE DATED MARCH 11, 2009, LEASE HAS BEEN CONTINUED INDEFINITELY UNDER A SECTION 15. SEE AMENDED APPENDIX ON FILE FOR FURTHER DETAILS.   |

|               |                |    |                          |         |                |             |                                |
|---------------|----------------|----|--------------------------|---------|----------------|-------------|--------------------------------|
| M00674        | PNG            | CR | <b>Eff:</b> Jan 13, 2005 | 640.000 | C00525 A No    | AFTER EARN  | TWP 42 RGE 5 W5M S 18          |
| <b>Sub:</b> A | WI             |    | <b>Exp:</b> Jan 12, 2010 | 320.000 | MANITOK        | 20.00000000 | ALL PNG FROM BASE MANNVILLE TO |
| ACTIVE        | 0505010273     |    | <b>Ext:</b> 15           | 64.000  | BONAVISTA EN C | 60.00000000 | BASE ROCK_CREEK                |
|               | BONAVISTA EN C |    |                          |         | QUESTFIRE ENER | 20.00000000 |                                |
| 100.00000000  | BONAVISTA EN C |    |                          |         |                |             | ----- Related Contracts -----  |

Report Date: Oct 17, 2018

Page Number: 13

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00674

Sub: A

Total Rental: 448.00

C00312 A P&S Sep 29, 2016 (I)

C00525 A POOLFO May 05, 2005

| Status    | Dev: | Acres   | Net    | Undev: | Acres   | Net    |
|-----------|------|---------|--------|--------|---------|--------|
| DEVELOPED |      | 160.000 | 32.000 |        | 160.000 | 32.000 |

----- Well U.W.I. Status/Type -----  
 100/14-18-042-05-W5/00 FLOWING/OIL  
 100/02-18-042-05-W5/00 D&A/GAS

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

Roy Percent:

Deduction: STANDARD

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: AFTER EAF(C)

MANITOK

20.00000000

BONAVISTA EN C

60.00000000

QUESTFIRE ENER

20.00000000

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Apr 07, 2010 | CONTINUATION FOR THIS LEASE WAS NEVER APPLIED FOR AS IT WAS THOUGHT THAT THE 14-18 WELL WOULD ONLY CONTINUE THE NORTH HALF OF SECTION 18, HOWEVER, PER CROWN LETTER ON FILE DATED MARCH 24, 2010, AGREEMENT IS ELIGIBLE FOR CONTINUATION FROM BASE MANNVILLE TO BASE ROCK CREEK UNDER SECTION 15 BASED ON |

Report Date: Oct 17, 2018

Page Number: 14

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| File Number | Operator / Payor | Remarks   |
|-------------|------------------|---|
| M00674      | A                | <p><b>Type</b>      <b>Date</b>      <b>Description</b></p> <p>GENERAL      Jul 01, 2009      THE 14-18 WELL. BONAVIDA AND TOURNAMENT AGREE THAT LEASE WILL BE CONTINUED, LATE PENALTY AND RENTAL TO BE PAID AS WELL. SEE FILE FOR FURTHER DETAILS.</p> <p>GENERAL      Feb 11, 2009      PARTIES HAVE ELECTED TO SURRENDER RIGHTS UNDER LEASE TO BASE MANNVILLE PER GAS OFFSET NOS. 2070873E01 (7-8 OFFSET WELL) &amp; 2061119 (15-8 OFFSET WELL). SEE FILE FOR FURTHER DETAILS.</p> <p>GENERAL      Dec 03, 2008      GAS OFFSET NO. 2070873E01 DATED JAN 20/09. S/2 18-42-5W5M SUBJECT TO GAS OFFSET AS A RESULT OF THE 100/07-08-042-05W5/00 FREEHOLD WELL PRODUCING GAS FROM THE MANNVILLE ZONE. SURRENDERED TO BASE MANNVILLE.</p> <p>GENERAL      Dec 03, 2008      GAS OFFSET NOTICE DATED JUNE 3, 2008. NO. 2061119E01 OFFSET LANDS: S/2 SEC 18-42-5W5M AS A RESULT OF OFFSET WELL 100/15-08-042-05W5/00 PRODUCING GAS FROM THE MANNVILLE FORMATION. RESPONSE DUE DECEMBER 3, 2008. SURRENDERED TO BASE MANNVILLE.</p> |

|               |                |                          |         |                |             |                                |
|---------------|----------------|--------------------------|---------|----------------|-------------|--------------------------------|
| M00696        | LICENCE CR     | <b>Eff:</b> Jun 25, 1998 | 640.000 | C00525 B No    | AFTER EARN  | TWP 42 RGE 5 W5M N 18          |
| <b>Sub:</b> A | WI             | <b>Exp:</b> Jun 24, 2003 | 320.000 | MANITOK        | 20.00000000 | ALL PNG FROM BASE MANNVILLE TO |
| ACTIVE        | 5498060057     | <b>Ext:</b> 15           | 64.000  | BONAVIDA EN C  | 60.00000000 | BASE JURASSIC                  |
| 100.00000000  | BONAVIDA EN C  |                          |         | QUESTFIRE ENER | 20.00000000 |                                |
|               | QUESTFIRE ENER |                          |         |                |             |                                |

Total Rental: 448.00

----- Related Contracts -----

|          |        |                  |
|----------|--------|------------------|
| C00312 A | P&S    | Sep 29, 2016 (l) |
| C00525   | POOLFO | May 05, 2005     |
| C00525 B | POOLFO | May 05, 2005     |

| Status    | Dev: | Acres   | Net    | Undev: | Acres   | Net    |
|-----------|------|---------|--------|--------|---------|--------|
| DEVELOPED |      | 160.000 | 32.000 |        | 160.000 | 32.000 |

Report Date: Oct 17, 2018

Page Number: 15

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00696

Sub: A

----- Well U.W.I. Status/Type -----

100/14-18-042-05-W5/00 FLOWING/OIL

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b>           | STANDARD     |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      | 20.00000000 |                        |
|                             |              | BONAVISTA EN C               | 60.00000000 |                        |
|                             |              | QUESTFIRE ENER               | 20.00000000 |                        |

### Remarks

| Type    | Date         | Description  |
|---------|--------------|--|
| GENERAL | Jul 01, 2009 | PARTIES HAVE ELECTED TO SURRENDER RIGHTS UNDER SECTION 18 TO BASE MANNVILLE PER GAS OFFSET NOS. 2070873E02 (7-8), 2070883E02 (11-8) & 2061119E02 (15-8). SEE FILE FOR FURTHER DETAILS.               |
| GENERAL | Jan 28, 2009 | N/2 18-42-5W5M SUBJECT TO TWO OFFSET NOTICES AS RESULT OF 100/11-08-042-05W5/00 & 100/07-08-042-05W5/00 FREEHOLD WELLS PRODUCING GAS FROM MANNVILLE. PARTIES ELECTED TO SURRENDER TO BASE MANNVILLE. |
| GENERAL | Jun 26, 2008 | N 18 IS SUBJECT TO AN OFFSET NOTICE AS A RESULT OF THE   |

Report Date: Oct 17, 2018

Page Number: 16

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| File Number | Lse Type    | Operator / Payor | Remarks  |
|-------------|-------------|------------------|--|
| M00696      | A           |                  |  |
|             | <b>Type</b> | <b>Date</b>      | <b>Description</b>   |
|             | CONTINUE    | Aug 31, 2007     | 00/15-08-042-05W5/0 WELL PRODUCING GAS FROM THE MANNVILLE ZONE. TEX HAS UNTIL DECEMBER 3/08 TO DRILL, DROP OR PAY. PARTIES ELECT TO SURRENDER TO BASE MANNVILLE. LETTERS ON FILE DATED JULY 24, 2007 AND AUGUST 17, 2007 REFLECTING CROWN OFFERING AND ADVANTAGE ACCEPTING CONTINUATION OF N/2 18-42-5W5M & N/2 13-42-6W5M BELOW BASE VIKING TO BASE JURASSIC; INDEFINITELY UNDER SECTION 15 OR THE P&NG TENURE. SEE FILE FOR FURTHER DETAILS. |

|               |                |                          |         |                      |             |                              |
|---------------|----------------|--------------------------|---------|----------------------|-------------|------------------------------|
| M00671        | LICENCE CR     | <b>Eff:</b> Mar 06, 1997 | 640.000 | C00403 A No          | AFTER EARN  | TWP 42 RGE 6 W5M SEC 1       |
| <b>Sub:</b> C | WI             | <b>Exp:</b> Mar 05, 2002 | 640.000 | MANITOK              | 20.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5497030013     | <b>Ext:</b> 15           | 128.000 | BONAVISTA EN C       | 80.00000000 | BASE MANNVILLE               |
|               | BONAVISTA EN C |                          |         |                      |             | EXCL PNG IN GLAUCONITIC_A    |
| 100.00000000  | BONAVISTA EN C |                          |         | Total Rental: 896.00 |             |                              |

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (l) |
| C00403 A | FARMOUT | Oct 22, 2004     |
| C00429 A | FARMOUT | Sep 01, 2005     |
| C01157 C | ROYALTY | May 19, 2017     |

### Royalty / Encumbrances

| <Linked> | Royalty Type                     | Product Type            | Sliding Scale         | Convertible | % of Prod/Sales        |
|----------|----------------------------------|-------------------------|-----------------------|-------------|------------------------|
| C00429 A | GROSS OVERRIDING ROYALTY         | ALL PRODUCTS            | Y                     | N           | 100.00000000 % of PROD |
|          | <b>Roy Percent:</b>              |                         |                       |             |                        |
|          | <b>Deduction:</b> NO             |                         |                       |             |                        |
|          | <b>Gas: Royalty:</b> 15.00000000 |                         | <b>Min Pay:</b>       |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b> 5.00000000  | <b>Max:</b> 15.00000000 | <b>Div:</b> 1/23.8365 |             | <b>Prod/Sales:</b>     |

Report Date: Oct 17, 2018

Page Number: 17

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|                          |              |                          |  |                    |
|--------------------------|--------------|--------------------------|--|--------------------|
| <b>Other Percent:</b>    |              | <b>Min:</b>              |  | <b>Prod/Sales:</b> |
| <b>Paid to:</b> PDTO (C) |              | <b>Paid by:</b> PDBY (C) |  |                    |
| BONAVISTA EN C           | 100.00000000 | MANITOK                  |  | 20.00000000        |
|                          |              | BONAVISTA EN C           |  | 80.00000000        |

M00671 C

### Royalty / Encumbrances

| <Linked> | Royalty Type                   | Product Type | Sliding Scale            | Convertible | % of Prod/Sales        |
|----------|--------------------------------|--------------|--------------------------|-------------|------------------------|
| C01157 C | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS | N                        | N           | 20.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |              |                          |             |                        |
|          | <b>Deduction:</b> NO           |              |                          |             |                        |
|          | <b>Gas: Royalty:</b>           |              | <b>Min Pay:</b>          |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>  | <b>Div:</b>              |             | <b>Prod/Sales:</b>     |
|          | <b>Other Percent:</b>          |              | <b>Min:</b>              |             | <b>Prod/Sales:</b>     |
|          | <b>Paid to:</b> PDTO (C)       |              | <b>Paid by:</b> PDBY (C) |             |                        |
|          | PSK ROYALTY                    |              | MANITOK                  |             | 100.00000000           |

#### ROYALTY DEDUCTIONS - Oct 18, 2017

-NO DEDUCTIONS WHATSOEVER

#### GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |               |             |                        |

Report Date: Oct 17, 2018

Page Number: 18

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |                            |              |                              |             |                    |  |
|--------|---|----------------------------|--------------|------------------------------|-------------|--------------------|--|
| M00671 | C | <b>Deduction:</b> STANDARD |              |                              |             |                    |  |
|        |   | <b>Gas: Royalty:</b>       |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b> |  |
|        |   | <b>S/S OIL: Min:</b>       | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b> |  |
|        |   | <b>Other Percent:</b>      |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b> |  |
|        |   | <b>Paid to:</b> LESSOR (M) |              | <b>Paid by:</b> AFTER EAF(C) |             |                    |  |
|        |   | AB ENERGY                  | 100.00000000 | MANITOK                      | 20.00000000 |                    |  |
|        |   |                            |              | BONAVISTA EN C               | 80.00000000 |                    |  |

|               |                |    |                          |         |                |      |             |                                |
|---------------|----------------|----|--------------------------|---------|----------------|------|-------------|--------------------------------|
| M00976        | PNG            | CR | <b>Eff:</b> Oct 18, 2007 | 640.000 | C00836         | A No | WI          | TWP 42 RGE 6 W5M SEC 1         |
| <b>Sub:</b> A | WI             |    | <b>Exp:</b> Oct 17, 2012 | 640.000 | MANITOK        |      | 40.00000000 | ALL PNG FROM BASE MANNVILLE TO |
| ACTIVE        | 0507100551     |    | <b>Ext:</b> 15           | 256.000 | BONAVISTA EN C |      | 60.00000000 | BASE ROCK_CREEK                |
|               | BONAVISTA EN C |    |                          |         |                |      |             |                                |
| 100.00000000  | BONAVISTA EN C |    |                          |         |                |      |             |                                |

Total Rental: 716.80

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00836   | JOA     | Nov 21, 2007     |
| C00836 A | JOA     | Nov 21, 2007     |
| C01157 D | ROYALTY | May 19, 2017     |

| Status    | Dev: | Acres   | Net    | Undev: | Acres   | Net     |
|-----------|------|---------|--------|--------|---------|---------|
| DEVELOPED |      | 160.000 | 64.000 |        | 480.000 | 192.000 |

Royalty / Encumbrances

----- Well U.W.I. -----

Status/Type -----

102/14-01-042-06-W5/00 FLOWING/OIL

| <Linked> | Royalty Type                   | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|----------|--------------------------------|--------------|-----------------|-------------|------------------------|
| C01157 D | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS | N               | N           | 40.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |              |                 |             |                        |
|          | <b>Deduction:</b> NO           |              |                 |             |                        |
|          | <b>Gas: Royalty:</b>           |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>  | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
|          | <b>Other Percent:</b>          |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

Report Date: Oct 17, 2018

Page Number: 19

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

**Paid to:** PDTO (C)  
PSK ROYALTY 100.00000000

**Paid by:** PDBY (C)  
MANITOK 100.00000000

### ROYALTY DEDUCTIONS - Oct 18, 2017

-NO DEDUCTIONS WHATSOEVER

### GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

M00976

A

### Royalty / Encumbrances

| Royalty Type                | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|-----------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y               | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                 |             |                        |
| <b>Deduction:</b> STANDARD  |              |                 |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        |              | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

**Paid to:** LESSOR (M)  
AB ENERGY 100.00000000

**Paid by:** WI (C)  
MANITOK 40.00000000  
BONAVISTA EN C 60.00000000

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Apr 22, 2014 | PER CROWN LETTER ON FILE DATED APRIL 11, 2014, SECTION 1 IS |



Report Date: Oct 17, 2018  
 Page Number: 20  
 \*\* REPORTED IN ACRES\*\*

**MANITOK ENERGY. INC.**  
**Mineral Property Report**

**WILL GR #2 - FINAL (R1)**

Province: ALBERTA  
 Area : WILLESDEN GREEN

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

(cont'd)

| File Number | Lse Type | Remarks   |
|-------------|----------|---|
| M00976      | A        | <p><b>Type</b>            <b>Date</b>            <b>Description</b></p> <p>CONTINUE    Feb 04, 2013    CONTINUED INDEFINITELY UNDER SECTION 15 BELOW BASE MANNVILLE. SEE FILE FOR AMENDED APPENDIX. APPLICATION FOR CONTINUATION SUBMITTED BY BONAVIDA SEP 12/12, REQUESTING SEC 15 CONTINUATION BASED ON PRODUCTION FROM THE 14-1-42-6 W5M PRODUCING GAS WELL... W/O CROWN RESPONSE...UPDATE -- OCT 18/12 -- 2 APPLICATIONS FOR CONTINUATION ON THIS LEASE: 1. BONAVIDA APPLICATION USING WELL DATA TO REQUEST A SECTION 15 CONTINUATION TO BASE ROCK CREEK -- SUBMITTED OCTOBER 17/12... 2. ENCAN A APPLICATION TO CONTINUE LEASES 0507100551 &amp; 0507100552 UNDER EITHER SECTION 15 OR SECTION 17 IN THE DUVERNAY (LOWER) RIGHTS... SUBMITTED OCT 18. CROWN RESPONSE ON FILE DATED JANUARY 18, 2013 WHEREBY SECTION 1-42-6W5M CONTINUED INDEFINITELY FROM BELOW BASE MANNVILLE TO BASE ROCK CREEK AND UNDER SECTION 15, FOR ONE YEAR, FROM BASE ROCK CREEK TO TOP BEAVERHILL LAKE GROUP. SEE FILE FOR FURTHER DETAILS.</p> |

|               |                 |                           |                          |       |                 |        |              |                                 |
|---------------|-----------------|---------------------------|--------------------------|-------|-----------------|--------|--------------|---------------------------------|
| M00976        | PNG             | CR                        | <b>Eff:</b> Oct 18, 2007 | 0.000 | C00836          | B No   | WI           | TWP 42 RGE 6 W5M SEC 1          |
| <b>Sub:</b> B | NI              |                           | <b>Exp:</b> Oct 17, 2012 | 0.000 | ENCANA CORPORAT |        | 100.00000000 | ALL PNG FROM BASE ROCK_CREEK TO |
| ACTIVE        | 0507100551      |                           | <b>Ext:</b> 15           | 0.000 | MANITOK         |        |              | TOP BEAVERHILL_LAKE             |
|               | ENCANA CORPORAT |                           |                          |       |                 |        |              | (TOURNAMENT HOLDS 40% OF        |
| 100.00000000  | BONAVIDA EN C   | <b>Count Acreage =</b> No |                          |       | Total Rental:   | 179.20 |              | ENCANA'S 100% WI IN TRUST FOR   |
|               |                 |                           |                          |       |                 |        |              | ENCANA)                         |

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   |
|--------|------|-------|-------|--------|-------|-------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 |

----- **Related Contracts** -----  
 C00312 A    P&S            Sep 29, 2016 (I)

Report Date: Oct 17, 2018

Page Number: 21

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |  |                        |  |  |  |          |     |              |
|--------|---|--|------------------------|--|--|--|----------|-----|--------------|
| M00976 | B |  |                        |  |  |  | C00836   | JOA | Nov 21, 2007 |
|        |   |  | Royalty / Encumbrances |  |  |  | C00836 B | JOA | Nov 21, 2007 |

| Royalty Type                | Product Type | Sliding Scale          | Convertible  | % of Prod/Sales        |
|-----------------------------|--------------|------------------------|--------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                      | N            | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                        |              |                        |
| <b>Deduction:</b>           | STANDARD     |                        |              |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>        |              | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>            |              | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>            |              | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> WI (C) |              |                        |
| AB ENERGY                   | 100.00000000 | ENCANA CORPORAT        | 100.00000000 |                        |
|                             |              | MANITOK                |              |                        |

