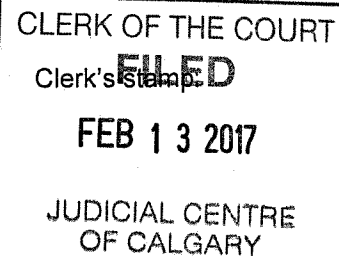


COURT FILE NUMBER 1701-02184
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE

CALGARY



PLAINTIFF

ALBERTA TREASURY BRANCHES

DEFENDANT

DOLOMITE ENERGY INC.

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: Derek Pontin / Afshan Naveed
Ph. (403) 268-6301 / 7015 Fx. (403) 268-3100
File No.: 016026-1194

AFFIDAVIT OF RICHARD MILLER
(sworn February 10, 2017)

I, **RICHARD (RICK) MILLER**, of the City of Calgary, Alberta, **MAKE OATH AND SAY THAT:**

1. I am a Director in the Turnaround Group for Alberta Treasury Branches ("ATB"), and as such, I have personal knowledge of the facts and matters hereinafter deposed to, except where stated to be based on information and belief, in which case I verily believe the same to be true.
2. I have reviewed the business records of ATB relevant to the within proceedings and application and have satisfied myself that I am possess of sufficient information and knowledge to swear this Affidavit.
3. I am authorized by ATB to make this Affidavit on its behalf.
4. This Affidavit is made in support of an application by ATB for a Consent Order appointing Alvarez & Marsal Canada Inc. ("A&M") as receiver and manager (the "Receiver") over the assets, undertakings and properties of Dolomite Energy Inc. ("Dolomite").

Dolomite Energy Inc. and Virginia Hills Oil Corp.

5. Dolomite is a corporation created by amalgamation on April 27, 2015, under the laws of the province of Alberta, with its head office located in Calgary, Alberta. Attached hereto, marked as **Exhibit "A"**, is a copy of an Alberta corporate registry search in respect of Dolomite.
6. Dolomite is an oil and gas producer and a wholly owned subsidiary of Virginia Hills Oil Corp. ("**Virginia Hills**").
7. Virginia Hills is body corporate incorporated according to the laws of the Province of Alberta and extra-provincially registered in the Province of Saskatchewan. Attached hereto, marked as **Exhibits "B" and "C"** respectively are copies of the Alberta and Saskatchewan corporate registry searches in respect of Virginia Hills.
8. Virginia Hills is publically traded on the TSX Venture Exchange under the symbol "VHO".
9. Virginia Hills is engaged in the acquisition, exploration, and development of oil and gas properties in western Canada.
10. Virginia Hills is indebted to The Bank of Nova Scotia ("**BNS**") as Agent pursuant to a credit agreement dated April 15, 2015, as amended and restated from time to time (the "**VHO CA**").

Dolomite's Credit Facilities with ATB

11. ATB is the sole secured lender to Dolomite. ATB extended to Dolomite a term credit facility pursuant to a commitment letter, dated April 27, 2015, as amended by amending letter agreements dated: August 10, 2015, November 9, 2015, June 20, 2016, August 2, 2016, September 6, 2016 and September 29, 2016 (collectively, the "**Loan Agreement**"). Attached hereto, marked as **Exhibit "D"**, is a true copy of the Loan Agreement.
12. Pursuant to the terms of the Loan Agreement, ATB has extended the following credit facilities to Dolomite:
 - (a) Facility #1 – \$6,000,000 – revolving operating loan facility; and
 - (b) Facility #2 - \$5,000,000 – non-revolving operating loan facility;(collectively the "**Loan**").

13. In connection with the Loan Agreement, ATB advanced the Loan to Dolomite. The Loan matured on November 30, 2016, and is presently repayable in full.
14. As of February 10, 2017, the amount owing under the Loan is \$11,016,977.82.
15. The foregoing amount does not include costs, and continues to accrue interest at the contractually agreed rates. All amounts owed to ATB by Dolomite, including accrued and accruing interest and all of ATB's costs, including all costs on a solicitor and client, full indemnity basis, are hereafter collectively referred to as the "**Indebtedness**".
16. The Indebtedness is presently accruing interest a *per diem* rate of \$1,698.68.