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Apr 22, 2014 | PER CROWN LETTER ON FILE DATED APRIL 11, 2014, SECTION 1 IS CONTINUED INDEFINITELY UNDER SECTION 15 BELOW BASE MANNVILLE. SEE FILE FOR AMENDED APPENDIX.  |
| TRUST    | Nov 06, 2012 | TRUST AGREEMENT ON FILE DATED NOVEMBER 5, 2012 WHEREBY TOURNAMENT EXPLORATION LTD. AND ENCANA CORPORATION ARE BOTH PARTIES TO AN UNDRILLED LEASE CONVEYANCE AGREEMENT DATED NOVEMBER 5, 2012 (C0146) AND EFFECTIVE NOVEMBER 5, 2012, TOURNAMENT NOW HOLDS THE FOLLOWING LANDS UNDER THIS LEASE IN TRUST FOR ENCANA:<br>AB CR LSE 0507100551<br>TWP 42 RGE 6 W5M SEC 1,<br>PNG BB ROCK CREEK |

Report Date: Oct 17, 2018

Page Number: 22

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| File Number | B           | Remarks  |
|-------------|-------------|--|
| M00976      |             |  |
|             | <b>Type</b> | <b>Date</b>  |
|             |             | <b>Description</b>   |
|             | CONTINUE    | Oct 19, 2012   |
|             |             | <p>WI HELD IN TRUST: 40%<br/>(ENCANA IS RESPONSIBLE FOR HALF OF TOURNAMENT'S 40% OF RENTALS).</p> <p>APPLICATION FOR CONTINUATION SUBMITTED BY BONAVISTA SEP 12/12, REQUESTING SECTION 15 CONTINUATION BASED ON PRODUCTION FROM THE 14-1-42-6 W5M PRODUCING GAS WELL... W/O CROWN RESPONSE...</p> <p>UPDATE -- OCT 18/12 -- 2 APPLICATIONS FOR CONTINUATION ON THIS LEASE: 1. BONAVISTA APPLICATION USING WELL DATA TO REQUEST A SECTION 15 CONTINUATION TO BASE ROCK CREEK -- SUBMITTED OCTOBER 17/12...</p> <p>2. ENCANA APPLICATION TO CONTINUE LEASES 0507100551 &amp; 0507100552 UNDER EITHER SECTION 15 OR SECTION 17 IN THE DUVERNAY (LOWER) RIGHTS... SUBMITTED OCT 18. CROWN RESPONSE ON FILE DATED JANUARY 18, 2013 WHEREBY SECTION 1-42-6W5M CONTINUED INDEFINITELY FROM BELOW BASE MANNVILLE TO BASE ROCK CREEK AND UNDER SECTION 15, FOR ONE YEAR, FROM BASE ROCK CREEK TO TOP BEAVERHILL LAKE GROUP. SEE FILE FOR FURTHER DETAILS.</p> |

|               |                |                          |         |                |        |             |                              |
|---------------|----------------|--------------------------|---------|----------------|--------|-------------|------------------------------|
| M00671        | LICENCE CR     | <b>Eff:</b> Mar 06, 1997 | 320.000 | C00403         | C No   | AFTER EARN  | TWP 42 RGE 6 W5M S 2         |
| <b>Sub:</b> D | WI             | <b>Exp:</b> Mar 05, 2002 | 320.000 | MANITOK        |        | 15.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5497030013     | <b>Ext:</b> 15           | 48.000  | BONAVISTA EN C |        | 85.00000000 | BASE VIKING_ZONE             |
|               | BONAVISTA EN C |                          |         |                |        |             |                              |
| 100.00000000  | BONAVISTA EN C |                          |         | Total Rental:  | 448.00 |             |                              |

----- **Related Contracts** -----  
 C00312 A P&S Sep 29, 2016(l)

Report Date: Oct 17, 2018

Page Number: 23

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| M00671 | Sub: D | Status    | Dev: | Acres   | Net    | Undev: | Acres | Net   | C00403 C | FARMOUT | Oct 22, 2004 |
|--------|--------|-----------|------|---------|--------|--------|-------|-------|----------|---------|--------------|
|        |        | DEVELOPED |      | 320.000 | 48.000 |        | 0.000 | 0.000 | C00403 G | FARMOUT | Oct 22, 2004 |
|        |        |           |      |         |        |        |       |       | C01157 E | ROYALTY | May 19, 2017 |

### Royalty / Encumbrances

----- Well U.W.I. Status/Type -----  
102/08-02-042-06-W5/00 SUSP/OIL

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 E | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 15.00000000 % of SALES |
|          | Roy Percent: 4.00000000  |              |               |             |                        |
|          | Deduction: NO            |              |               |             |                        |
|          | Gas: Royalty:            |              | Min Pay:      |             | Prod/Sales:            |
|          | S/S OIL: Min:            | Max:         | Div:          |             | Prod/Sales:            |
|          | Other Percent:           |              | Min:          |             | Prod/Sales:            |

|                          |                          |
|--------------------------|--------------------------|
| <b>Paid to:</b> PDTO (C) | <b>Paid by:</b> PDBY (C) |
| PSK ROYALTY 100.00000000 | MANITOK 100.00000000     |

#### ROYALTY DEDUCTIONS - Oct 18, 2017

-NO DEDUCTIONS WHATSOEVER

#### GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |
| Roy Percent:                |              |               |             |                        |
| Deduction:                  | STANDARD     |               |             |                        |

Report Date: Oct 17, 2018

Page Number: 24

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |                            |              |                              |                    |
|--------|---|----------------------------|--------------|------------------------------|--------------------|
| M00671 | D | <b>Gas: Royalty:</b>       |              | <b>Min Pay:</b>              | <b>Prod/Sales:</b> |
|        |   | <b>S/S OIL: Min:</b>       | <b>Max:</b>  | <b>Div:</b>                  | <b>Prod/Sales:</b> |
|        |   | <b>Other Percent:</b>      |              | <b>Min:</b>                  | <b>Prod/Sales:</b> |
|        |   | <b>Paid to:</b> LESSOR (M) |              | <b>Paid by:</b> AFTER EAF(C) |                    |
|        |   | AB ENERGY                  | 100.00000000 | MANITOK                      | 15.00000000        |
|        |   |                            |              | BONAVISTA EN C               | 85.00000000        |

|               |            |                          |         |                |             |                              |
|---------------|------------|--------------------------|---------|----------------|-------------|------------------------------|
| M00671        | LICENCE CR | <b>Eff:</b> Mar 06, 1997 | 320.000 | C00403 C No    | AFTER EARN  | TWP 42 RGE 6 W5M N 2         |
| <b>Sub:</b> F | WI         | <b>Exp:</b> Mar 05, 2002 | 320.000 | MANITOK        | 15.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5497030013 | <b>Ext:</b> 15           | 48.000  | BONAVISTA EN C | 85.00000000 | BASE VIKING_ZONE             |

|              |                |  |  |               |        |
|--------------|----------------|--|--|---------------|--------|
| 100.00000000 | BONAVISTA EN C |  |  | Total Rental: | 448.00 |
|--------------|----------------|--|--|---------------|--------|

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C01157 E | ROYALTY | May 19, 2017     |
| C00403 C | FARMOUT | Oct 22, 2004     |

| Status      | Dev: | Acres | Net   | Undev: | Acres   | Net    |
|-------------|------|-------|-------|--------|---------|--------|
| UNDEVELOPED |      | 0.000 | 0.000 |        | 320.000 | 48.000 |

### Royalty / Encumbrances

| <Linked> | Royalty Type                   | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|----------|--------------------------------|--------------|-----------------|-------------|------------------------|
| C01157 E | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS | N               | N           | 15.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |              |                 |             |                        |
|          | <b>Deduction:</b> NO           |              |                 |             |                        |
|          | <b>Gas: Royalty:</b>           |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>  | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
|          | <b>Other Percent:</b>          |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

Report Date: Oct 17, 2018

Page Number: 25

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |   |              |                                     |              |  |
|--------|---|---|--------------|-------------------------------------|--------------|--|
| M00671 | F | <b>Paid to:</b> PDTO (C)<br>PSK ROYALTY | 100.00000000 | <b>Paid by:</b> PDBY (C)<br>MANITOK | 100.00000000 |  |
|--------|---|---|--------------|-------------------------------------|--------------|--|

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

|                             |                     |                      |                    |                        |
|-----------------------------|---------------------|----------------------|--------------------|------------------------|
| <b>Royalty Type</b>         | <b>Product Type</b> | <b>Sliding Scale</b> | <b>Convertible</b> | <b>% of Prod/Sales</b> |
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS        | Y                    | N                  | 100.00000000 % of PROD |

**Roy Percent:**

**Deduction:** STANDARD

**Gas: Royalty:**

**S/S OIL: Min:**

**Other Percent:**

**Max:**

**Min Pay:**

**Div:**

**Min:**

**Prod/Sales:**

**Prod/Sales:**

**Prod/Sales:**

|   |              |   |             |
|---|--------------|---|-------------|
| <b>Paid to:</b> LESSOR (M)<br>AB ENERGY | 100.00000000 | <b>Paid by:</b> AFTER EAF(C)<br>MANITOK | 15.00000000 |
|   |              | BONAVISTA EN C                          | 85.00000000 |

|               |            |                          |       |             |              |                                 |
|---------------|------------|--------------------------|-------|-------------|--------------|---------------------------------|
| M00671        | LICENCE CR | <b>Eff:</b> Mar 06, 1997 | 0.000 | C00403 G No | BPEN         | TWP 42 RGE 6 W5M SEC 2          |
| <b>Sub:</b> H | PEN        | <b>Exp:</b> Mar 05, 2002 | 0.000 | BONAVISTA   | 100.00000000 | (100/05-02-042-06-W5/00 PENALTY |
| ACTIVE        | 5497030013 | <b>Ext:</b> 15           | 0.000 | MANITOK     |              | WELL- WORKOVERS)                |

Report Date: Oct 17, 2018

Page Number: 26

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00671

Sub: H BONAVIDA EN C

100.00000000 BONAVIDA EN C Count Acreage = No

Total Rental: 0.00

----- Related Contracts -----

C00403 G FARMOUT Oct 22, 2004

C01157 E ROYALTY May 19, 2017

| Status    | Dev: | Acres | Net   | Undev: | Acres | Net   |
|-----------|------|-------|-------|--------|-------|-------|
| DEVELOPED |      | 0.000 | 0.000 |        | 0.000 | 0.000 |

----- Well U.W.I. Status/Type -----

100/05-02-042-06-W5/00 SUSP/OIL

Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 E | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 15.00000000 % of SALES |
|          | Roy Percent: 4.00000000  |              |               |             |                        |
|          | Deduction: NO            |              |               |             |                        |
|          | Gas: Royalty:            |              | Min Pay:      |             | Prod/Sales:            |
|          | S/S OIL: Min:            | Max:         | Div:          |             | Prod/Sales:            |
|          | Other Percent:           |              | Min:          |             | Prod/Sales:            |

Paid to: PDTO (C)  
PSK ROYALTY 100.00000000

Paid by: PDBY (C)  
MANITOK 100.00000000

ROYALTY DEDUCTIONS - Oct 18, 2017

-NO DEDUCTIONS WHATSOEVER

GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type | Product Type | Sliding Scale | Convertible | % of Prod/Sales |
|--------------|--------------|---------------|-------------|-----------------|
|--------------|--------------|---------------|-------------|-----------------|

Report Date: Oct 17, 2018

Page Number: 27

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD

Roy Percent:

Deduction: STANDARD

M00671

H

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Max:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: LESSOR (M)

AB ENERGY

100.00000000

Paid by: BPEN

BONAVISTA

MANITOK

(C)

100.00000000

|              |                |                   |         |                      |             |                              |
|--------------|----------------|-------------------|---------|----------------------|-------------|------------------------------|
| M00671       | LICENCE CR     | Eff: Mar 06, 1997 | 640.000 | C00403 B No          | AFTER EARN  | TWP 42 RGE 6 W5M SEC 11      |
| Sub: E       | WI             | Exp: Mar 05, 2002 | 640.000 | MANITOK              | 15.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE       | 5497030013     | Ext: 15           | 96.000  | BONAVISTA EN C       | 85.00000000 | BASE JURASSIC                |
|              | BONAVISTA EN C |                   |         |                      |             | EXCL PNG IN GLAUCONITIC_A    |
| 100.00000000 | BONAVISTA EN C |                   |         | Total Rental: 896.00 |             |                              |

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00403 B | FARMOUT | Oct 22, 2004     |
| C01157 F | ROYALTY | May 19, 2017     |

| Status    | Dev: | Acres   | Net    | Undev: | Acres   | Net    |
|-----------|------|---------|--------|--------|---------|--------|
| DEVELOPED |      | 320.000 | 48.000 |        | 320.000 | 48.000 |

Royalty / Encumbrances

----- Well U.W.I. Status/Type -----

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 F | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 15.00000000 % of SALES |
|          | Roy Percent: 4.00000000  |              |               |             |                        |
|          | Deduction: NO            |              |               |             |                        |
|          | Gas: Royalty:            | Min Pay:     |               | Prod/Sales: |                        |
|          | S/S OIL: Min:            |              |               |             |                        |

|                        |               |
|------------------------|---------------|
| 102/16-11-042-06-W5/02 | FLOWING/OIL   |
| 102/14-11-042-06-W5/00 | PUMPING/OIL   |
| 102/16-11-042-06-W5/00 | DRILL CAS/GAS |



Report Date: Oct 17, 2018

Page Number: 28

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|                          |             |                          |                    |
|--------------------------|-------------|--------------------------|--------------------|
| <b>Other Percent:</b>    | <b>Max:</b> | <b>Div:</b>              | <b>Prod/Sales:</b> |
|                          |             | <b>Min:</b>              | <b>Prod/Sales:</b> |
| <b>Paid to:</b> PDTO (C) |             | <b>Paid by:</b> PDBY (C) |                    |
| PSK ROYALTY 100.00000000 |             | MANITOK 100.00000000     |                    |

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

M00671

E

**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b> STANDARD  |              |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY 100.00000000      |              | MANITOK 15.00000000          |             |                        |
|                             |              | BONAVISTA EN C 85.00000000   |             |                        |

Report Date: Oct 17, 2018

Page Number: 29

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

|               |                |                           |       |                    |             |  |                              |
|---------------|----------------|---------------------------|-------|--------------------|-------------|--|------------------------------|
| M00671        | LICENCE CR     | <b>Eff:</b> Mar 06, 1997  | 0.000 | C00403 E No        | AFTER EARN  |  | TWP 42 RGE 6 W5M NE 12       |
| <b>Sub:</b> A | WI             | <b>Exp:</b> Mar 05, 2002  | 0.000 | MANITOK            | 30.00000000 |  | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5497030013     | <b>Ext:</b> 15            | 0.000 | BONAVISTA EN C     | 70.00000000 |  | BASE ROCK_CREEK              |
|               | BONAVISTA EN C |                           |       |                    |             |  | EXCL PNG IN GLAUCONITIC_A    |
| 100.00000000  | BONAVISTA EN C | <b>Count Acreage =</b> No |       | Total Rental: 0.00 |             |  | (EXCL 102/16-12-042-06W5/00  |
|               |                |                           |       |                    |             |  | WELL)                        |

| Status | Dev: | Acres | Net   | Undev: | Acres | Net   |
|--------|------|-------|-------|--------|-------|-------|
|        |      | 0.000 | 0.000 |        | 0.000 | 0.000 |

| ----- Related Contracts ----- |         |                  |
|-------------------------------|---------|------------------|
| C00312 A                      | P&S     | Sep 29, 2016 (I) |
| C00403 E                      | FARMOUT | Oct 22, 2004     |
| C00940 B                      | ROYALTY | Jan 06, 2009     |
| C01157 G                      | ROYALTY | May 19, 2017     |

### Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales       |
|----------|--------------------------|--------------|---------------|-------------|-----------------------|
| C00940 B | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | Y             | N           | 25.00000000 % of PROD |

**Roy Percent:**

**Deduction:** UNKNOWN  
**Gas: Royalty:** 15.00000000  
**S/S OIL: Min:** 5.00000000  
**Other Percent:**

**Min Pay:**  
**Max:** 15.00000000  
**Div:** 1/23.6365  
**Min:**

**Prod/Sales:**  
**Prod/Sales:**  
**Prod/Sales:**

**Paid to:** PDTO (C)  
 BONAVISTA EN C 100.00000000

**Paid by:** PDBY (C)  
 BONAVISTA EN C 70.00000000  
 MANITOK 30.00000000

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 G | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 30.00000000 % of SALES |

**Roy Percent:** 4.00000000  
**Deduction:** NO  
**Gas: Royalty:**  
**S/S OIL: Min:**  
**Other Percent:**

**Min Pay:**  
**Max:**  
**Div:**  
**Min:**

**Prod/Sales:**  
**Prod/Sales:**  
**Prod/Sales:**

Report Date: Oct 17, 2018

Page Number: 30

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |   |              |                                     |              |
|--------|---|---|--------------|-------------------------------------|--------------|
| M00671 | A | <b>Paid to:</b> PDTO (C)<br>PSK ROYALTY | 100.00000000 | <b>Paid by:</b> PDBY (C)<br>MANITOK | 100.00000000 |
|--------|---|---|--------------|-------------------------------------|--------------|

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

|                             |                     |                      |                    |                        |
|-----------------------------|---------------------|----------------------|--------------------|------------------------|
| <b>Royalty Type</b>         | <b>Product Type</b> | <b>Sliding Scale</b> | <b>Convertible</b> | <b>% of Prod/Sales</b> |
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS        | Y                    | N                  | 100.00000000 % of PROD |

**Roy Percent:**

**Deduction:** STANDARD

**Gas: Royalty:**

**S/S OIL: Min:**

**Other Percent:**

**Max:**

**Min Pay:**

**Div:**

**Min:**

**Prod/Sales:**

**Prod/Sales:**

**Prod/Sales:**

|   |              |   |             |
|---|--------------|---|-------------|
| <b>Paid to:</b> LESSOR (M)<br>AB ENERGY | 100.00000000 | <b>Paid by:</b> AFTER EAF(C)<br>MANITOK | 30.00000000 |
|   |              | BONAVISTA EN C                          | 70.00000000 |

|               |            |                          |         |                |             |                              |
|---------------|------------|--------------------------|---------|----------------|-------------|------------------------------|
| M00671        | LICENCE CR | <b>Eff:</b> Mar 06, 1997 | 640.000 | C00403 D No    | AFTER EARN  | TWP 42 RGE 6 W5M S 12, NW 12 |
| <b>Sub:</b> B | WI         | <b>Exp:</b> Mar 05, 2002 | 480.000 | MANITOK        | 30.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5497030013 | <b>Ext:</b> 15           | 144.000 | BONAVISTA EN C | 70.00000000 | BASE ROCK_CREEK              |

Report Date: Oct 17, 2018

Page Number: 31

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00671  
**Sub:** B BONAVIDA EN C EXCL PNG IN GLAUCONITIC\_A  
 100.00000000 BONAVIDA EN C Total Rental: 672.00

| Status    | Dev: | Acres   | Net    | Undev: | Acres   | Net    |
|-----------|------|---------|--------|--------|---------|--------|
| DEVELOPED |      | 160.000 | 48.000 |        | 320.000 | 96.000 |

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00403 D | FARMOUT | Oct 22, 2004     |
| C00940 A | ROYALTY | Jan 06, 2009     |
| C01157 I | ROYALTY | May 19, 2017     |

### Royalty / Encumbrances

<Linked> **Royalty Type** **Product Type** **Sliding Scale** **Convertible** **% of Prod/Sales**  
 C00940 A GROSS OVERRIDING ROYALTY ALL PRODUCTS Y N 25.00000000 % of PROD

**Roy Percent:**  
**Deduction:** UNKNOWN  
**Gas: Royalty:** 15.00000000 **Min Pay:** **Prod/Sales:**  
**S/S OIL: Min:** 5.00000000 **Max:** 15.00000000 **Div:** 1/23.6365 **Prod/Sales:**  
**Other Percent:** **Min:** **Prod/Sales:**

**Paid to:** PDTO (C) **Paid by:** PDBY (C)  
 BONAVIDA EN C 100.00000000 BONAVIDA EN C 70.00000000  
 MANITOK 30.00000000

----- Well U.W.I. Status/Type -----  
 100/11-12-042-06-W5/00 FLOWING/OIL

<Linked> **Royalty Type** **Product Type** **Sliding Scale** **Convertible** **% of Prod/Sales**  
 C01157 I GROSS OVERRIDING ROYALTY ALL PRODUCTS N N 30.00000000 % of SALES

**Roy Percent:** 4.00000000  
**Deduction:** NO  
**Gas: Royalty:** **Min Pay:** **Prod/Sales:**  
**S/S OIL: Min:** **Max:** **Div:** **Prod/Sales:**  
**Other Percent:** **Min:** **Prod/Sales:**

**Paid to:** PDTO (C) **Paid by:** PDBY (C)

Report Date: Oct 17, 2018

Page Number: 32

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |   |             |              |         |  |              |  |
|--------|---|-------------|--------------|---------|--|--------------|--|
| M00671 | B | PSK ROYALTY | 100.00000000 | MANITOK |  | 100.00000000 |  |
|--------|---|-------------|--------------|---------|--|--------------|--|

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|---------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

**Roy Percent:**

**Deduction:** STANDARD

**Gas: Royalty:**

**S/S OIL: Min:**

**Other Percent:**

**Min Pay:**

**Div:**

**Min:**

**Prod/Sales:**

**Prod/Sales:**

**Prod/Sales:**

**Paid to:** LESSOR (M)

AB ENERGY

100.00000000

**Paid by:** AFTER EAF(C)

MANITOK

30.00000000

BONAVISTA EN C

70.00000000

|               |                |                          |         |                |             |                                 |
|---------------|----------------|--------------------------|---------|----------------|-------------|---------------------------------|
| M00671        | LICENCE CR     | <b>Eff:</b> Mar 06, 1997 | 640.000 | C00403 F No    | AFTER EARN  | TWP 42 RGE 6 W5M NE 12          |
| <b>Sub:</b> G | WI             | <b>Exp:</b> Mar 05, 2002 | 160.000 | MANITOK        | 15.00000000 | ALL PNG FROM BASE ROCK_CREEK TO |
| ACTIVE        | 5497030013     | <b>Ext:</b> 15           | 24.000  | BONAVISTA EN C | 85.00000000 | BASE JURASSIC                   |
|               | BONAVISTA EN C |                          |         |                |             | (102/16-12-42-6W5/00 WELL)      |

Report Date: Oct 17, 2018

Page Number: 33

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00671

Sub: G

100.00000000 BONAVIDA EN C

Total Rental: 224.00

| Status    | Dev: | Acres   | Net    | Undev: | Acres | Net   |
|-----------|------|---------|--------|--------|-------|-------|
| DEVELOPED |      | 160.000 | 24.000 |        | 0.000 | 0.000 |

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00403 F | FARMOUT | Oct 22, 2004     |
| C01157 H | ROYALTY | May 19, 2017     |

----- Royalty / Encumbrances -----

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 H | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 15.00000000 % of SALES |
|          | Roy Percent:             | 4.00000000   |               |             |                        |
|          | Deduction:               | NO           |               |             |                        |
|          | Gas: Royalty:            |              | Min Pay:      |             | Prod/Sales:            |
|          | S/S OIL: Min:            | Max:         | Div:          |             | Prod/Sales:            |
|          | Other Percent:           |              | Min:          |             | Prod/Sales:            |

|                          |                          |
|--------------------------|--------------------------|
| <b>Paid to:</b> PDTO (C) | <b>Paid by:</b> PDBY (C) |
| PSK ROYALTY 100.00000000 | MANITOK 100.00000000     |

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type | Product Type | Sliding Scale | Convertible | % of Prod/Sales |
|--------------|--------------|---------------|-------------|-----------------|
|--------------|--------------|---------------|-------------|-----------------|

Report Date: Oct 17, 2018

Page Number: 34

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

CROWN SLIDING SCALE ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD

**Roy Percent:**

**Deduction:** STANDARD

M00671

G

**Gas: Royalty:**

**S/S OIL: Min:**

**Other Percent:**

**Max:**

**Min Pay:**

**Div:**

**Min:**

**Prod/Sales:**

**Prod/Sales:**

**Prod/Sales:**

**Paid to:** LESSOR (M)

AB ENERGY

100.00000000

**Paid by:** AFTER EAF(C)

MANITOK

15.00000000

BONAVISTA EN C

85.00000000

M00696 LICENCE CR **Eff:** Jun 25, 1998 160.000 C00503 B Yes AFTER EARN  
**Sub:** B WI **Exp:** Jun 24, 2003 160.000 MANITOK 20.00000000  
ACTIVE 5498060057 **Ext:** 15 32.000 BONAVISTA EN C 80.00000000

TWP 42 RGE 6 W5M NE 13  
ALL PNG FROM BASE VIKING\_ZONE  
TO BASE JURASSIC

100.00000000 QUESTFIRE ENER Total Rental: 224.00

----- Related Contracts -----

C00312 A P&S Sep 29, 2016 (I)  
C00503 B FARMOUT Jun 15, 2006  
C01157 J ROYALTY May 19, 2017

| Status    | Dev: | Acres   | Net    | Undev: | Acres | Net   |
|-----------|------|---------|--------|--------|-------|-------|
| DEVELOPED |      | 160.000 | 32.000 |        | 0.000 | 0.000 |

----- Well U.W.I. Status/Type -----

100/03-13-042-06-W5/00 PUMPING/GAS  
102/16-13-042-06-W5/00 FLOWING/OIL

Royalty / Encumbrances

| <Linked> | Royalty Type                     | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|----------|----------------------------------|--------------|-----------------|-------------|------------------------|
| C00503 B | GROSS OVERRIDING ROYALTY         | ALL PRODUCTS | Y               | N           | 100.00000000 % of PROD |
|          | <b>Roy Percent:</b>              |              |                 |             |                        |
|          | <b>Deduction:</b> YES            |              |                 |             |                        |
|          | <b>Gas: Royalty:</b> 15.00000000 |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b>             |              |                 |             |                        |

Report Date: Oct 17, 2018

Page Number: 35

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

5.00000000 **Max:** 15.00000000 **Div:** 1/23.8365 **Prod/Sales:**  
**Other Percent:** 15 **Min:** **Prod/Sales:**

**Paid to:** PDTO (C) **Paid by:** AFTER EAF(C)  
 PSK ROYALTY 100.00000000 MANITOK 20.00000000  
 BONAVIDA EN C 80.00000000

**ROYALTY DEDUCTIONS -**  
-SAME AS CROWN - MAX. 50%

M00696

B

### Royalty / Encumbrances

| <Linked> | Royalty Type                   | Product Type | Sliding Scale            | Convertible | % of Prod/Sales        |
|----------|--------------------------------|--------------|--------------------------|-------------|------------------------|
| C01157 J | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS | N                        | N           | 20.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |              |                          |             |                        |
|          | <b>Deduction:</b> NO           |              |                          |             |                        |
|          | <b>Gas: Royalty:</b>           |              | <b>Min Pay:</b>          |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>  | <b>Div:</b>              |             | <b>Prod/Sales:</b>     |
|          | <b>Other Percent:</b>          |              | <b>Min:</b>              |             | <b>Prod/Sales:</b>     |
|          | <b>Paid to:</b> PDTO (C)       |              | <b>Paid by:</b> PDBY (C) |             |                        |
|          | PSK ROYALTY 100.00000000       |              | MANITOK 100.00000000     |             |                        |

**ROYALTY DEDUCTIONS - Oct 18, 2017**  
-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING



Report Date: Oct 17, 2018

Page Number: 36

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00696 B \_\_\_\_\_  
**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b> STANDARD  |              |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      | 20.00000000 |                        |
|                             |              | BONAVISTA EN C               | 80.00000000 |                        |

|               |                |                          |         |                      |             |                               |
|---------------|----------------|--------------------------|---------|----------------------|-------------|-------------------------------|
| M00696        | LICENCE CR     | <b>Eff:</b> Jun 25, 1998 | 160.000 | C00503 B Yes         | AFTER EARN  | TWP 42 RGE 6 W5M NW 13        |
| <b>Sub:</b> C | WI             | <b>Exp:</b> Jun 24, 2003 | 160.000 | MANITOK              | 20.00000000 | ALL PNG FROM BASE VIKING_ZONE |
| ACTIVE        | 5498060057     | <b>Ext:</b> 15           | 32.000  | BONAVISTA EN C       | 80.00000000 | TO BASE JURASSIC              |
|               | BONAVISTA EN C |                          |         |                      |             |                               |
| 100.00000000  | QUESTFIRE ENER |                          |         | Total Rental: 224.00 |             |                               |

----- **Related Contracts** -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00503 B | FARMOUT | Jun 15, 2006     |
| C01157 J | ROYALTY | May 19, 2017     |
| C00503 A | FARMOUT | Jun 15, 2006     |

| Status    | Acres   | Net    | Acres  | Net   |
|-----------|---------|--------|--------|-------|
| DEVELOPED | 160.000 | 32.000 | Undev: | 0.000 |

**Royalty / Encumbrances**

----- **Well U.W.I.**      **Status/Type** -----

|                        |             |
|------------------------|-------------|
| 100/03-13-042-06-W5/00 | PUMPING/GAS |
|------------------------|-------------|

Report Date: Oct 17, 2018

Page Number: 37

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| <Linked> | Royalty Type                     | Product Type                 | Sliding Scale         | Convertible        | % of Prod/Sales        |
|----------|----------------------------------|------------------------------|-----------------------|--------------------|------------------------|
| C00503 A | GROSS OVERRIDING ROYALTY         | ALL PRODUCTS                 | Y                     | N                  | 100.00000000 % of PROD |
|          | <b>Roy Percent:</b>              |                              |                       |                    |                        |
|          | <b>Deduction:</b> YES            |                              |                       |                    |                        |
| M00696   | C                                |                              |                       |                    |                        |
|          | <b>Gas: Royalty:</b> 15.00000000 | <b>Min Pay:</b>              |                       | <b>Prod/Sales:</b> |                        |
|          | <b>S/S OIL: Min:</b> 5.00000000  | <b>Max:</b> 15.00000000      | <b>Div:</b> 1/23.8365 | <b>Prod/Sales:</b> |                        |
|          | <b>Other Percent:</b> 15         | <b>Min:</b>                  |                       | <b>Prod/Sales:</b> |                        |
|          | <b>Paid to:</b> PDTO (C)         | <b>Paid by:</b> AFTER EAF(C) |                       |                    |                        |
|          | PSK ROYALTY 100.00000000         | MANITOK 20.00000000          |                       |                    |                        |
|          |                                  | BONAVISTA EN C 80.00000000   |                       |                    |                        |

**ROYALTY DEDUCTIONS -**  
SAME AS CROWN - MAX 50%

### Royalty / Encumbrances

| <Linked> | Royalty Type                   | Product Type             | Sliding Scale | Convertible        | % of Prod/Sales        |
|----------|--------------------------------|--------------------------|---------------|--------------------|------------------------|
| C01157 J | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS             | N             | N                  | 20.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |                          |               |                    |                        |
|          | <b>Deduction:</b> NO           |                          |               |                    |                        |
|          | <b>Gas: Royalty:</b>           | <b>Min Pay:</b>          |               | <b>Prod/Sales:</b> |                        |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>              | <b>Div:</b>   | <b>Prod/Sales:</b> |                        |
|          | <b>Other Percent:</b>          | <b>Min:</b>              |               | <b>Prod/Sales:</b> |                        |
|          | <b>Paid to:</b> PDTO (C)       | <b>Paid by:</b> PDBY (C) |               |                    |                        |
|          | PSK ROYALTY 100.00000000       | MANITOK 100.00000000     |               |                    |                        |

**ROYALTY DEDUCTIONS - Oct 18, 2017**  
-NO DEDUCTIONS WHATSOEVER

### GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING

Report Date: Oct 17, 2018

Page Number: 38

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00696 C ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b>           | STANDARD     |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      | 20.00000000 |                        |
|                             |              | BONAVISTA EN C               | 80.00000000 |                        |

|               |                |    |                          |         |                |   |        |             |                              |
|---------------|----------------|----|--------------------------|---------|----------------|---|--------|-------------|------------------------------|
| M00770        | PNG            | CR | <b>Eff:</b> Aug 09, 2001 | 320.000 | C00503         | A | Yes    | AFTER EARN  | TWP 42 RGE 6 W5M S 13        |
| <b>Sub:</b> A | WI             |    | <b>Exp:</b> Aug 08, 2006 | 320.000 | MANITOK        |   |        | 20.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 0501080208     |    | <b>Ext:</b> 15           | 64.000  | BONAVISTA EN C |   |        | 80.00000000 | BASE JURASSIC                |
| 100.00000000  | BONAVISTA EN C |    |                          |         |                |   |        |             |                              |
|               |                |    |                          |         | Total Rental:  |   | 448.00 |             |                              |

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00503 A | FARMOUT | Jun 15, 2006     |
| C01157 K | ROYALTY | May 19, 2017     |

| Status    | Acres   | Net    | Acres  | Net   |
|-----------|---------|--------|--------|-------|
| DEVELOPED | 320.000 | 64.000 | Undev: | 0.000 |
| Dev:      |         |        |        | 0.000 |

----- Well U.W.I. Status/Type -----  
100/03-13-042-06-W5/00 PUMPING/GAS

Royalty / Encumbrances

Report Date: Oct 17, 2018

Page Number: 39

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| <Linked> | Royalty Type                     | Product Type                 | Sliding Scale         | Convertible        | % of Prod/Sales        |
|----------|----------------------------------|------------------------------|-----------------------|--------------------|------------------------|
| C00503 A | GROSS OVERRIDING ROYALTY         | ALL PRODUCTS                 | Y                     | N                  | 100.00000000 % of PROD |
|          | <b>Roy Percent:</b>              |                              |                       |                    |                        |
|          | <b>Deduction:</b> YES            |                              |                       |                    |                        |
| M00770   | A                                |                              |                       |                    |                        |
|          | <b>Gas: Royalty:</b> 15.00000000 | <b>Min Pay:</b>              |                       | <b>Prod/Sales:</b> |                        |
|          | <b>S/S OIL: Min:</b> 5.00000000  | <b>Max:</b> 15.00000000      | <b>Div:</b> 1/23.8365 | <b>Prod/Sales:</b> |                        |
|          | <b>Other Percent:</b> 15         | <b>Min:</b>                  |                       | <b>Prod/Sales:</b> |                        |
|          | <b>Paid to:</b> PDTO (C)         | <b>Paid by:</b> AFTER EAF(C) |                       |                    |                        |
|          | PSK ROYALTY 100.00000000         | MANITOK 20.00000000          |                       |                    |                        |
|          |                                  | BONAVISTA EN C 80.00000000   |                       |                    |                        |

**ROYALTY DEDUCTIONS -**  
SAME AS CROWN - MAX 50%

### Royalty / Encumbrances

| <Linked> | Royalty Type                   | Product Type             | Sliding Scale | Convertible        | % of Prod/Sales        |
|----------|--------------------------------|--------------------------|---------------|--------------------|------------------------|
| C01157 K | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS             | N             | N                  | 20.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |                          |               |                    |                        |
|          | <b>Deduction:</b> NO           |                          |               |                    |                        |
|          | <b>Gas: Royalty:</b>           | <b>Min Pay:</b>          |               | <b>Prod/Sales:</b> |                        |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>              | <b>Div:</b>   | <b>Prod/Sales:</b> |                        |
|          | <b>Other Percent:</b>          | <b>Min:</b>              |               | <b>Prod/Sales:</b> |                        |
|          | <b>Paid to:</b> PDTO (C)       | <b>Paid by:</b> PDBY (C) |               |                    |                        |
|          | PSK ROYALTY 100.00000000       | MANITOK 100.00000000     |               |                    |                        |

**ROYALTY DEDUCTIONS - Oct 18, 2017**  
-NO DEDUCTIONS WHATSOEVER

### GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING

Report Date: Oct 17, 2018

Page Number: 40

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00770 A ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b>           | STANDARD     |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      | 20.00000000 |                        |
|                             |              | BONAVISTA EN C               | 80.00000000 |                        |

### Remarks

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Aug 08, 2007 | PER ALBERTA ENERGY LETTER DATED JUNE 6, 2007 AND AMENDED APPENDIX ON FILE, LEASE CONTINUED INDEFINITELY BELOW BASE CARDIUM TO BASE JURASSIC FM UNDER SECTION 15 SEE FILE FOR FURTHER DETAILS. |

|               |            |    |                          |         |                |   |     |             |                              |
|---------------|------------|----|--------------------------|---------|----------------|---|-----|-------------|------------------------------|
| M00787        | PNG        | CR | <b>Eff:</b> Aug 09, 2001 | 640.000 | C00503         | A | Yes | AFTER EARN  | TWP 42 RGE 6 W5M SEC 14      |
| <b>Sub:</b> A | WI         |    | <b>Exp:</b> Aug 08, 2006 | 640.000 | MANITOK        |   |     | 20.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 0501080209 |    | <b>Ext:</b> 15           | 128.000 | BONAVISTA EN C |   |     | 80.00000000 | BASE JURASSIC                |

Report Date: Oct 17, 2018

Page Number: 41

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00787

Sub: A BONAVIDA EN C

100.00000000 BONAVIDA EN C

Total Rental: 896.00

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00503 A | FARMOUT | Jun 15, 2006     |
| C01157 K | ROYALTY | May 19, 2017     |

| Status    | Dev: | Acres   | Net    | Undev: | Acres   | Net    |
|-----------|------|---------|--------|--------|---------|--------|
| DEVELOPED |      | 320.000 | 64.000 |        | 320.000 | 64.000 |

----- Well U.W.I. Status/Type -----

|                        |             |
|------------------------|-------------|
| 100/11-14-042-06-W5/00 | FLOWING/OIL |
| 100/02-14-042-06-W5/00 | FLOWING/OIL |

Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C00503 A | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

Roy Percent:

Deduction: YES

Gas: Royalty: 15.00000000

S/S OIL: Min: 5.00000000

Other Percent: 15

Min Pay:

Div: 1/23.8365

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: PDTO (C)

PSK ROYALTY 100.00000000

Paid by: AFTER EAF(C)

MANITOK 20.00000000

BONAVIDA EN C 80.00000000

ROYALTY DEDUCTIONS -

SAME AS CROWN - MAX 50%

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 K | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 20.00000000 % of SALES |

Roy Percent: 4.00000000

Deduction: NO

Gas: Royalty:

S/S OIL: Min:

Max:

Min Pay:

Div:

Prod/Sales:

Prod/Sales:

Report Date: Oct 17, 2018

Page Number: 42

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|                          |              |                          |  |                    |
|--------------------------|--------------|--------------------------|--|--------------------|
| <b>Other Percent:</b>    |              | <b>Min:</b>              |  | <b>Prod/Sales:</b> |
| <b>Paid to:</b> PDTO (C) |              | <b>Paid by:</b> PDBY (C) |  |                    |
| PSK ROYALTY              | 100.00000000 | MANITOK                  |  | 100.00000000       |

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

M00787

A

**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b> STANDARD  |              |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      |             | 20.00000000            |
|                             |              | BONAVISTA EN C               |             | 80.00000000            |

**Remarks**

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Aug 08, 2007 | LETTER ON FILE DATED JUNE 6/07 AND AMENDED APPENDIX ON FILE |

Report Date: Oct 17, 2018

Page Number: 43

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|        |      |      |  |  |  |  |         |
|--------|------|------|--|--|--|--|---------|
| M00787 | A    |      |  |  |  |  | Remarks |
|        | Type | Date | Description  |  |  |  |         |
|        |      |      | REFLECTING LEASE CONTINUANCE BELOW BASE CARDIUM TO BASE JURASSIC UNDER SECTION 15 OF TENURE. SEE FILE FOR FURTHER DETAILS. |  |  |  |         |

|              |                |                   |         |                |        |             |                              |
|--------------|----------------|-------------------|---------|----------------|--------|-------------|------------------------------|
| M00773       | LICENCE CR     | Eff: Jul 23, 1997 | 640.000 | C00503 C       | Yes    | AFTER EARN  | TWP 42 RGE 6 W5M SEC 15      |
| Sub: A       | WI             | Exp: Jul 22, 2001 | 640.000 | MANITOK        |        | 20.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE       | 5497070089     | Ext: 15           | 128.000 | BONAVISTA EN C |        | 80.00000000 | BASE VIKING_ZONE             |
| 100.00000000 | BONAVISTA EN C |                   |         |                |        |             |                              |
|              | QUESTFIRE ENER |                   |         | Total Rental:  | 896.00 |             |                              |

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00503 C | FARMOUT | Jun 15, 2006     |
| C01157 L | ROYALTY | May 19, 2017     |

| Status      | Dev: | Acres | Net   | Undev: | Acres   | Net     |
|-------------|------|-------|-------|--------|---------|---------|
| UNDEVELOPED |      | 0.000 | 0.000 |        | 640.000 | 128.000 |

### Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C00503 C | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | Y             | N           | 100.00000000 % of PROD |

**Roy Percent:**

Deduction: YES

Gas: Royalty: 15.00000000

S/S OIL: Min: 5.00000000

Other Percent: 15

**Min Pay:**

Div: 1/23.8365

Min:

**Prod/Sales:**

Prod/Sales:

Prod/Sales:

Paid to: PDTO (C)

PSK ROYALTY 100.00000000

Paid by: AFTER EAF(C)

MANITOK 20.00000000

BONAVISTA EN C 80.00000000



Report Date: Oct 17, 2018

Page Number: 44

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00773 A

### ROYALTY DEDUCTIONS -

-SAME AS CROWN - MAX. 50%

| <Linked> | Royalty Type                   | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|----------|--------------------------------|--------------|-----------------|-------------|------------------------|
| C01157 L | GROSS OVERRIDING ROYALTY       | ALL PRODUCTS | N               | N           | 20.00000000 % of SALES |
|          | <b>Roy Percent:</b> 4.00000000 |              |                 |             |                        |
|          | <b>Deduction:</b> NO           |              |                 |             |                        |
|          | <b>Gas: Royalty:</b>           |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
|          | <b>S/S OIL: Min:</b>           | <b>Max:</b>  | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
|          | <b>Other Percent:</b>          |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

|                          |              |                          |              |
|--------------------------|--------------|--------------------------|--------------|
| <b>Paid to:</b> PDTO (C) |              | <b>Paid by:</b> PDBY (C) |              |
| PSK ROYALTY              | 100.00000000 | MANITOK                  | 100.00000000 |

### ROYALTY DEDUCTIONS - Oct 18, 2017

-NO DEDUCTIONS WHATSOEVER

### GENERAL REMARKS - Oct 18, 2017

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale   | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|-----------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y               | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                 |             |                        |
| <b>Deduction:</b> STANDARD  |              |                 |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b> |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>     |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>     |             | <b>Prod/Sales:</b>     |

Report Date: Oct 17, 2018

Page Number: 45

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|                            |              |                              |             |
|----------------------------|--------------|------------------------------|-------------|
| <b>Paid to:</b> LESSOR (M) |              | <b>Paid by:</b> AFTER EAF(C) |             |
| AB ENERGY                  | 100.00000000 | MANITOK                      | 20.00000000 |
|                            |              | BONAVISTA EN C               | 80.00000000 |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| VALIDATE | Oct 11, 2006 | LICENCE VALIDATED FOR A 5 YR TERM TO JULY 24/06. FURTHER CONTINUATION APPLICATION SENT IN TO CROWN REQUESTING A SECTION 16 BASED ON THE 100/11-27-42-6W5/00 ADVANTAGE WELL... LETTER DATED OCTOBER 24, 2006 REFLECTING CONTINUANCE OF SECTION 15-42-6 W5M BELOW BASE CARDIUM TO BASE ROCK CREEK UNDER SECTION 15 INDEFINITELY. SEE FILE FOR FURTHER DETAILS. |

|               |                |    |                          |         |                |   |     |             |                              |
|---------------|----------------|----|--------------------------|---------|----------------|---|-----|-------------|------------------------------|
| M00796        | PNG            | CR | <b>Eff:</b> Aug 09, 2001 | 320.000 | C00503         | A | Yes | AFTER EARN  | TWP 42 RGE 6 W5M N 24        |
| <b>Sub:</b> A | WI             |    | <b>Exp:</b> Aug 08, 2006 | 320.000 | MANITOK        |   |     | 20.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 0501080210     |    | <b>Ext:</b> 15           | 64.000  | BONAVISTA EN C |   |     | 80.00000000 | BASE JURASSIC                |
|               | BONAVISTA EN C |    |                          |         |                |   |     |             |                              |
| 100.00000000  | BONAVISTA EN C |    |                          |         |                |   |     |             |                              |

Total Rental: 448.00

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00503 A | FARMOUT | Jun 15, 2006     |
| C01157 K | ROYALTY | May 19, 2017     |

| Status    | Acres   | Net    | Acres  | Net   |
|-----------|---------|--------|--------|-------|
| DEVELOPED | 320.000 | 64.000 | Undev: | 0.000 |

----- Well U.W.I. Status/Type -----

103/06-24-042-06-W5/00 FLOWING/GAS

### Royalty / Encumbrances

| <Linked> Royalty Type | Product Type | Sliding Scale | Convertible | % of Prod/Sales |
|-----------------------|--------------|---------------|-------------|-----------------|
|-----------------------|--------------|---------------|-------------|-----------------|

Report Date: Oct 17, 2018

Page Number: 46

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

C00503 A GROSS OVERRIDING ROYALTY ALL PRODUCTS Y N 100.00000000 % of PROD

**Roy Percent:**

**Deduction:** YES

M00796 A **Gas: Royalty:** 15.00000000 **Min Pay:** **Prod/Sales:**

**S/S OIL: Min:** 5.00000000 **Max:** 15.00000000 **Div:** 1/23.8365 **Prod/Sales:**

**Other Percent:** 15 **Min:** **Prod/Sales:**

|                          |  |                              |
|--------------------------|--|------------------------------|
| <b>Paid to:</b> PDTO (C) |  | <b>Paid by:</b> AFTER EAF(C) |
| PSK ROYALTY 100.00000000 |  | MANITOK 20.00000000          |
|                          |  | BONAVISTA EN C 80.00000000   |

**ROYALTY DEDUCTIONS -**  
SAME AS CROWN - MAX 50%

### Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales        |
|----------|--------------------------|--------------|---------------|-------------|------------------------|
| C01157 K | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | N             | N           | 20.00000000 % of SALES |

**Roy Percent:** 4.00000000

**Deduction:** NO

**Gas: Royalty:** **Min Pay:** **Prod/Sales:**

**S/S OIL: Min:** **Max:** **Div:** **Prod/Sales:**

**Other Percent:** **Min:** **Prod/Sales:**

|                          |  |                          |
|--------------------------|--|--------------------------|
| <b>Paid to:</b> PDTO (C) |  | <b>Paid by:</b> PDBY (C) |
| PSK ROYALTY 100.00000000 |  | MANITOK 100.00000000     |

**ROYALTY DEDUCTIONS - Oct 18, 2017**  
-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**  
ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING

Report Date: Oct 17, 2018

Page Number: 47

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00796      A      ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b>           | STANDARD     |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      | 20.00000000 |                        |
|                             |              | BONAVISTA EN C               | 80.00000000 |                        |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | Aug 08, 2007 | LETTER ON FILE DATED JUNE 6/07 AND AMENDED APPENDIX ON FILE REFLECTING LEASE CONTINUANCE BELOW BASE CARDIUM TO BASE JURASSIC UNDER SECTION 15 OF TENURE. SEE FILE FOR FURTHER DETAILS. |

|               |            |                          |         |                |             |                               |
|---------------|------------|--------------------------|---------|----------------|-------------|-------------------------------|
| M00798        | LICENCE CR | <b>Eff:</b> Jul 24, 1997 | 320.000 | C00503 B Yes   | AFTER EARN  | TWP 42 RGE 6 W5M S 24         |
| <b>Sub:</b> A | WI         | <b>Exp:</b> Jul 23, 2002 | 320.000 | MANITOK        | 20.00000000 | ALL PNG FROM BASE VIKING_ZONE |
| ACTIVE        | 5497070090 | <b>Ext:</b> 15           | 64.000  | BONAVISTA EN C | 80.00000000 | TO BASE JURASSIC              |

Report Date: Oct 17, 2018

Page Number: 48

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00798

Sub: A BONAVIDA EN C

100.00000000 QUESTFIRE ENER

Total Rental: 448.00

----- Related Contracts -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00503 B | FARMOUT | Jun 15, 2006     |
| C01157 J | ROYALTY | May 19, 2017     |

|               |             |              |            |               |              |            |
|---------------|-------------|--------------|------------|---------------|--------------|------------|
| <b>Status</b> | <b>Dev:</b> | <b>Acres</b> | <b>Net</b> | <b>Undev:</b> | <b>Acres</b> | <b>Net</b> |
| DEVELOPED     |             | 320.000      | 64.000     |               | 0.000        | 0.000      |

----- Well U.W.I. Status/Type -----

|                        |             |
|------------------------|-------------|
| 103/06-24-042-06-W5/00 | FLOWING/GAS |
| 100/01-24-042-06-W5/00 | FLOWING/OIL |

Royalty / Encumbrances

|          |                          |                     |                      |                    |                        |
|----------|--------------------------|---------------------|----------------------|--------------------|------------------------|
| <Linked> | <b>Royalty Type</b>      | <b>Product Type</b> | <b>Sliding Scale</b> | <b>Convertible</b> | <b>% of Prod/Sales</b> |
| C00503 B | GROSS OVERRIDING ROYALTY | ALL PRODUCTS        | Y                    | N                  | 100.00000000 % of PROD |

Roy Percent:

Deduction: YES

Gas: Royalty: 15.00000000

S/S OIL: Min: 5.00000000

Other Percent: 15

Min Pay:

Div: 1/23.8365

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: PDTO (C)

PSK ROYALTY 100.00000000

Paid by: AFTER EAF(C)

MANITOK 20.00000000

BONAVIDA EN C 80.00000000

ROYALTY DEDUCTIONS -

-SAME AS CROWN - MAX. 50%

|          |                          |                     |                      |                    |                        |
|----------|--------------------------|---------------------|----------------------|--------------------|------------------------|
| <Linked> | <b>Royalty Type</b>      | <b>Product Type</b> | <b>Sliding Scale</b> | <b>Convertible</b> | <b>% of Prod/Sales</b> |
| C01157 J | GROSS OVERRIDING ROYALTY | ALL PRODUCTS        | N                    | N                  | 20.00000000 % of SALES |

Roy Percent: 4.00000000

Deduction: NO

Gas: Royalty:

S/S OIL: Min:

Min Pay:

Div:

Prod/Sales:

Prod/Sales:

Report Date: Oct 17, 2018

Page Number: 49

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

|                          |              |                          |  |                    |
|--------------------------|--------------|--------------------------|--|--------------------|
| <b>Other Percent:</b>    |              | <b>Min:</b>              |  | <b>Prod/Sales:</b> |
| <b>Paid to:</b> PDTO (C) |              | <b>Paid by:</b> PDBY (C) |  |                    |
| PSK ROYALTY              | 100.00000000 | MANITOK                  |  | 100.00000000       |

**ROYALTY DEDUCTIONS - Oct 18, 2017**

-NO DEDUCTIONS WHATSOEVER

**GENERAL REMARKS - Oct 18, 2017**

ROYALTY DETERMINATION POINT IN CLAUSE 2.01 (QUANTIFICATION OF OVERRIDING ROYALTY) OF ROYALTY PROCEDURE ARE DELETED AND REPLACED WITH THE WORDS WITH THE WORDS - "POINT OF SALE" WHICH FOR CLARITY WILL BE A POINT WHERE THE PETROLEUM SUBSTANCES ARE SOLD OR ARE TO BE SOLD TO A THIRD PARTY DOWNSTREAM OF ANY GATHERING, TREATING OR PROCESSING

M00798

A

**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale                | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                            | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                              |             |                        |
| <b>Deduction:</b> STANDARD  |              |                              |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>              |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>                  |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> AFTER EAF(C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                      |             | 20.00000000            |
|                             |              | BONAVISTA EN C               |             | 80.00000000            |

**Remarks**

| Type     | Date         | Description   |
|----------|--------------|---|
| CONTINUE | Aug 08, 2007 | LETTER ON FILE DATED JUNE 6/07 AND AMENDED APPENDIX ON FILE |

Report Date: Oct 17, 2018

Page Number: 50

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

| File Number | Lse Type    | Remarks   |
|-------------|-------------|---|
| M00798      | A           |   |
|             | <b>Type</b> | <b>Description</b>  |
|             | <b>Date</b> |   |
|             |             | REFLECTING LEASE CONTINUANCE BELOW BASE VIKING TO BASE JURASSIC UNDER SECTION 15 OF TENURE. SEE FILE FOR FURTHER DETAILS. |

|               |              |                          |         |                      |             |                              |
|---------------|--------------|--------------------------|---------|----------------------|-------------|------------------------------|
| M00943        | LICENCE CR   | <b>Eff:</b> Mar 04, 2004 | 640.000 | C00771 A No          | WI          | TWP 43 RGE 7 W5M SEC 1       |
| <b>Sub:</b> D | WI           | <b>Exp:</b> Mar 03, 2008 | 640.000 | MANITOK              | 40.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5404030488   | <b>Ext:</b> 15           | 256.000 | BONAVISTA EN C       | 60.00000000 | BASE ROCK_CREEK              |
| 100.00000000  | TAMARACK ACQ |                          |         | Total Rental: 896.00 |             |                              |

----- **Related Contracts** -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00682 A | FARMOUT | Apr 12, 2007     |
| C00771 A | FARMOUT | Mar 05, 2005     |

| Status    | Dev: | Acres   | Net     | Undev: | Acres | Net   |
|-----------|------|---------|---------|--------|-------|-------|
| DEVELOPED |      | 640.000 | 256.000 |        | 0.000 | 0.000 |

----- **Well U.W.I.** **Status/Type** -----

100/16-01-043-07-W5/00 PUMPING/GAS

**Royalty / Encumbrances**

| <Linked> | Royalty Type                     | Product Type             | Sliding Scale         | Convertible             | % of Prod/Sales       |
|----------|----------------------------------|--------------------------|-----------------------|-------------------------|-----------------------|
| C00682 A | GROSS OVERRIDING ROYALTY         | ALL PRODUCTS             | Y                     | N                       | 40.00000000 % of PROD |
|          | <b>Roy Percent:</b>              |                          |                       |                         |                       |
|          | <b>Deduction:</b> YES            |                          |                       |                         |                       |
|          | <b>Gas: Royalty:</b> 10.00000000 | <b>Min Pay:</b>          |                       | <b>Prod/Sales:</b>      |                       |
|          | <b>S/S OIL: Min:</b> 5.00000000  | <b>Max:</b> 10.00000000  | <b>Div:</b> 1/23.8365 | <b>Prod/Sales:</b> PROD |                       |
|          | <b>Other Percent:</b>            | <b>Min:</b>              |                       | <b>Prod/Sales:</b>      |                       |
|          | <b>Paid to:</b> PDTO (C)         | <b>Paid by:</b> PDBY (C) |                       |                         |                       |
|          | FREEHOLD ROY P 100.00000000      | MANITOK 100.00000000     |                       |                         |                       |

Report Date: Oct 17, 2018

Page Number: 51

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00943      D      **ROYALTY DEDUCTIONS - Apr 12, 2007**  
 SAME AS CROWN - MAX 50%

| Royalty Type                | Product Type | Sliding Scale          | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                      | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                        |             |                        |
| <b>Deduction:</b>           | STANDARD     |                        |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>        |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>            |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>            |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> WI (C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                |             | 40.00000000            |
|                             |              | BONAVISTA EN C         |             | 60.00000000            |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | May 29, 2013 | HUSKY OIL OPERATIONS LIMITED SUBMITTED CONTINUATION APPLICATION FOR SEC 15 (A) AND 15(E) FOR P&NG AGREEMENT #5404030488. PER CROWN RESPONSE DATED MAY 9, 2013, THE FOLLOWING LANDS ARE CONTINUED UNDER SECTION 15 FROM SURFACE TO BASE<br>JURASSIC:<br>TWP 43 RGE 7 W5M 1, 12, SE 24<br>THE FOLLOWING LANDS HAVE BEEN ALLOWED TO EXPIRE AS THE CROWN FOUND THEM NON-PRODUCTIVE:<br>TWP 42 RGE 6 W5M S&NW 17<br>TWP 42 RGE 7 W5M 36 |



Report Date: Oct 17, 2018

Page Number: 52

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00943 D \_\_\_\_\_ Remarks \_\_\_\_\_

| Type | Date | Description                   |
|------|------|-------------------------------|
|      |      | SEE FILE FOR FURTHER DETAILS. |

|               |                |                           |       |                |             |                                 |
|---------------|----------------|---------------------------|-------|----------------|-------------|---------------------------------|
| M00943        | LICENCE CR     | <b>Eff:</b> Mar 04, 2004  | 0.000 | C00771 A No    | WI          | TWP 43 RGE 7 W5M SEC 1          |
| <b>Sub:</b> E | WI             | <b>Exp:</b> Mar 03, 2008  | 0.000 | MANITOK        | 40.00000000 | ALL PNG FROM BASE ROCK_CREEK TO |
| ACTIVE        | 5404030488     | <b>Ext:</b> 15            | 0.000 | BONAVISTA EN C | 60.00000000 | BASE NORDEGG                    |
|               | BONAVISTA EN C |                           |       |                |             |                                 |
| 100.00000000  | TAMARACK ACQ   | <b>Count Acreage =</b> No |       | Total Rental:  | 0.00        |                                 |