ATB's Security

17. In accordance with the Loan Agreement, and to secure the obligations owing to ATB thereunder, Dolomite executed and delivered to ATB, among other things, the following security:
 - (a) a general security agreement, dated May 16, 2011, as amended by the following:
 - (i) an amending agreement (general security agreement), dated April 13, 2015; and
 - (ii) an amending agreement #2 (general security agreement), dated December 1, 2015.

(collectively, the "**Security**").
18. Attached hereto, marked as **Exhibit "E"**, is a true copy of the Security.
19. The Security grants a fixed and floating charge and general security interest over all present and future property assets and undertakings (including all of its present and after-acquired petroleum and natural gas properties) of Dolomite in favour of ATB.
20. The Security was duly registered in the Alberta Personal Property Registry ("**PPR**") on May 17, 2011. A copy of a PPR Debtor Name Search for "Dolomite Energy Inc." is attached hereto, marked as **Exhibit "F"**.
21. The Security, as amended, was duly registered by way of security notices registered with Alberta Energy on April 16, 2015. Security notices were registered against all of Dolomite's "Additional Collateral", as that term is defined in the Security. Attached hereto, marked as **Exhibit "G"**, is a copy of an Alberta Mineral Information Agreement Report by Client ID for "Dolomite Energy Inc".

Demand and Default

22. Dolomite is in default of the Loan Agreement and Security (collectively, the "**Loan Documents**"). Among other things, Dolomite has failed to repay the Indebtedness upon maturity of the Loan ("**Default**").
23. ATB intends to instruct its legal counsel to deliver to Dolomite a demand for payment of the Indebtedness (the "**Demand**") and a Notice of Intention to Enforce Security pursuant to section 244 of the Bankruptcy and Insolvency Act (the "**NOI**"). The Demand and NOI will require Dolomite to deliver payment in full of the Indebtedness to ATB.

Financial Instability and Receivership of Virginia Hills

24. On January 31, 2017, Virginia Hills published a press release announcing that the VHO CA had matured and remained unpaid as of January 31, 2017 (the "**Press Release**"). Attached hereto, marked as **Exhibit "H"**, is a copy of the Press Release.
25. BNS has advised me they will be demanding repayment of the indebtedness due under the VHO CA and will issue to Virginia Hills a notice of intention to enforce security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada).
26. I further believe that Virginia Hills will consent to the appointment of A&M as Receiver over the property, assets and undertakings of Virginia Hills.

Appointment of Receiver

27. The decline in commodity prices over past two years has had a material negative impact on Dolomite's revenue and cash flow. Based on financial information prepared by Dolomite and provided to ATB, cash flow from operations has been and remains positive, however it is not sufficient to pay interest on the Indebtedness, and repay outstanding trade payables and intercompany liability which combined total approximately \$3 million.
28. There has recently been minimal drilling activity and Dolomite's production has continued to decline. Based on my review of operations statements provided by Dolomite, production has declined more than 30% between 2015 and 2016. This has negatively impacted Dolomite's cash flows and the value of its assets.
29. Based on sale efforts undertaken with Dolomite to date, it appears the value of Dolomite's assets is significantly lower than ATB's debt.

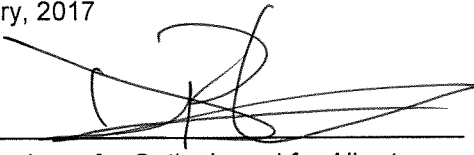
30. The lack of capital to fund drilling, coupled with declining production and no excess cash flow from operations, demonstrates Dolomite's likely inability to reduce ATB's Indebtedness. I verily believe the value of Dolomite and its assets is eroding as production declines, and that the most value can be realized for Dolomite's creditors through an immediate receivership.
31. Among other things, the Security allows ATB to appoint, or seek Court appointment of, a receiver and manager of the property, assets and undertakings of Dolomite upon the occurrence of an event of default. ATB wishes to appoint a receiver manager of Dolomite at this time, and I verily believe such relief is just, convenient and necessary in the present circumstances.

Coordination of Proceedings

32. ATB is aware of the financial instability and impending receivership of Virginia Hills, the sole shareholder of Dolomite.
33. ATB is further aware of the process undertaken by Virginia Hills to explore potential strategic alternatives that may be available, including for the sale of both Virginia Hills and Dolomite in a joint transaction.
34. Among other avenues for realization, ATB has been negotiating with Virginia Hills and BNS to arrange a transaction that includes both Dolomite and Virginia Hills. It is expected such a transaction will close in short order following the appointment of a Receiver.
35. BNS, with the support of the proposed Receiver, has proposed that a single receivership process be implemented for both Dolomite and Virginia Hills. ATB is in agreement with this proposal as it appears that ATB's costs of realization will be reduced in this approach.
36. Notwithstanding ATB's agreement to this proposal, ATB had concerns as to the allocation of the costs of the receivership. ATB's facility with Dolomite is small in comparison to the syndicated facility, and ATB wished to have a clear understanding in advance of the receivership as to how costs will be allocated among Dolomite and Virginia Hills. In light of this concern, ATB and BNS have negotiated a cost-allocation arrangement whereby all of the receivership costs, prior to and following the date of receivership, will be divided between Dolomite and Virginia Hills in the manner agreed. This is a key inducement to ATB agreeing to participate in a coordinated receivership process.
37. I am advised by Dolomite that it will consent to the appointment of A&M as receiver manager of Dolomite at this time. A&M is prepared and has consented to being Receiver of Dolomite. Attached hereto, marked as **Exhibit "I"** is a copy of a Consent to Act, executed by Tim Reid, an authorized signatory of A&M.

38. I verily believe the appointment of the Receiver over the assets, undertakings and properties of Dolomite is just and convenient and necessary in order to protect the interests of ATB, and to preserve and realize upon the assets of Dolomite in order to recover the Indebtedness.
39. I make this Affidavit in support of the Application for the relief set out in paragraph 4 above.

SWORN BEFORE ME at the City of Calgary,)
in the Province of Alberta, this 10th day of)
February, 2017)



Commissioner for Oaths in and for Alberta)

Derek Pontin
Barrister and Solicitor



RICHARD MILLER

THIS IS EXHIBIT "A"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, appearing to be 'Derek Pontin', is written over a horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

Government of Alberta ■ Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2017/02/08
Time of Search: 04:02 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 26513610
Customer Reference Number: 016026-1194

Corporate Access Number: 2018930152
Legal Entity Name: DOLOMITE ENERGY INC.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2015/04/27 YYYY/MM/DD

Registered Office:

Street: 2400, 525 - 8 AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 1G1

Records Address:

Street: 2400, 525 - 8 AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 1G1

Directors:

Last Name: WITWER
First Name: COLIN
Street/Box Number: SUITE 500, 255 - 5 AVENUE SW
City: CALGARY

Province: ALBERTA
Postal Code: T2P 3G6

Voting Shareholders:

Legal Entity Name: VIRGINIA HILLS OIL CORP.
Corporate Access Number: 2018588372
Street: 500, 255 - 5 AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 3G6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO
Share Transfers Restrictions: SEE SCHEDULE "B" ATTACHED HERETO
Min Number Of Directors: 1
Max Number Of Directors: 11
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE "C" ATTACHED HERETO

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2018341632	1834163 ALBERTA LTD.
206851479	DOLOMITE ENERGY INC.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2016	2016/08/16

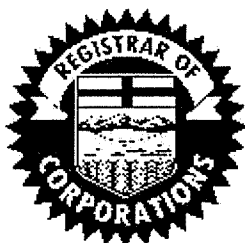
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2015/04/27	Amalgamate Alberta Corporation
2015/04/30	Change Director / Shareholder
2016/08/16	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Amalgamation Agreement	10000907115604330	2015/04/27
Statutory Declaration	10000707115604331	2015/04/27
Share Structure	ELECTRONIC	2015/04/27
Restrictions on Share Transfers	ELECTRONIC	2015/04/27
Other Rules or Provisions	ELECTRONIC	2015/04/27

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.