----- **Related Contracts** -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00682 B | FARMOUT | Apr 12, 2007     |
| C00771 A | FARMOUT | Mar 05, 2005     |

| Status      | Acres | Net   | Acres         | Net   |
|-------------|-------|-------|---------------|-------|
| <b>Dev:</b> | 0.000 | 0.000 | <b>Undev:</b> | 0.000 |

### Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales       |
|----------|--------------------------|--------------|---------------|-------------|-----------------------|
| C00682 B | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | Y             | N           | 40.00000000 % of PROD |

**Roy Percent:**

**Deduction:** YES

**Gas: Royalty:** 12.50000000

**S/S OIL: Min:** 5.00000000

**Other Percent:**

**Min Pay:**

**Max:** 12.50000000 **Div:** 1/23.8365

**Min:**

**Prod/Sales:**

**Prod/Sales:**

**Prod/Sales:**

**Paid to:** PDTO (C)

FREEHOLD ROY P 100.00000000

**Paid by:** PDBY (C)

MANITOK 100.00000000

**ROYALTY DEDUCTIONS -**

SAME AS CROWN - MAX 50%

Report Date: Oct 17, 2018

Page Number: 53

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00943 E \_\_\_\_\_  
**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale          | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                      | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                        |             |                        |
| <b>Deduction:</b>           | STANDARD     |                        |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>        |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>            |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>            |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> WI (C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                |             | 40.00000000            |
|                             |              | BONAVISTA EN C         |             | 60.00000000            |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | May 29, 2013 | HUSKY OIL OPERATIONS LIMITED SUBMITTED CONTINUATION APPLICATION FOR SEC 15 (A) AND 15(E) FOR P&NG AGREEMENT #5404030488. PER CROWN RESPONSE DATED MAY 9, 2013, THE FOLLOWING LANDS ARE CONTINUED UNDER SECTION 15 FROM SURFACE TO BASE<br>JURASSIC:<br>TWP 43 RGE 7 W5M 1, 12, SE 24<br>THE FOLLOWING LANDS HAVE BEEN ALLOWED TO EXPIRE AS THE CROWN FOUND THEM NON-PRODUCTIVE:<br>TWP 42 RGE 6 W5M S&NW 17<br>TWP 42 RGE 7 W5M 36 |

Report Date: Oct 17, 2018

Page Number: 54

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00943 E \_\_\_\_\_ Remarks \_\_\_\_\_

| Type | Date | Description                   |
|------|------|-------------------------------|
|      |      | SEE FILE FOR FURTHER DETAILS. |

|               |                |                          |         |                      |             |                              |
|---------------|----------------|--------------------------|---------|----------------------|-------------|------------------------------|
| M00943        | LICENCE CR     | <b>Eff:</b> Mar 04, 2004 | 320.000 | C00771 A No          | WI          | TWP 43 RGE 7 W5M E 12        |
| <b>Sub:</b> A | WI             | <b>Exp:</b> Mar 03, 2008 | 320.000 | MANITOK              | 40.00000000 | ALL PNG FROM BASE CARDIUM TO |
| ACTIVE        | 5404030488     | <b>Ext:</b> 15           | 128.000 | BONAVISTA EN C       | 60.00000000 | BASE NORDEGG                 |
|               | BONAVISTA EN C |                          |         |                      |             |                              |
| 100.00000000  | TAMARACK ACQ   |                          |         | Total Rental: 448.00 |             |                              |

| Status      | Acres   | Net           | Acres   | Net    |
|-------------|---------|---------------|---------|--------|
| DEVELOPED   | 160.000 | 64.000        | 160.000 | 64.000 |
| <b>Dev:</b> |         | <b>Undev:</b> |         |        |

----- **Related Contracts** -----

|          |         |                  |
|----------|---------|------------------|
| C00312 A | P&S     | Sep 29, 2016 (I) |
| C00682 C | FARMOUT | Apr 12, 2007     |
| C00771 A | FARMOUT | Mar 05, 2005     |

### Royalty / Encumbrances

| <Linked> | Royalty Type             | Product Type | Sliding Scale | Convertible | % of Prod/Sales       |
|----------|--------------------------|--------------|---------------|-------------|-----------------------|
| C00682 C | GROSS OVERRIDING ROYALTY | ALL PRODUCTS | Y             | N           | 40.00000000 % of PROD |

**Roy Percent:**

**Deduction:** YES

**Gas: Royalty:** 10.00000000

**S/S OIL: Min:** 5.00000000

**Other Percent:**

**Min Pay:**

**Max:** 10.00000000 **Div:** 1/23.8365

**Min:**

**Prod/Sales:**

**Prod/Sales:** PROD

**Prod/Sales:**

**Paid to:** PDTO (C)

FREEHOLD ROY P 100.00000000

**Paid by:** PDBY (C)

MANITOK 100.00000000

**ROYALTY DEDUCTIONS -**

SAME AS CROWN - MAX 50%

----- **Well U.W.I.** **Status/Type** -----

|                        |               |
|------------------------|---------------|
| 100/09-12-043-07-W5/00 | DRILL CAS/UNK |
| 100/09-12-043-07-W5/02 | FLOWING/OIL   |

Report Date: Oct 17, 2018

Page Number: 55

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

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

(cont'd)

M00943 A \_\_\_\_\_  
**Royalty / Encumbrances**

| Royalty Type                | Product Type | Sliding Scale          | Convertible | % of Prod/Sales        |
|-----------------------------|--------------|------------------------|-------------|------------------------|
| CROWN SLIDING SCALE ROYALTY | ALL PRODUCTS | Y                      | N           | 100.00000000 % of PROD |
| <b>Roy Percent:</b>         |              |                        |             |                        |
| <b>Deduction:</b>           | STANDARD     |                        |             |                        |
| <b>Gas: Royalty:</b>        |              | <b>Min Pay:</b>        |             | <b>Prod/Sales:</b>     |
| <b>S/S OIL: Min:</b>        | <b>Max:</b>  | <b>Div:</b>            |             | <b>Prod/Sales:</b>     |
| <b>Other Percent:</b>       |              | <b>Min:</b>            |             | <b>Prod/Sales:</b>     |
| <b>Paid to:</b> LESSOR (M)  |              | <b>Paid by:</b> WI (C) |             |                        |
| AB ENERGY                   | 100.00000000 | MANITOK                |             | 40.00000000            |
|                             |              | BONAVISTA EN C         |             | 60.00000000            |

### Remarks

| Type     | Date         | Description  |
|----------|--------------|--|
| CONTINUE | May 29, 2013 | HUSKY OIL OPERATIONS LIMITED SUBMITTED CONTINUATION APPLICATION FOR SEC 15 (A) AND 15(E) FOR P&NG AGREEMENT #5404030488. PER CROWN RESPONSE DATED MAY 9, 2013, THE FOLLOWING LANDS ARE CONTINUED UNDER SECTION 15 FROM SURFACE TO BASE JURASSIC:<br>TWP 43 RGE 7 W5M 1, 12, SE 24<br>THE FOLLOWING LANDS HAVE BEEN ALLOWED TO EXPIRE AS THE CROWN FOUND THEM NON-PRODUCTIVE:<br>TWP 42 RGE 6 W5M S&NW 17<br>TWP 42 RGE 7 W5M 36<br>SEE FILE FOR FURTHER DETAILS. |

Report Date: Oct 17, 2018

Page Number: 56

\*\* REPORTED IN ACRES\*\*

# MANITOK ENERGY. INC. Mineral Property Report

## WILL GR #2 - FINAL (R1)

Province: ALBERTA

Area : WILLESDEN GREEN

| File Number            | Lse Type               | Lessor Type         | Exposure  | Oper.Cont.        | ROFR      | DOI Code            |           |                   |                                 |
|------------------------|------------------------|---------------------|-----------|-------------------|-----------|---------------------|-----------|-------------------|---------------------------------|
| File Status            | Int Type / Lse No/Name |                     | Gross     |                   |           |                     |           |                   |                                 |
| Mineral Int            | Operator / Payor       |                     | Net       | Doi Partner(s)    | *         | *                   |           |                   | Lease Description / Rights Held |
| <b>Area Total:</b>     |                        | <b>Total Gross:</b> | 8,640.000 | <b>Total Net:</b> | 2,344.000 |                     |           |                   |                                 |
|                        |                        | <b>Dev Gross:</b>   | 5,280.000 | <b>Dev Net:</b>   | 1,544.000 | <b>Undev Gross:</b> | 3,360.000 | <b>Undev Net:</b> | 800.000                         |
| <b>Province Total:</b> |                        | <b>Total Gross:</b> | 8,640.000 | <b>Total Net:</b> | 2,344.000 |                     |           |                   |                                 |
|                        |                        | <b>Dev Gross:</b>   | 5,280.000 | <b>Dev Net:</b>   | 1,544.000 | <b>Undev Gross:</b> | 3,360.000 | <b>Undev Net:</b> | 800.000                         |
| <b>Report Total:</b>   |                        | <b>Total Gross:</b> | 8,640.000 | <b>Total Net:</b> | 2,344.000 |                     |           |                   |                                 |
|                        |                        | <b>Dev Gross:</b>   | 5,280.000 | <b>Dev Net:</b>   | 1,544.000 | <b>Undev Gross:</b> | 3,360.000 | <b>Undev Net:</b> | 800.000                         |

\*\* End of Report \*\*

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 23<sup>RD</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and BONAVISTA ENERGY CORPORATION.

### Wells

| WELL UWI          | WELL NAME                        | COST CENTRE (BEC) | COST CENTRE (MEI) | LICENCE # | MANITOK WI%     |
|-------------------|----------------------------------|-------------------|-------------------|-----------|-----------------|
| 100033004004W500  | BEC HZ GILBY 3-30-40-4           | 490534            | N/A               | 0466347   | 0% BPP, 30% APP |
| 100083004004W500  | BEC HZ GILBY 8-30-40-4           | 400980            | NWL16017          | 0447681   | 30.000%         |
| 100162404007W5/00 | MNK WILLGR 16-24-40-7            |                   | WL16148           | 0398565   | 60.000%         |
| 102162404007W500  | BEC HZ WILLGR 16-24-40-7         | 400920            | NWL16060          | 0444899   | 21.000%         |
| 103162404007W500  | BEC HZ 03 WILLGR 16-24-40-7      | 400988            | NWL16062          | 0450158   | 21.000%         |
| 100141804205W500  | BONAVISTA WILLGR 14-18-42-5      | 400326            | NWL16055          | 0368288   | 20.000%         |
| 102140104206W500  | BONAVISTA 02 HZ WILLGR 14-1-42-6 | 504133            | NWL16046          | 0401426   | 40.000%         |
| 100050204206W500  | BONAVISTA WILLGR 5-2-42-6        | 400328            | NWL16058          | 0340182   | 0% BPP, 15% APP |
| 102080204206W500  | BONAVISTA WILLGR 8-2-42-6        | 400329            | NWL16059          | 0333599   | 15.000%         |
| 102141104206W500  | BONAVISTA WILLGR 14-11-42-6      | 400330            | NWL16052          | 0356895   | 15.000%         |
| 102161104206W500  | BONAVISTA WILLGR 16-11-42-6      | 400331            | NWL16056          | 0330964   | 15.000%         |
| 102161104206W502  | BONAVISTA WILLGR 16-11-42-6      | 400331            | NWL16056          | 0330964   | 15.000%         |
| 100091204307W500  | BONAVISTA WILLGR 9-12-43-7       | 400358            | NWL16048          | 0364395   | 40.000%         |
| 100091204307W502  | BONAVISTA WILLGR 9-12-43-7       | 400358            | NWL16048          | 0364395   | 40.000%         |
| 100111204206W500  | BONAVISTA WILLGR 11-12-42-6      | 400332            | NWL16049          | 0377310   | 30.000%         |
| 102161204206W500  | BONAVISTA WILLGR 16-12-42-6      | 400333            | NWL16063          | 0324269   | 15.000%         |
| 100031304206W500  | BONAVISTA WILLGR 3-13-42-6       | 504131            | NWL16043          | 0397170   | 20.000%         |
| 102161304206W500  | BONAVISTA WILLGR 16-13-42-6      | 400334            | NWL16057          | 0359080   | 20.000%         |
| 100021404206W500  | BONAVISTA WILLGR 2-14-42-6       | 400335            | NWL16042          | 0363435   | 20.000%         |
| 100111404206W500  | BONAVISTA WILLGR 11-14-42-6      | 400336            | NWL16050          | 0378957   | 20.000%         |
| 100012404206W500  | BONAVISTA WILLGR 1-24-42-6       | 400337            | NWL16039          | 0366929   | 20.000%         |
| 103062404206W500  | BONAVISTA 102 WILLGR 6-24-42-6   | 504132            | NWL16047          | 0397187   | 20.000%         |
| 100160104307W500  | BONAVISTA WILLGR 16-1-43-7       | 400404            | NWL16038          | 0383869   | 40.000%         |

### Facilities

- 1) Manitek's working interest in non-operated pipelines and facilities associated with the Wells.
- 2) Manitek Operated Pipeline: Licence No. 50894-1; Length 1.86km - From 16-24-40-7W5M to 15-25-40-7W5M; Status: Discontinued
- 3) MANITOK ENERGY 16-24-040-07W5 Gas Single-well Battery; Licence No. W 0398565; Government Code: ABBT0099558
- 4) Manitek's net ownership in the Facilities are governed by an Agreement for the Construction, Ownership and Operation of the Willesden Green 16-12-042-06 W5M Common Facilities and Gas and Pipeline System (Draft Agreement) with net ownership as follows:

| Functional Unit No. | Functional Unit Description | Net Ownership |
|---------------------|-----------------------------|---------------|
| 1                   | Gas Compression             | 19.40%        |
| 2                   | Oil Facilities              | 16%           |
| 3                   | Gas Pipeline System         | 18.10%        |

\*Overall Facility Participation: 18.22%

THE FOLLOWING COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 23<sup>RD</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and BONAVISTA ENERGY CORPORATION.

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**RIGHTS OF FIRST REFUSAL**

Farmout Agreement dated June 15, 2006 between Advantage Oil & Gas Ltd., Chamaelo Exploration Ltd. and Tournament Exploration Ltd.

THE FOLLOWING COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 23<sup>RD</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and BONAVISTA ENERGY CORPORATION.

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### **GENERAL CONVEYANCE**

**THIS GENERAL CONVEYANCE** made as of this \_\_\_\_ day of \_\_\_\_\_, 2018.

#### **BETWEEN:**

**ALVAREZ & MARSAL CANADA INC.**, in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

**BONAVISTA ENERGY CORPORATION**, a corporation incorporated under the laws of Alberta (hereinafter referred to as "**Purchaser**")

**WHEREAS** pursuant to an order of the Honourable Madam Justice K.M. Horner of the Alberta Court of Queen's Bench (the "**Court**") dated February 20, 2018 (the "**Appointment Order**"), Alvarez & Marsal Canada Inc. ("**Receiver**") was appointed receiver and manager of Manitok Energy Inc. ("**Manitok**");

**AND WHEREAS** Vendor wishes to sell, and Purchaser wishes to purchase, the Assets subject to and in accordance with the terms and conditions contained herein;

**NOW THEREFORE** for the consideration provided in the Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

#### **1. Definitions**

In this General Conveyance, including the recitals hereto, the definitions set forth in the Purchase Agreement are adopted herein by reference and, in addition:

"**Purchase Agreement**" means that Purchase and Sale Agreement between Vendor and Purchaser dated the 23<sup>rd</sup> day of October, 2018.

#### **2. Conveyance**

Pursuant to and for the consideration provided for in the Purchase Agreement, Vendor hereby sells, assigns, transfers, conveys and sets over to Purchaser the entire right, title, estate and interest of Vendor in and to the Assets, to have and to hold the same absolutely, together with all benefit and advantage to be derived therefrom.

#### **3. Subordinate Document**

This General Conveyance is executed and delivered by the Parties pursuant to the Purchase Agreement and the provisions of the Purchase Agreement shall prevail in the event of a conflict between the provisions of the Purchase Agreement and the provisions of this General Conveyance.

#### **4. No Merger**

The covenants, representations, warranties and indemnities contained in the Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of



any covenant, representation, warranty or indemnity contained in the Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

**5. Governing Law**

This General Conveyance shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

**6. Enurement**

This General Conveyance shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

**7. Further Assurances**

Each Party will, from time to time and at all times hereafter, at the request of the other Party but without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms hereof.

**8. Counterpart Execution**

This Agreement may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

**IN WITNESS WHEREOF**, the Parties have executed this General Conveyance on the date first above written.

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.**, and not in its personal or corporate capacity

**BONAVISTA ENERGY CORPORATION**

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

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

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

THE FOLLOWING COMPRISES SCHEDULE "E" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 23<sup>RD</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and BONAVIDA ENERGY CORPORATION.

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**[VENDOR'S][PURCHASER'S] OFFICER'S CERTIFICATE**

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

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

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

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

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

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, 2018.

**[Name of Vendor/Purchaser]**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE FOLLOWING COMPRISES SCHEDULE "F" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 23<sup>RD</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and BONAVIDA ENERGY CORPORATION.

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**COURT ORDER**

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF

DEFENDANT

DOCUMENT

**APPROVAL AND VESTING ORDER  
(Sale by Receiver)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

**DATE ON WHICH ORDER WAS PRONOUNCED:** \_\_\_\_\_

**LOCATION WHERE ORDER WAS PRONOUNCED:** \_\_\_\_\_

**NAME OF JUSTICE WHO MADE THIS ORDER:** \_\_\_\_\_

**UPON THE APPLICATION** by **[Receiver's Name]** in its capacity as the Court-appointed **[receiver/receiver and manager]** (the "Receiver") of the undertaking, property and assets of **[Debtor]** (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") dated **[Date]** and appended to the \_\_\_ Report of the Receiver dated **[Date]** (the "Report"), and vesting in the Purchaser (or its nominee)<sup>1</sup> the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets");

**AND UPON HAVING READ** the Receivership Order dated **[Date]** (the "Receivership Order"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser **[Names of other parties appearing]**, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

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<sup>1</sup> Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)

## IT IS HEREBY ORDERED AND DECLARED THAT:

### SERVICE

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

### APPROVAL OF TRANSACTIONS

- [2] The Transaction is hereby approved,<sup>2</sup> and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser (or its nominee).

### VESTING OF PROPERTY

- [3] Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in Schedule "A" hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule "B" hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats,<sup>1</sup> mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims")<sup>3</sup> including, without limiting the generality of the foregoing:

any encumbrances or charges created by the Receivership Order;

all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and

those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats,<sup>2</sup> easements and restrictive covenants listed on **Schedule "D"**); and,

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<sup>2</sup> In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding.

<sup>3</sup> The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.<sup>4</sup>

- [4] Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "Registrar") is hereby authorized, requested, and directed to cancel the existing Certificate of Title No. \* for those lands and premises municipally described as \*, and legally described as:

\*

**(the "Lands")**

and to issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, \*, and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to those encumbrances (the "Permitted Encumbrances") listed on **Schedule "D"** hereto.<sup>5</sup>

- [5] This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the Land Titles Act, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

- [6] For the purposes of determining the nature and priority of Claims, the net proceeds<sup>6</sup> from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale<sup>7</sup>, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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<sup>4</sup> Should the removal of Encumbrances include removal of registrations at the Personal Property Registry involving serial numbered personal property, include this paragraph:

**"[From and after the closing of the Transaction (including the payment of the purchase price by the Purchaser to the Receiver), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Debtor.]"**

<sup>5</sup> Paragraphs 4 and 5 only apply if the Purchased Assets include land. Should the removal of restricted covenants from title be required, the Registrar of Land Titles will require the instrument number to be expressly identified in this Order. In the event that any encumbrances (such as builders liens) were registered against the land **after** the date of the Receivership Order, the Registrar requires that the Order clearly states whether those encumbrances should also be discharged. If such is the case, the Committee suggests the addition of the following at the end of paragraph: "The Registrar is expressly authorized and directed to include in the discharge of the encumbrances registered against the Lands, all encumbrances registered after the date the Receivership Order was granted."

<sup>6</sup> The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

<sup>7</sup> This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

- [7] The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
- [8] The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
- [9] The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
- [10] Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
- [11] The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
- [12] Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
- [13] Notwithstanding:

The pendency of these proceedings;

Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

Any assignment in bankruptcy made in respect of the Debtor

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

federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

#### MISCELLANEOUS MATTERS

[15] This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

[16] This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

[17] Service of this Order on any party not attending this application is hereby dispensed with.

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

**Schedule "A"**

**Form of Receiver's Certificate**

COURT FILE NUMBER

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF

DEFENDANT

DOCUMENT

**RECEIVER'S CERTIFICATE**

|               |
|---------------|
| Clerk's Stamp |
|---------------|

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice K.M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated February 20, 2018, Alvarez & Marsal Canada Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Manito Energy Inc. (the "**Debtor**").
  
- B. Pursuant to an Order of the Court dated \_\_\_\_\_, 2018 the Court approved the agreement of purchase and sale made as of \_\_\_\_\_, 2018 (the "**Sale Agreement**") between the Receiver and Bonavista Energy Corporation (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
  
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:



1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ on \_\_\_\_\_, 2018.

**ALVAREZ & MARSAL CANADA INC.**,  
solely in its capacity as the receiver and  
manager of **MANITOK ENERGY INC.**, and  
not in its personal or corporate capacity

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

Name:

Title:

**TAB C**

## **APPENDIX C**

Journey PSA - REDACTED

## **PURCHASE AND SALE AGREEMENT**

**THIS AGREEMENT** made as of the 26<sup>th</sup> day of October, 2018.

### **BETWEEN:**

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

**JOURNEY ENERGY PARTNERSHIP**, a partnership formed under the laws of Alberta and having an office in Calgary, Alberta (hereinafter referred to as "**Purchaser**")

**WHEREAS** pursuant to an order of the Honourable Madam Justice K.M. Horner of the Alberta Court of Queen's Bench (the "**Court**") dated February 20, 2018 (the "**Appointment Order**"), Alvarez & Marsal Canada Inc. ("**Receiver**") was appointed receiver and manager of Manito Energy Inc. ("**Manitok**")

**AND WHEREAS** Vendor wishes to sell, and Purchaser wishes to purchase, all of the interest of Vendor in and to the Assets, subject to and in accordance with the terms and conditions hereof;

**NOW THEREFORE, THIS AGREEMENT WITNESSETH** that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

### **ARTICLE 1 INTERPRETATION**

#### **1.1 Definitions**

In this Agreement, unless the context otherwise requires:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
- (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
  - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

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

- (b) "**AER**" means the Alberta Energy Regulator;
- (c) "**Affiliate**" means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term "**control**" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise;
- (d) "**Applicable Law**" means, in relation to any person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, license or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;
- (e) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests;
- (f) "**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (g) "**Court Order**" means an order to be granted by the Court, based on the Alberta form of Approval and Vesting Order as attached in Schedule "F", which authorizes, approves and confirms this Agreement and the sale of the Assets by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests beneficial title to the Assets in Purchaser free and clear of all encumbrances, liens, security interests or claims, other than Permitted Encumbrances;
- (h) "**Closing**" means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Specific Conveyances and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and considerations required to be delivered on the Closing Date pursuant hereto;
- (i) "**Closing Date**" means 10:00 a.m. on the later of:
  - i. November 30, 2018; and
  - ii. the day that is seven (7) Business Days after receipt of the Court Order; orsuch other time and date as may be agreed upon in writing by the Parties;
- (j) "**Closing Place**" means the office of Purchaser, or such other place as may be agreed upon in writing by the Parties;
- (k) "**Data Room Information**" means all information provided or made available to the Purchaser in hard copy or electronic form in relation to Manitoak and/or the Assets;
- (l) "**Date of Appointment**" means February 20, 2018;
- (m) "**Effective Date**" means October 1, 2018;

- (n) "**Environmental Liabilities**" means all liabilities in respect of the environment which relate to the Assets or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:
- (i) transportation, storage, use or disposal of toxic or hazardous substances;
  - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
  - (iii) pollution or contamination of or damage to the environment;
- including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the environment and, for purposes of this Agreement, "the environment" includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (o) "**Facilities**" means Vendor's entire interest in and to all unit facilities under any unit agreement applicable to the Leased Substances and all other field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, including those field facilities specifically identified in Schedule "B";
- (p) "**General Conveyance**" means the form of general conveyance attached hereto as Schedule "D";
- (q) "**Governmental Authority**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction;
- (r) "**GST**" means the goods and services tax payable pursuant to the GST Legislation;
- (s) "**GST Legislation**" means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder;
- (t) "**Lands**" means the lands set out and described in Schedule "A", and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in Schedule "A" and in the Title Documents as to Petroleum Substances and geological formations);
- (u) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (v) "**Licence Transfers**" means, in relation to the Assets, the transfer of any permits, approvals, licences and authorizations granted by any applicable Governmental Authority (including the AER) from Vendor to Purchaser;
- (w) "**Losses**" means all losses, costs, claims, damages, expenses and liabilities which a Person suffers, sustains, pays or incurs, including reasonable legal fees on a solicitor and his own client basis but notwithstanding the foregoing shall not include any liability for

indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities, but shall include any liability for indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities suffered, sustained, paid or incurred by a Third Party entitled to recovery or indemnification from a Person;

- (x) **"LTA"** means the application to be submitted to the AER in relation to the Licence Transfers to be approved by the AER;
- (y) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, Vendor's entire interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
  - (i) all contracts and agreements relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
  - (ii) all subsisting rights to carry out operations relating to the Lands or the Tangibles, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles;
  - (iii) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
  - (iv) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them; and
  - (v) the Wells, including the wellbores and any and all casing;

Notwithstanding the foregoing, unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include agreements, documents or data to the extent that: (i) they pertain to Manitok's proprietary technology; (ii) they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by Manitok to an assignee, or (iii) they comprise the Vendor's and Manitok's tax and financial records, and economic evaluations;

- (z) **"Party"** means a party to this Agreement, and **"Parties"** means both of them;
- (aa) **"Permitted Encumbrances"** means:
  - (i) all encumbrances, overriding royalties, net profits interests and other burdens identified in Schedule "A";
  - (ii) any Right of First Refusal or any similar restriction applicable to any of the Assets;
  - (iii) the requirement to receive any consent applicable to the Transaction;
  - (iv) the terms and conditions of the Title Documents, including the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or

any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;

- (v) defects or irregularities of title as to which the relevant statute(s) of limitations or prescription would bar any attack or claim against Seller's title;
- (vi) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Law to terminate any Title Document;
- (vii) liens securing taxes not yet due and payable;
- (viii) easements, right of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (ix) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (x) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than thirty (30) days' notice (without an early termination penalty or other cost);
- (xi) any obligation of Manitok or Vendor to hold any portion of its interest in and to any of the Assets in trust for Third Parties;
- (xii) the right reserved to or vested in any municipality, Governmental Authority or other public authority to control or regulate any of the Assets in any manner, including any directives or notices received from any municipality, Governmental Authority or other public authority pertaining to the Assets;
- (xiii) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards Vendor's or Manitok's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by Vendor;
- (xiv) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xv) agreements and plans relating to pooling or unitization of any of the Petroleum and Natural Gas Rights;
- (xvi) agreements respecting the operation of Wells by contract field operators;
- (xvii) provisions for penalties and forfeitures under agreements as a consequence of non-participation in operations; and
- (xviii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets.



- (bb) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (cc) "**Petroleum and Natural Gas Rights**" means Vendor's entire interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), including the interests set out and described in Schedule "A";
- (dd) "**Petroleum Substances**" means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (ee) "**Prime Rate**" means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary of the National Bank of Canada as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate the "Prime Rate" shall correspondingly change effective on the date the change in such reference rate is effective;
- (ff) "**Representative**" means, with, respect to any Party, its Affiliates, and its and their respective directors, officers, servants, agents, advisors, employees and consultants;
- (gg) "**Rights of First Refusal**" means a preferential, pre-emptive or first purchase right that becomes operative by virtue of this Agreement or the Transaction;
- (hh) "**Sales Taxes**" means all transfer, sales, excise, stamp, license, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind, and includes additions by way of penalties, interest and other amounts with respect thereto, including GST;
- (ii) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of Vendor in and to the Assets to Purchaser and to novate Purchaser in the place and stead of Vendor with respect to the Assets;
- (jj) "**Tangibles**" means Vendor's entire interest in and to the Facilities and any and all tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, make marketable or inject the Leased Substances or any of them, and any real property (other than the Lands);
- (kk) "**Third Party**" means any individual or entity other than Receiver, Manitok, Vendor and Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (ll) "**this Agreement**", "**herein**", "**hereto**", "**hereof**" and similar expressions mean and refer to this Agreement;
- (mm) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i)

explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands; including those, if any, set out and described in Schedule "A";

- (nn) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement; and
- (oo) **"Wells"** means Vendor's entire interest in and to all producing, shut-in, suspended, abandoned, capped, injection and disposal wells on the Lands, including the wells listed in Schedule "B".

## 1.2 Headings

The expressions "Article", "section", "subsection", "clause", "subclause", "paragraph" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

## 1.3 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, subsections, clauses, subclauses and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

## 1.4 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders. The word "including" or any variation thereof means "including, without limitation," and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

## 1.5 Schedules

There are appended to this Agreement the following schedules pertaining to the following matters:

|              |   |  |
|--------------|---|--|
| Schedule "A" | - | Lands and Petroleum and Natural Gas Rights |
| Schedule "B" | - | Wells and Facilities                       |
| Schedule "C" | - | Rights of First Refusal                    |
| Schedule "D" | - | General Conveyance                         |
| Schedule "E" | - | Form of Officer's Certificate              |
| Schedule "F" | - | Form of Court Order                        |

Such schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

## **1.6 Damages**

All losses, costs, claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement include reasonable legal fees and disbursements on a solicitor and client basis.

## **1.7 Derivatives**

Where a term is defined herein, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires.

## **1.8 Interpretation if Closing Does Not Occur**

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

## **1.9 Conflicts**

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a Schedule or a Specific Conveyance, the provision of the body of this Agreement shall prevail. If any term or condition of this Agreement conflicts with a term or condition of a Title Document or any Applicable Law, the term or condition of such Title Document or the Applicable Law shall prevail, and this Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

## **1.10 Currency**

All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

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

### **2.1 Purchase and Sale**

Vendor, exercising the powers of sale granted pursuant to the Appointment Order, hereby agrees to sell, assign, transfer, convey and set over to Purchaser, and Purchaser hereby agrees to purchase from Vendor, all of the right, title, estate and interest of Vendor (whether absolute or contingent, legal or beneficial) in and to the Assets, subject to and in accordance with the terms of this Agreement.

### **2.2 Purchase Price**

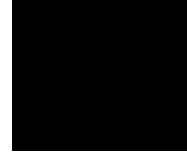
The aggregate consideration to be paid by Purchaser to Vendor for Vendor's interest in and to the Assets shall be [REDACTED] (the "**Purchase Price**") plus applicable Sales Taxes, plus or minus (as applicable) the net amount of the adjustments made pursuant to ARTICLE 7, satisfied by Purchaser as follows:

- (a) payment of the Deposit (as set forth and defined in section 2.11); and
- (b) the balance of the Purchase Price subject to ARTICLE 7, payable to Vendor at Closing.

### 2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price as follows:

Petroleum and Natural Gas Rights  
Tangibles  
Miscellaneous Interests  
Total



### 2.4 Assumption of Abandonment and Reclamation Obligations

In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Abandonment and Reclamation Obligations associated with the Assets, as set forth in this Agreement, and the absolute release of Manitoak and Vendor of all and any responsibility or liability therefor.

### 2.5 Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk and beneficial ownership of Vendor's interest in and to the Assets shall pass from Vendor to Purchaser on the Closing Date.

- (a) On the Closing Date, Vendor shall deliver to Purchaser:
  - (i) the General Conveyance in the form attached as Schedule "D", duly executed by Vendor;
  - (ii) the Officer's Certificate substantially in the form attached as Schedule "E", duly executed by Vendor;
  - (iii) a receipt for the Purchase Price as adjusted herein plus applicable Sales Taxes;
  - (iv) a certified copy of the Court Order; and
  - (v) any such other items as may be specifically required hereunder.
- (b) On the Closing Date, Purchaser shall deliver to Vendor:
  - (i) the General Conveyance in the form attached as Schedule "D", duly executed by Purchaser;
  - (ii) the Officer's Certificate substantially in the form attached as Schedule "E", duly executed by Purchaser;
  - (iii) the Purchase Price, as adjusted herein, less the Deposit, plus applicable Sales Taxes; and
  - (iv) any such other items as may be specifically required hereunder.

### 2.6 Licence Transfers

- (a) To the extent applicable, within three (3) Business Days following Closing, Vendor shall prepare and, where applicable, electronically submit, the LTA to the applicable

Governmental Authorities for Licence Transfers and Purchaser or its nominee shall, where applicable, electronically ratify and sign such application.

- (a) Following the submission of the applicable Licence Transfers as contemplated in section 2.6(a), Vendor shall hold legal title to the permits, approvals, licenses and authorizations relating to the Assets in trust as bare trustee for and on behalf of Purchaser until such time as such Licence Transfers have been completed; provided, Purchaser shall (i) procure and maintain insurance in relation to the Assets in accordance with good industry practice and of the type, kind and amount satisfactory to Vendor (acting reasonably), which shall name Vendor as an insured in connection therewith; (ii) indemnify Vendor in relation to all Losses suffered by Vendor in relation to the foregoing; and (iii) report to Vendor on a bi-weekly basis regarding the operating status of the Assets and immediately regarding any matters of actual or potential environmental concern in relation thereto. Notwithstanding anything to the contrary contained herein, the foregoing trust obligations of Vendor and the trust itself shall automatically cease and terminate upon the earlier to occur of ninety (90) days (or such longer period as may be mutually agreed to by the Parties in writing) following the Closing Date or the date on which the Licence Transfers have been completed.
- (b) If a Governmental Authority denies any Licence Transfers because of misdescription or other minor deficiencies in the application, Vendor shall within one (1) Business Day of such denial correct the application and amend and re-submit the LTA and Purchaser shall, where applicable, electronically ratify and sign such application.
- (c) In the event that the approval by the Governmental Authority of Licence Transfers is conditional upon a Party providing deposits or other security to such Governmental Authority, Purchaser shall be responsible for providing such deposits or security to such Governmental Authority at Purchaser's sole expense.

## 2.7 Pipeline Records

- (a) In connection with the transfer of pipeline licenses relating to the Tangibles pursuant to the Agreement and the AER Bulletin 2015-34 (as amended, supplemented, revised or replaced, the "**Bulletin**"), Vendor is required to transfer sufficient documentation to satisfy the transferor statement on the AER digital data submission system (the "**Pipeline Records**"). If Purchaser or Vendor receives written notice from the AER that it has determined that Pipeline Records, or any of them, transferred by Vendor to Purchaser under the Agreement do not satisfy or are found to be deficient under the Bulletin in any respect, then Purchaser will be responsible for and shall conduct, in a timely manner, all operations and activities that are required to cure or remedy any and all deficiencies identified by the AER ("**AER Deficiencies**"), in each case in accordance in all material respects with the terms of the applicable Title Documents, Applicable Laws, any requirements set forth in any correspondence with the AER and with generally accepted industry practices in Alberta and following in all material respects the standard of care which would be followed by a reasonably prudent operator in similar circumstances.
- (b) The existence of any deficient Pipeline Records, AER Deficiencies and the remedial work required to be conducted in respect thereof, shall not constitute a breach of any of Vendor's representations, warranties or otherwise in the Agreement, and Purchaser shall have no claim against Vendor in relation thereto.

## 2.8 Specific Conveyances

The Parties shall cooperate in the preparation of the Specific Conveyances. At a reasonable time prior to Closing, Purchaser shall use reasonable efforts to prepare and provide for Vendor's review all Specific Conveyances at Purchaser's own cost and expense. The Parties shall execute such Specific Conveyances at Closing. None of the Specific Conveyances shall confer or impose upon either Party any

greater right or obligation than as contemplated in this Agreement. Promptly after Closing, Purchaser shall register and/or distribute (as applicable) all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to Purchaser.

## **2.9 Title Documents and Miscellaneous Interests**

As soon as practicable following Closing, Vendor shall deliver to Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession of Vendor or of which Vendor gains possession of prior to Closing.

## **2.10 Form of Payment**

All payments to be made pursuant to this Agreement shall be in Canadian funds. All payments to be made pursuant to this Agreement shall be made by certified cheque, bank draft or wire transfer.

## **2.11 Deposit**

The Parties acknowledge that a deposit in the amount of [REDACTED], representing ten percent (10%) of the Purchase Price, has been provided by Purchaser to Vendor concurrent with the execution of this Agreement, to be held in trust in a trust account and released only in accordance with the provisions of this section 2.11 (the "**Deposit**", which shall include any interest earned thereon).

The Deposit shall be held in trust by Vendor until one of the following events occur:

- (a) if Closing occurs, the Deposit shall be released and retained by Vendor at Closing for its own account absolutely and be applied as partial payment of the Purchase Price;
- (b) if Closing does not occur due to a breach of this Agreement by Purchaser or by failure of Purchaser to fulfill the conditions set forth in section 3.4, the Deposit shall be released and forfeited to Vendor for the account of Vendor absolutely; and
- (c) if Closing does not occur due to any reason other than as addressed by section 2.11(b), the Deposit shall be paid to Purchaser for the account of Purchaser absolutely.

## **2.12 Damages**

The Parties agree that the amount of the Deposit constitutes their genuine estimate of all damages that will be suffered by Vendor as a result of Closing not occurring and that Vendor's retention thereof shall constitute liquidated damages to, and be the sole remedy of, Vendor as a result of Closing not occurring.

## **2.13 Taxes**

- (a) GST

Each of Purchaser and Vendor is a registrant for GST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST Legislation. Their respective GST registration numbers are:

Vendor 838609345RT0001

Purchaser 88465 9913 RT0001

(b) Sales Taxes

The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. Purchaser shall be solely responsible for all Sales Taxes which may be imposed by any Governmental Authority and which pertain to Purchaser's acquisition of the Assets or to the registration of any Specific Conveyances necessitated hereby. Except where Vendor is required under Applicable Law to collect or pay such Sales Taxes, Purchaser shall pay such Sales Taxes directly to the appropriate Governmental Authority or other entity within the required time period and shall file all necessary documentation with respect to such Sales Taxes when due. Vendor will do and cause to be done such things as are reasonably requested to enable Purchaser to comply with such obligation in a timely manner. If Vendor is required under Applicable Law to pay any such Sales Taxes, Purchaser shall promptly reimburse Vendor the full amount of such Sales Taxes upon delivery to Purchaser of copies of receipts showing payment of such Sales Taxes. Purchaser shall be responsible for the payment of any amount of Sales Taxes payable in respect of its purchase of the Assets pursuant hereto and any interest and penalties payable in respect thereto and shall indemnify and save harmless Vendor in respect thereof.