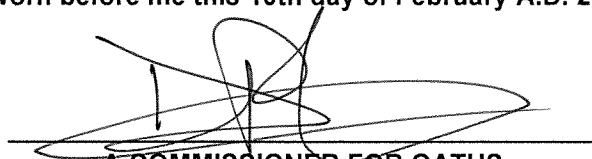


THIS IS EXHIBIT "B"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

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**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

Government of Alberta ■ Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2017/02/09
Time of Search: 07:27 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 26514254
Customer Reference Number:

Corporate Access Number: 2018588372
Legal Entity Name: VIRGINIA HILLS OIL CORP.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2014/11/05 YYYY/MM/DD

Registered Office:
Street: 2400, 525 - 8 AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 1G1

Records Address:
Street: 2400, 525 - 8 AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 1G1

Directors:

Last Name: BRUSSA
First Name: JOHN
Street/Box Number: 1500, 202 - 6 AVENUE S.W.
City: CALGARY
Province: ALBERTA

Postal Code: T2P 2R9

Last Name: CRONE

First Name: HOWARD

Street/Box Number: 1500, 202 - 6 AVENUE S.W.

City: CALGARY

Province: ALBERTA

Postal Code: T2P 2R9

Last Name: WITWER

First Name: COLIN

Street/Box Number: 1500, 202 - 6 AVENUE S.W.

City: CALGARY

Province: ALBERTA

Postal Code: T2P 2R9

Last Name: ZAKRESKY

First Name: ROBERT

Street/Box Number: 1500, 202 - 6 AVENUE S.W.

City: CALGARY

Province: ALBERTA

Postal Code: T2P 2R9

Transfer Agents:

Legal Entity Name: COMPUTERSHARE TRUST COMPANY OF CANADA

Corporate Access Number: 309229359

Street: 530 - 8 AVENUE S.W.

City: CALGARY

Province: ALBERTA

Postal Code: T2P 3S8

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE "A" ATTACHED HERETO

Share Transfers Restrictions: NONE

Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE "B" ATTACHED HERETO

Holding Shares In:

Legal Entity Name
DOLOMITE ENERGY INC.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2015	2016/03/04

Outstanding Returns:

Annual returns are outstanding for the 2016 file year(s).

Filing History:

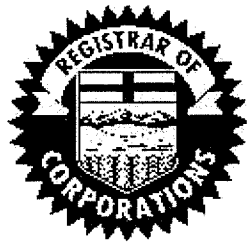
List Date (YYYY/MM/DD)	Type of Filing
2014/11/05	Incorporate Alberta Corporation
2015/03/18	Name/Structure Change Alberta Corporation
2016/03/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2016/04/19	Change Director / Shareholder

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2014/11/05
Restrictions on Share Transfers	ELECTRONIC	2014/11/05
Other Rules or Provisions	ELECTRONIC	2014/11/05
Share Structure	ELECTRONIC	2015/02/17

Other Rules or Provisions	ELECTRONIC	2015/03/18
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This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.

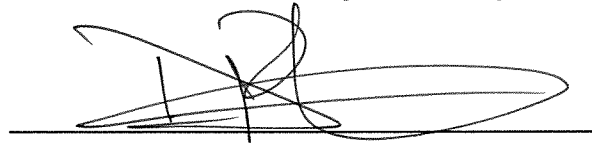


THIS IS EXHIBIT "C"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, appearing to be 'Derek Pontin', is written over a horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor



Profile Report

Entity Number: 101269279

Page 1 of 2

Entity Name: VIRGINIA HILLS OIL CORP.