(c) Elections

The Parties agree to make any such elections as agreed to by Vendor and Purchaser as prudent and available to minimize taxes payable as a result of the Transaction. Purchaser, acting reasonably, shall prepare, and each Party agrees to execute and file, any such elections in the form and within the time periods prescribed or specified under Applicable Law.

### **ARTICLE 3 CONDITIONS OF CLOSING**

#### **3.1 Required Consents**

Both before and after Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of Purchaser, at Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to Purchaser, and registration of Purchaser as owner and/or operator, of any of the Assets including the Facilities and the Wells.

#### **3.2 Mutual Conditions**

The obligation of Purchaser to purchase Vendor's interest in and to the Assets, and of Vendor to sell its interest in and to the Assets to Purchaser, is subject to the following conditions precedent:

- (a) Vendor obtaining the Court Order; and
- (b) there shall not have been instituted any legal proceedings to obtain, and no court or Governmental Authority of competent jurisdiction shall have issued, promulgated, enforced or entered any judgment, decree, injunction or other order, whether temporary, preliminary or permanent, that restrains, enjoins or otherwise prohibits consummation of the Transaction.

Unless otherwise agreed to by the Parties, if the conditions contained in this section 3.2 have not been performed or satisfied on or before December 15, 2018 or such later date as may be mutually agreed to by the Parties in writing, this Agreement and the obligations of Vendor and Purchaser under

this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser.

### **3.3 Purchaser's Conditions**

The obligation of Purchaser to purchase Vendor's interest in and to the Assets is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Purchaser and may be waived by Purchaser in whole or in part:

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date; and
- (b) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in sections 2.11 and 10.13.

### **3.4 Vendor's Conditions**

The obligation of Vendor to sell its interest in and to the Assets to Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Vendor and may be waived by Vendor in whole or in part:

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts to be paid by Purchaser to Vendor at Closing, including the Purchase Price, shall have been paid to Vendor in the form stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date, Vendor may terminate this Agreement by written notice to Purchaser. If Vendor terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in sections 2.11 and 10.13.

### **3.5 Efforts to Fulfil Conditions Precedent**

Purchaser and Vendor shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply, and assist in the satisfaction and compliance, with the foregoing conditions precedent.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

### **4.1 Representations and Warranties of Vendor and Receiver**

Vendor makes only the following representations to Purchaser, no claim in respect of which shall be made or be enforceable by Purchaser unless written notice of such claim, with reasonable particulars, is given by Purchaser to Vendor within a period of six (6) months following the Closing Date:



- (a) Receiver has been appointed by the Court as receiver and manager of Manitok and such appointment is valid and subsisting;
- (b) subject to obtaining and pursuant to the Court Order, Vendor has the right to enter into this Agreement and to complete the Transaction; and
- (c) Vendor is not a non-resident of Canada within the *Income Tax Act* (Canada).

#### **4.2 Representations and Warranties of Purchaser**

Purchaser makes the following representations and warranties to Vendor, no claim in respect of which shall be made or be enforceable by Vendor unless written notice of such claim, with reasonable particulars, is given by Vendor to Purchaser within a period of six (6) months following the Closing Date:

- (a) Purchaser is a partnership duly organized, validly existing and is authorized to carry on business in the provinces in which the Lands are located;
- (b) Purchaser has good right, full power and absolute authority to purchase and acquire the interest of Vendor in and to the Assets according to the true intent and meaning of this Agreement;
- (c) except for obtaining the Court Order, the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which Purchaser is bound;
- (d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which Purchaser is party or by which Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or license applicable to Purchaser;
- (e) provided the Court Order is obtained, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms;
- (f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirement therefor previously obtained and currently in force or to be obtained prior to or after Closing;
- (g) Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by Purchaser in connection with this Agreement and the Transaction;
- (h) Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which Vendor shall have any obligation or liability;
- (i) Purchaser is not a non-resident of Canada within the *Income Tax Act* (Canada); and
- (j) Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act* (Canada).

### 4.3 Limitation of Representations by Vendor

- (a) Notwithstanding anything to the contrary in this Agreement, Vendor expressly negates any representations or warranties except as expressly set forth in section 4.1, whether written or verbal, made by Vendor or its Representatives and in particular, without limiting the generality of the foregoing, Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to Purchaser or any of its Representatives. Vendor's interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:
- (i) any engineering, geological or other interpretation or economic evaluations respecting the Assets;
  - (ii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
  - (iii) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
  - (iv) the rates of production of Petroleum Substances from the Lands;
  - (v) the environmental state or condition of the Lands;
  - (vi) the availability or continued availability of facilities, services or markets for the processing, transportation or sale of any Petroleum Substances;
  - (vii) the quality, condition, fitness, suitability, serviceability or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);
  - (viii) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor or any of its Representatives in connection with the Assets;
  - (ix) the suitability of the Assets for any purpose;
  - (x) compliance with Applicable Laws; or
  - (xi) the title and interest or ownership of Vendor in and to the Assets.
- (b) Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of Vendor's interests in the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets and those matters specifically enumerated in section 4.3(a).
- (c) Except with respect to the representations and warranties in section 4.1 or in the event of fraud, Purchaser forever releases and discharges Vendor and its Representatives from any claims and all liability to Purchaser or Purchaser's assigns and successors, as a

result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to Purchaser by Vendor or its Representatives prior to or pursuant to this Agreement, including any evaluations, projections, reports and interpretive or non-factual materials prepared by or for Vendor, or otherwise in Vendor's possession.

## **ARTICLE 5 INDEMNITIES FOR REPRESENTATIONS AND WARRANTIES**

### **5.1 Vendor's Indemnities for Representations and Warranties**

Vendor shall be liable to Purchaser for and shall, in addition, indemnify Purchaser from and against, all Losses suffered, sustained, paid or incurred by Purchaser which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.1 been accurate and truthful; provided, that nothing in this section 5.1 shall be construed so as to cause Vendor to be liable to or indemnify Purchaser in connection with any representation or warranty contained in section 4.1 if and to the extent that Purchaser did not rely upon such representation or warranty.

### **5.2 Purchaser's Indemnities for Representations and Warranties**

Purchaser shall be liable to Vendor for and shall, in addition, indemnify Vendor from and against, all Losses suffered, sustained, paid or incurred by Vendor which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.2 been accurate and truthful; provided, that nothing in this section 5.2 shall be construed so as to cause Purchaser to be liable to or indemnify Vendor in connection with any representation or warranty contained in section 4.2 if and to the extent that Vendor did not rely upon such representation or warranty.

### **5.3 Survival of Representations and Warranties**

Each Party acknowledges that the other may rely on the representations and warranties made by such Party pursuant to section 4.1 or 4.2, as the case may be. The representations and warranties in sections 4.1 and 4.2 shall be true as of the date hereof and on the Closing Date, and the representations and warranties in section 4.2 shall continue in full force and effect and shall survive the Closing Date for a period of six (6) months; provided, the representations and warranties in section 4.1 shall not survive the Closing Date. In the absence of fraud, however, no claim or action shall be commenced with respect to a breach of any such representation and warranty, unless, within such period, written notice specifying such breach in reasonable detail has been provided to the Party which made such representation or warranty.

## **ARTICLE 6 INDEMNITIES**

### **6.1 Post-Closing Date Indemnity**

Provided that Closing has occurred, Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Assets and arising or accruing after the Closing Date.

## 6.2 Environmental Matters and Abandonment and Reclamation Obligations

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

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between Vendor and Purchaser (including whether occurring or accruing prior to, on or after the Closing Date), and hereby releases Vendor from any claims Purchaser may have against Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Facilities.

## 6.3 Third Party Claims

The following procedures shall be applicable to any claim by a Party (the "**Indemnitee**") for indemnification pursuant to this Agreement from another Party (the "**Indemnitor**") in respect of any Losses in relation to a Third Party (a "**Third Party Claim**"):

- (a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within ten (10) Business Days of notice thereof provide written notice thereof to the Indemnitor. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Indemnitor within such ten (10) Business Day period, then such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;
- (b) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Indemnitor shall have the right to do either or both of the following:
  - (i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or
  - (ii) settle the Third Party Claim, provided the Indemnitor pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee;
- (c) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available to the other Party and its Representatives whose assistance,

testimony or presence is of material assistance in evaluating and defending the Third Party Claim;

- (d) the Indemnitee shall not enter into any settlement, consent order or other compromise with respect to the Third Party Claim without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;
- (e) upon payment of the Third Party Claim, the Indemnitor shall be subrogated to all claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and co-operate with the Indemnitor to permit the Indemnitor to pursue such subrogated claims as reasonably requested by it; and
- (f) if the Indemnitor has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any Third Party, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) to the Indemnitor, net of taxes required to be paid by the Indemnitee as a result of any such receipt.

## **ARTICLE 7 ADJUSTMENTS**

### **7.1 Costs and Revenues to be Apportioned**

- (a) Subject to paragraph 7.1(b) below and except as otherwise provided in this Agreement, all costs and expenses relating to the Assets (including maintenance, development, capital and operating costs) and all revenues relating to the Assets (including proceeds from the sale of production and fees from processing, treating or transporting Petroleum Substances on behalf of Third Parties) shall be apportioned as of the Effective Date between Vendor and Purchaser on an accrual basis in accordance with generally accepted accounting principles, provided that:
  - (i) advances made by Vendor in respect of the costs of operations on Lands or lands pooled or unitized therewith or facilities interests included in the Assets which have not been applied to the payment of costs prior to the Closing Date and stand to the credit of Manitek or Vendor will be transferred to Purchaser and an adjustment will be made in favour of Vendor equal to the amount of the advance transferred;
  - (ii) deposits made by Manitek or Vendor relative to operations on the Lands shall be returned to Vendor;
  - (iii) costs and expenses of work done, services provided and goods supplied shall be deemed to accrue for the purposes of this ARTICLE 7 when the work is done or the goods or services are provided, regardless of when such costs and expenses become payable;
  - (iv) no adjustments shall be made in respect of Manitek's or Vendor's income taxes;
  - (v) revenues from the sale of Petroleum Substances will be deemed to accrue when the Petroleum Substances are produced;
  - (vi) all rentals and similar payments in respect of the Leased Substances or surface rights comprised in the Assets and all taxes (other than income taxes) levied with respect to the Assets or operations in respect thereof shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date; and

- (vii) any and all unpaid rentals and royalties which accrue to the Assets and are not a corporate debt (including unpaid surface lease rentals, mineral lease rentals, Crown royalties and municipal taxes for surface sites) which are identified by Purchaser prior to the preparation of the interim accounting statement shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date.
- (b) Vendor shall not be liable to make any adjustment in favour of, or make any payment to, Purchaser pursuant hereto in respect of any liability which relates to the period which arose prior to the Date of Appointment.
- (c) Petroleum Substances which were produced, but not sold, as of the Effective Date shall be retained by Vendor and Vendor shall be responsible for all royalties or other encumbrances thereon and all processing, treating and transportation expenses pertaining thereto. Petroleum Substances will be deemed to be sold on a first in, first out basis.

## **7.2 Adjustments to Account**

- (a) An interim accounting of the adjustments pursuant to section 7.1 shall be made at Closing based on Vendor's and Purchaser's good faith estimate of the costs and expenses paid by Vendor prior to Closing and the revenues received by Vendor prior to Closing. Vendor and Purchaser shall cooperate in preparing such interim accounting and Vendor shall provide a statement setting forth the adjustments as agreed to by Purchaser (acting reasonably) to be made at Closing not later than three (3) Business Days prior to Closing and shall assist Purchaser in verifying the amounts set forth in such statement. Vendor and Purchaser shall cooperate in preparing a final accounting of the adjustments pursuant to section 7.1 and Vendor shall deliver a statement of such final accounting statement to Purchaser within sixty (60) days following the Closing Date (the "**Final Statement of Adjustments**"), and no further or other adjustments whatsoever will be made thereafter. All adjustments after Closing shall be settled by payment by the Party required to make payment to the other Party hereunder within fifteen (15) Business Days of being notified of the determination of the amount owing.
- (b) All adjustments provided for in this Article shall be adjustments to the Purchase Price. An adjustment payable by a Party after Closing pursuant to this section 7.2 which is not paid within fifteen (15) Business Days of a written request for payment from the other Party, shall bear interest at the Prime Rate plus three percent (3%) per annum payable by the paying Party to the other Party from the end of such fifteen (15) Business Day period until the adjustment is paid.

## **ARTICLE 8 MAINTENANCE OF ASSETS**

### **8.1 Maintenance of Assets**

From the date hereof until the Closing Date, Vendor shall, to the extent that the nature of its interest permits, taking into account Receiver's status as the receiver and manager over Manitok and its assets pursuant to the Appointment Order, and subject to the Title Documents and any other agreements and documents to which the Assets are subject:

- (a) maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and

- (b) pay all associated post-receivership operating costs, lessor royalties and rentals incurred by the Receiver in a timely manner.

## 8.2 Consent of Purchaser

Notwithstanding section 8.1 and subject to Applicable Laws and directions of Governmental Authorities (including in relation to the receivership proceedings of Manitoak and such proceedings themselves), Vendor shall not from the date hereof to the Closing Date, without the written consent of Purchaser, which consent shall not be unreasonably withheld by Purchaser and which, if provided, shall be provided in a timely manner:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets of which Vendor's share is in excess of \$10,000.00, except in case of an emergency or in respect of amounts which Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and Purchaser does not provide same in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) amend or terminate any Title Document or enter into any new agreement or commitment relating to the Assets; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting sales of the Leased Substances in the normal course of business.

## 8.3 Proposed Actions

If an operation or the exercise of any right or option respecting the Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in Purchaser incurring an obligation pursuant to section 8.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) Vendor shall promptly give Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) Purchaser shall, not later than twenty four (24) hours prior to the time Vendor is required to make its election with respect to the Proposal, advise Vendor, by notice, whether Purchaser wishes Vendor to exercise Vendor's rights with respect to the Proposal on Purchaser's behalf, provided that Purchaser's failure to make such election within such period shall be deemed to be Purchaser's election to participate in the Proposal;
- (c) Vendor shall make the election authorized (or deemed to be authorized) by Purchaser with respect to the Proposal within the period during which Vendor may respond to the Proposal; and
- (d) Purchaser's election not to participate in any Proposal required to preserve the existence of any of the Assets shall not entitle Purchaser to any reduction of the Purchase Price if Vendor's interest therein is terminated as a result of such election, and such termination shall not constitute a failure of Vendor's representations and warranties pertaining to such Assets, notwithstanding section 5.3.

#### **8.4 Post-Closing Transition**

Following Closing and to the extent to which Purchaser must be novated into Title Documents and other agreements or documents to which the Assets are subject or otherwise recognized as the owner of the Assets, until that novation or recognition has been effected or for a period of ninety (90) days, whichever is sooner, Vendor shall:

- (a) in a timely manner, deliver to Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and Vendor shall respond to such notices pursuant to Purchaser's written instructions, if received on a timely basis, provided that Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude Vendor from taking such actions as Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (b) receive all revenues which are the property of Purchaser pursuant to this Agreement, as bare trustee and shall remit such revenues to Purchaser in a timely fashion.

#### **8.5 Vendor Deemed Purchaser's Trustee and Agent**

- (a) Insofar as Vendor maintains the Assets and takes actions in relation thereto on Purchaser's behalf pursuant to this ARTICLE 8, Vendor shall be deemed to have been the bare trustee and agent of Purchaser hereunder. Purchaser ratifies all actions taken by Vendor or refrained from being taken by Vendor pursuant to this ARTICLE 8 in such capacity during such period, with the intention that all such actions shall be deemed to be Purchaser's actions.
- (b) Insofar as Vendor participates in either operations or the exercise of rights or options as Purchaser's agent pursuant to this ARTICLE 8, Vendor may require Purchaser to secure costs to be incurred by Vendor on Purchaser's behalf pursuant to such election in such manner as may be reasonably appropriate in the circumstances.
- (c) Purchaser shall indemnify Vendor and its Representatives against all Losses which Vendor or its Representatives may suffer or incur as a result of Vendor maintaining the Assets as Purchaser's bare trustee and agent pursuant to this ARTICLE 8, insofar as such Losses are not a direct result of the gross negligence or wilful misconduct of Vendor or its Representatives. An action or omission of Vendor or of its Representatives shall not be regarded as gross negligence or wilful misconduct to the extent to which it was done or omitted from being done in accordance with Purchaser's instructions (including any election deemed pursuant to section 8.3(b)) or concurrence.

#### **8.6 Transfer of Operatorship**

Insofar as Vendor operates any of the Assets, Purchaser acknowledges that Vendor may not be able to transfer operatorship of some or all of such Assets to Purchaser at or after Closing. Vendor covenants with Purchaser that Vendor shall reasonably cooperate with Purchaser to obtain appropriate consents and approvals for the assignment and transfer to Purchaser of operatorship of those of the Assets of which Vendor is currently the operator.



**ARTICLE 9  
PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS**

**9.1 Vendor to Provide Access**

Prior to Closing, Vendor shall, subject to all contractual and fiduciary obligations, at the Calgary offices of Vendor during normal business hours, provide reasonable access for Purchaser and its Representatives to Vendor's records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Assets, as well as physical access to the Assets (insofar as Vendor can reasonably provide such access) for the purpose of Purchaser's review of the Assets and title thereto.

**9.2 Access to Information**

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, Purchaser shall, on request from Vendor, provide reasonable access to Vendor at Purchaser's offices, during its normal business hours, to the agreements and documents to which the Assets are subject and the contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests and the Title Documents which are then in the possession or control of Purchaser and to make copies thereof, as Vendor may reasonably require, including for purposes relating to:

- (a) Manitok's or Vendor's ownership of the Assets (including taxation matters and liabilities and claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Agreement;
- (c) compliance with Applicable Law; or
- (d) any claim commenced or threatened by any Third Party against Manitok or Vendor.

**9.3 Maintenance of Information**

All of the information, materials and other records delivered to Purchaser pursuant to the terms hereof shall be maintained in good order and good condition and kept in a reasonably accessible location by Purchaser for a period of two (2) years from the Closing Date.

**ARTICLE 10  
GENERAL**

**10.1 Further Assurances**

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

**10.2 No Merger**

The covenants, representations, warranties and indemnities contained in this Agreement shall be deemed to be restated in any and all assignments, conveyances, transfers and other documents conveying the interests of Vendor in and to the Assets to Purchaser, subject to any and all time and other limitations contained in this Agreement. There shall not be any merger of any covenant, representation, warranty or indemnity in such assignments, conveyances, transfers and other documents notwithstanding any rule of law, equity or statute to the contrary and such rules are hereby waived.

### **10.3 Receiver**

Purchaser acknowledges that Receiver is acting solely in its capacity as the Court-appointed receiver and manager of Manitoak, and not in its personal or corporate capacity. Under no circumstances shall Receiver or any of its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction, in its or their personal or corporate capacity, whether such liability be in contract, tort or otherwise.

### **10.4 Entire Agreement**

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement supersedes all other agreements (other than the Confidentiality Agreement dated August 15, 2018 (the "**Confidentiality Agreement**") between Vendor and Purchaser), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the subject matter hereof.

### **10.5 Governing Law**

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

### **10.6 Signs and Notifications**

Within sixty (60) days following Closing, Purchaser shall remove any signage which indicates Manitoak's ownership or operation of the Assets. It shall be the responsibility of Purchaser to erect or install any signage required by applicable Governmental Authorities indicating Purchaser to be the owner or operator of the Assets.

### **10.7 Assignment and Enurement**

This Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

### **10.8 Time of Essence**

Time shall be of the essence in this Agreement.

### **10.9 Notices**

The addresses and fax numbers of the Parties for delivery of notices hereunder shall be as follows:

Vendor - Alvarez & Marsal Canada Inc.  
Suite 1110, 250 – 6<sup>th</sup> Avenue SW  
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk  
Fax: (403) 538-7551  
Email: okonowalchuk@alvarezandmarsal.com

Purchaser - Journey Energy Partnership  
700, 517 – 10 Avenue SW  
Calgary, AB T2R 0A8

Attention: Vice President, Land  
Fax: (403) 695-1775  
Email: Anthony.polini@journeyenergy.ca

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by facsimile or email to a Party to the facsimile number or email address of such Party for notices, in which case, if the notice was sent prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was sent and if it is sent on a day which is not a Business Day or is sent after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth (4<sup>th</sup>) Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number for service, email address or designated representative by giving written notice of such change to the other Party.

#### **10.10 Invalidity of Provisions**

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

#### **10.11 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

#### **10.12 Amendment**

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

#### **10.13 Confidentiality and Public Announcements**

Until Closing has occurred and subject to the Confidentiality Agreement, each Party shall keep confidential all information obtained from the other Party in connection with the Assets and shall not release any information concerning this Agreement and the Transaction without the prior written consent

of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information (i) to any Governmental Authority or regulatory authority or to the public or otherwise if required by Applicable Law or as directed by any Governmental Authority or regulatory authority (including in relation to the receivership proceedings of Manitoak and such proceedings themselves); or (ii) in connection with obtaining the Court Order; or (iii) as required to Manitoak's secured creditors.

***[Remainder of page intentionally left blank. Signature pages to follow.]***

**10.14 Counterpart Execution**

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity

**JOURNEY ENERGY PARTNERSHIP**, by its managing partner, **JOURNEY ENERGY INC.**



Per: \_\_\_\_\_  
Name: Orest Konowalchuk, CPA, CA, CIRP, LIT  
Title: Senior Vice President

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

**10.14 Counterpart Execution**


This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity

**JOURNEY ENERGY PARTNERSHIP**, by its managing partner, **JOURNEY ENERGY INC.**

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

  
Per: \_\_\_\_\_  
Name: Anthony V. Polini  
Title: Vice President, Land

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

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

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26<sup>th</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and JOURNEY ENERGY PARTNERSHIP.

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**Lands and Petroleum and Natural Gas Rights**

| <b>Lease</b>      | <b>Lands</b>    | <b>Rights</b>            | <b>WI%</b> | <b>Encumbrances</b>   |
|-------------------|-----------------|--------------------------|------------|---|
| <b>PSKY Lease</b> | SW 21-042-03W5M | Petroleum in Belly River | 60%        | 17.5% LOR   |
| <b>PSKY Lease</b> | NW 15-042-03W5M | Petroleum in Belly River | 88%        | 20% LOR<br><br>2.5% GOR payable to Coastal 50% and Freehold 50% |
| <b>PSKY Lease</b> | NE 15-042-03W5M | Petroleum in Belly River | 88%        | 25% LOR   |

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26<sup>th</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and JOURNEY ENERGY PARTNERSHIP.

**Wells and Facilities**

**Wells**

102/03-21-042-03W5                      Licence 0374332  
100/13-15-042-03W5                      Licence 0333602  
100/14-15-042-03W5                      Licence 0394929  
102/15-15-042-03W5                      Licence 0401038  
100/16-15-042-03W5                      Licence 0412140

**Pipelines**

| <b>Pipeline Licence</b> | <b>Line Number</b> | <b>From</b>         | <b>To</b>               |
|-------------------------|--------------------|---------------------|-------------------------|
| 47917                   | 7                  | 14-16-042-03W5 Well | 14-16-042-03W5 Pipeline |
| 47917                   | 8                  | 14-15-042-03W5 Well | 14-15-042-03W5 Pipeline |
| 47917                   | 9                  | 15-15-042-03W5 Well | 15-15-042-03W5 Pipeline |
| 47917                   | 11                 | 16-15-042-03W5 Well | 15-15-042-03W5 Pipeline |

**Facilities**

**100/16-15-42-03-W5/00 Wellsite**

- \*1440 36" separator package/chemical pump/fuel gas scrubber
- \*400 bbl tank with secondary containment
- \*160 Ampscot pump jack and arrow engine
- \*EFM/battery/solar panel



102/15-15-42-03-W5/00 Wellsite

\*1440 20" separator package/chemical pump/fuel gas scrubber

\*2 400 bbl tanks with secondary containment

\*320 Ampscot pump jack and arrow engine

\*EFM/battery/solar panel

100/14-15-42-03-W5/00 Wellsite

\*1440 20" separator package/chemical pump/fuel gas scrubber

\*400 bbl tank with secondary containment

\*160 Ampscot pump jack and arrow engine

\*EFM/battery/solar panel

100/13-15-42-03-W5 Wellsite

\*1440 20" separator package/chemical pump/fuel gas separator

\*400 bbl tank with secondary containment

\*160 Ampscot pump jack and arrow engine

\*EFM/battery/solar panel

100/3-21-42-03-W5/00 Wellsite

\*1440 20" separator/chemical pump/fuel gas separator

\*400 bbl tank with secondary containment

\*160 Ampscot and arrow engine

\*EFM/battery/solar panel

THE FOLLOWING COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26<sup>th</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and JOURNEY ENERGY PARTNERSHIP.

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**RIGHTS OF FIRST REFUSAL**

Nil.

THE FOLLOWING COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26<sup>th</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and JOURNEY ENERGY PARTNERSHIP.

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### **GENERAL CONVEYANCE**

**THIS GENERAL CONVEYANCE** made as of this \_\_\_\_ day of \_\_\_\_\_, 2018.

#### **BETWEEN:**

**ALVAREZ & MARSAL CANADA INC.**, in its capacity as the receiver and manager of **MANITOK ENERGY INC.** and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

**JOURNEY ENERGY PARTNERSHIP**, a partnership formed under the laws of Alberta and having an office in Calgary, Alberta (hereinafter referred to as "**Purchaser**")

**WHEREAS** pursuant to an order of the Honourable Madam Justice K.M. Horner of the Alberta Court of Queen's Bench dated February 20, 2018, Alvarez & Marsal Canada Inc. was appointed receiver and manager of Manitok Energy Inc.;

**AND WHEREAS** Vendor wishes to sell, and Purchaser wishes to purchase, the Assets subject to and in accordance with the terms and conditions contained herein;

**NOW THEREFORE** for the consideration provided in the Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

#### **1. Definitions**

In this General Conveyance, including the recitals hereto, the definitions set forth in the Purchase Agreement are adopted herein by reference and, in addition:

"**Purchase Agreement**" means that Purchase and Sale Agreement between Vendor and Purchaser dated October 26, 2018.

#### **2. Conveyance**

Pursuant to and for the consideration provided for in the Purchase Agreement, Vendor hereby sells, assigns, transfers, conveys and sets over to Purchaser the entire right, title, estate and interest of Vendor in and to the Assets, to have and to hold the same absolutely, together with all benefit and advantage to be derived therefrom.

#### **3. Subordinate Document**

This General Conveyance is executed and delivered by the Parties pursuant to the Purchase Agreement and the provisions of the Purchase Agreement shall prevail in the event of a conflict between the provisions of the Purchase Agreement and the provisions of this General Conveyance.

**4. No Merger**

The covenants, representations, warranties and indemnities contained in the Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of any covenant, representation, warranty or indemnity contained in the Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

**5. Governing Law**

This General Conveyance shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

**6. Enurement**

This General Conveyance shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

**7. Further Assurances**

Each Party will, from time to time and at all times hereafter, at the request of the other Party but without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms hereof.

**8. Counterpart Execution**

This Agreement may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

**IN WITNESS WHEREOF**, the Parties have executed this General Conveyance on the date first above written.

**ALVAREZ & MARSAL CANADA INC.**, solely in its capacity as the receiver and manager of **MANITOK ENERGY INC.**, and not in its personal or corporate capacity

**JOURNEY ENERGY PARTNERSHIP**, by its managing partner, **JOURNEY ENERGY INC.**

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

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

THE FOLLOWING COMPRISES SCHEDULE "E" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26<sup>th</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and JOURNEY ENERGY PARTNERSHIP.

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**[VENDOR'S][PURCHASER'S] OFFICER'S CERTIFICATE**

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

**RE: Purchase and Sale Agreement dated October 26, 2018 between Vendor and Purchaser (the "Agreement")**

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

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

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

IN WITNESS WHEREOF I have executed this Certificate this \_\_\_\_ day of \_\_\_\_\_, 2018.

**[Name of Vendor/Purchaser]**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE FOLLOWING COMPRISES SCHEDULE "F" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26<sup>th</sup> DAY OF OCTOBER, 2018 BETWEEN ALVAREZ & MARSAL CANADA INC., solely in its capacity as receiver and manager of MANITOK ENERGY INC., and not in its personal or corporate capacity, and JOURNEY ENERGY PARTNERSHIP.

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**FORM OF COURT ORDER**

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF

DEFENDANT

DOCUMENT

**APPROVAL AND VESTING ORDER  
(Sale by Receiver)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

**DATE ON WHICH ORDER WAS PRONOUNCED:** \_\_\_\_\_

**LOCATION WHERE ORDER WAS PRONOUNCED:** \_\_\_\_\_

**NAME OF JUSTICE WHO MADE THIS ORDER:** \_\_\_\_\_

**UPON THE APPLICATION** by **[Receiver's Name]** in its capacity as the Court-appointed **[receiver/receiver and manager]** (the "Receiver") of the undertaking, property and assets of **[Debtor]** (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") dated **[Date]** and appended to the \_\_\_ Report of the Receiver dated **[Date]** (the "Report"), and vesting in the Purchaser (or its nominee)<sup>1</sup> the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets");

**AND UPON HAVING READ** the Receivership Order dated **[Date]** (the "Receivership Order"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser **[Names of other parties appearing]**, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

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<sup>1</sup> Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)

## IT IS HEREBY ORDERED AND DECLARED THAT:

### SERVICE

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

### APPROVAL OF TRANSACTIONS

- [2] The Transaction is hereby approved,<sup>2</sup> and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser (or its nominee).

### VESTING OF PROPERTY

- [3] Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in Schedule "A" hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule "B" hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats,<sup>1</sup> mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims")<sup>3</sup> including, without limiting the generality of the foregoing:

any encumbrances or charges created by the Receivership Order;

all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and

those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats,<sup>2</sup> easements and restrictive covenants listed on **Schedule "D"**); and,

---

<sup>2</sup> In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding.

<sup>3</sup> The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.<sup>4</sup>

- [4] Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "Registrar") is hereby authorized, requested, and directed to cancel the existing Certificate of Title No. \* for those lands and premises municipally described as \*, and legally described as:

\*

**(the "Lands")**

and to issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, \*, and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to those encumbrances (the "Permitted Encumbrances") listed on **Schedule "D"** hereto.<sup>5</sup>

- [5] This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the Land Titles Act, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

- [6] For the purposes of determining the nature and priority of Claims, the net proceeds<sup>6</sup> from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale<sup>7</sup>, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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<sup>4</sup> Should the removal of Encumbrances include removal of registrations at the Personal Property Registry involving serial numbered personal property, include this paragraph:

**"[From and after the closing of the Transaction (including the payment of the purchase price by the Purchaser to the Receiver), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Debtor.]"**

<sup>5</sup> Paragraphs 4 and 5 only apply if the Purchased Assets include land. Should the removal of restricted covenants from title be required, the Registrar of Land Titles will require the instrument number to be expressly identified in this Order. In the event that any encumbrances (such as builders liens) were registered against the land **after** the date of the Receivership Order, the Registrar requires that the Order clearly states whether those encumbrances should also be discharged. If such is the case, the Committee suggests the addition of the following at the end of paragraph: "The Registrar is expressly authorized and directed to include in the discharge of the encumbrances registered against the Lands, all encumbrances registered after the date the Receivership Order was granted."

<sup>6</sup> The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

<sup>7</sup> This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.



- [7] The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
- [8] The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
- [9] The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
- [10] Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
- [11] The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
- [12] Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
- [13] Notwithstanding:

The pendency of these proceedings;

Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

Any assignment in bankruptcy made in respect of the Debtor

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

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

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

#### MISCELLANEOUS MATTERS

[15] This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

[16] This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

[17] Service of this Order on any party not attending this application is hereby dispensed with.

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

**Schedule "A"**

**Form of Receiver's Certificate**

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

PLAINTIFF

DEFENDANT

DOCUMENT

**RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice **[Name]** of the Court of Queen's Bench of Alberta, Judicial District of \_\_\_\_\_ (the "Court") dated **[Date of Order]**, **[Name of Receiver]** was appointed as the receiver (the "Receiver") of the undertaking, property and assets of **[Debtor]** (the "Debtor").
- B. Pursuant to an Order of the Court dated **[Date]**, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section \* of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

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

**[Name of Receiver], in its capacity as Receiver of the undertaking, property and assets of [Debtor], and not in its personal capacity.**

**Per;** \_\_\_\_\_

**Name:**

**Title:**

**TAB D**

## **APPENDIX D**

### Summary of Receiver's Fees and Disbursements

**Manitok Energy Inc.- in Receivership**  
 Summary of Receiver's Fees and Disbursements  
 February 20, 2018 to August 31, 2018

**APPENDIX D**

| <b>Inv. No.</b> | <b>Period</b>                       | <b>Fees</b>          | <b>Disbursements</b> | <b>Total Fees &amp;<br/>Disbursements</b> | <b>GST</b>          | <b>Total</b>           |
|-----------------|-------------------------------------|----------------------|----------------------|---|---------------------|------------------------|
| 1               | February 20, 2018 to March 31, 2018 | 337,052.50           | 2,968.14             | 340,020.64                                | 17,001.03           | 357,021.67             |
| 2               | April 1, 2018 to April 30, 2018     | 185,592.50           | 1,695.73             | 187,288.23                                | 9,364.41            | 196,652.64             |
| 2               | May 1, 2018 to May 31, 2018         | 157,067.50           | 561.33               | 157,628.83                                | 7,881.44            | 165,510.27             |
| 4               | June 1, 2018 to June 30, 2018       | 152,272.50           | 95.74                | 152,368.24                                | 7,618.41            | 159,986.65             |
| 5               | July 1, 2018 to July 31, 2018       | 145,867.50           | 0.00                 | 145,867.50                                | 7,293.38            | 153,160.88             |
| <b>TOTAL</b>    |                                     | <b>\$ 977,852.50</b> | <b>\$ 5,320.94</b>   | <b>\$ 983,173.44</b>                      | <b>\$ 49,158.67</b> | <b>\$ 1,032,332.11</b> |

# **TAB E**



## **APPENDIX E**

### **Summary of Receiver's Counsel's Fees and Disbursements**

**Manitok Energy Inc.- in Receivership**

APPENDIX E

Summary of Legal Fees (Norton Rose) and Disbursements  
February 20, 2018 to August 31, 2018

| <b>Inv. No.</b> | <b>Period</b>                       | <b>Fees</b>          | <b>Disbursements</b> | <b>Total Fees &amp;<br/>Disbursements</b> | <b>GST</b>          | <b>Total</b>         |
|-----------------|-------------------------------------|----------------------|----------------------|---|---------------------|----------------------|
| 9090028208      | February 20, 2018 to March 31, 2018 | 176,144.00           | 0.00                 | 176,144.00                                | 8,807.20            | 184,951.20           |
| 9090035036      | April 1, 2018 to April 30, 2018     | 107,516.00           | 7.00                 | 107,523.00                                | 5,376.15            | 112,899.15           |
| 9090042157      | May 1, 2018 to May 31, 2018         | 46,710.00            | 959.21               | 47,669.21                                 | 2,383.46            | 50,052.67            |
| 9090051270      | June 1, 2018 to June 30, 2018       | 76,878.00            | 53.60                | 76,931.60                                 | 3,846.08            | 80,777.68            |
| 9090057254      | July 1, 2018 to July 31, 2018       | 63,417.00            | 818.49               | 64,235.49                                 | 3,176.77            | 67,412.26            |
| <b>TOTAL</b>    |                                     | <b>\$ 470,665.00</b> | <b>\$ 1,838.30</b>   | <b>\$ 472,503.30</b>                      | <b>\$ 23,589.66</b> | <b>\$ 496,092.96</b> |

**TAB F**

**APPENDIX F**

Receiver's Certificate – Rising Star PSA

COURT FILE NUMBER            25-2332583  
    25-2332610  
    25-2335351

COURT                                COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE                CALGARY

BANKRUPTCY AND INSOLVENCY  
 FAILLITE ET INSOLVABILITE  
 Clerk's Stamp  
 FILED

OCT 24 2018

JUDICIAL CENTRE  
 OF CALGARY

IN THE MANNER 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.

APPLICANT                        ALVAREZ & MARSAL CANADA INC. solely in its capacity as the Court-appointed Receiver and Manager of Manitok Energy Inc.

DOCUMENT                        **RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT            Norton Rose Fulbright Canada LLP  
 400 3rd Avenue SW, Suite 3700  
 Calgary, Alberta T2P 4H2

Phone: +1 403.267.8222  
 Fax: +1 403.264.5973  
 Email: howard.gorman@nortonrosefulbright.com / aaron.stephenson@nortonrosefulbright.com

Attention:            Howard A. Gorman Q.C. / D. Aaron Stephenson  
 File No.:             1001023920

**RECITALS**

- A. Pursuant to an Order of the Honourable Madam Justice K. M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated February 20, 2018, Alvarez & Marsal Canada Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Manitok Energy Inc. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated October 17, 2018, the Court approved the purchase and sale agreement made as of October 9, 2018 (the "**Sale Agreement**") between the Receiver and

Rising Star Resources Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Assets, which vesting is to be effective with respect to the Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Assets; (ii) that the conditions to Closing as set out in section Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at 10:00 a.m. on October 24, 2018.

**ALVAREZ & MARSAL CANADA INC.**,  
in its capacity as receiver and manager  
of the undertaking, property and assets  
of **MANITOK ENERGY INC.**, and not in  
its personal or corporate capacity

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

**Name:** Orest Konowalchuk, LIT  
**Title:** Senior Vice President

**CONFIDENTIAL APPENDIX 1**

Receiver's Analysis of the Shanghai PSA, Bonavista PSA and Journey PSA

**CONFIDENTIAL APPENDIX 2**

Shanghai PSA - UNREDACTED



**CONFIDENTIAL APPENDIX 3**

Bonavista PSA - UNREDACTED

**CONFIDENTIAL APPENDIX 4**

Journey PSA - UNREDACTED