Report Date: 09-Feb-2017

Entity Details

Entity Type	Business Corporation
Entity Subtype	NWP Corporation
Entity Status	Active
Registration Date	06-Nov-2014
Entity Number in Home Jurisdiction	2018588372
Entity Name in Home Jurisdiction	VIRGINIA HILLS OIL CORP.
Home Jurisdiction	Alberta, Canada
Incorporation/Amalgamation Date in Home Jurisdiction	05-Nov-2014
Nature of Business	OIL AND GAS EXPLORATION AND DEVELOPMENT.

Registered Office/Mailing Address

Physical Address	2400, 525 - 8 AVENUE SW, CALGARY, Alberta, Canada, T2P 1G1
Mailing Address	VIRGINIA HILLS OIL CORP., 2400, 525 - 8 AVENUE SW, CALGARY, Alberta, Canada, T2P 1G1

Power of Attorney

KEITH D. BOYD

Physical Address:	KANUKA THURINGER LLP, 1400, 2500 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 3X2
Mailing Address:	KANUKA THURINGER LLP, 1400, 2500 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 3X2

T. MICHEAL MCDOUGALL

Physical Address:	1400, 2500 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 3X2
Mailing Address:	1400, 2500 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 3X2

CARRIE G. HO

Physical Address:	1400, 2500 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 3X2
Mailing Address:	1400, 2500 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 3X2



Information™
Services
Corporation

Saskatchewan Corporate Registry

Profile Report

Page 2 of 2

Entity Number: 101269279

Entity Name: VIRGINIA HILLS OIL CORP.

Report Date: 09-Feb-2017

Event History

Type	Date
Business Corporation - NWP Registration	06-Nov-2014

THIS IS EXHIBIT "D"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

Phone: 403-974-5778
Fax: 403-974-5784

April 27, 2015

Dolomite Energy Inc.
500, 255-5th Avenue S.W.
Calgary, Alberta T2P 3G6

Attn: Colin Witwer

Dear Sir:

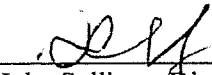
Alberta Treasury Branches has approved and offers financial assistance to Dolomite Energy Inc. ("Borrower") on the terms and conditions in the attached Commitment Letter. This agreement amends and restates in its entirety our letter dated October 15, 2014 (the "Existing Commitment Letter") from Alberta Treasury Branches, as lender, to Dolomite Energy Inc. (amalgamation predecessor of Borrower). Any borrowings outstanding under that letter agreement are deemed to be Borrowings hereunder under the related facility referenced herein.

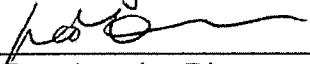
You may accept our offer by returning the enclosed duplicate of this letter, signed as indicated below, by 4:00 p.m. on or before April 29, 2015 or our offer will automatically expire. We reserve the right to cancel our offer at any time prior to acceptance.

Thank you for your continued business.

Yours truly,

ALBERTA TREASURY BRANCHES

By: 
per John Sullivan, Director

By: 
Leo Tam, Associate Director

Encl.


ATB Corporate
Financial Services™

14652684_2|NATDOCS
600, 444 7th Avenue SW Calgary, AB T2P 0X8

CAPITAL SOLUTIONS | FINANCIAL MARKETS | CASH MANAGEMENT

Accepted this 27th day of April, 2015.

DOLOMITE ENERGY INC.


Per: 
Name: Colin Witwer
Title: President and Chief Executive Officer

By its execution of the acknowledgment below, and in connection with the VHO/ATB Share Conversion (as defined in the attached Commitment Letter), Virginia Hills Oil Corp. hereby accepts and shall be bound by the covenants, terms and conditions applicable to Virginia Hills Oil Corp. as set forth in Sections 1(f) and 11(h) of the attached Commitment Letter.

The foregoing is acknowledged effective this 27th day of April, 2015.

VIRGINIA HILLS OIL CORP.

Per: _____


Name: Tracie Noble
Title: Vice President, Finance and
Chief Financial Officer

COMMITMENT LETTER

LENDER: ALBERTA TREASURY BRANCHES

BORROWER: DOLOMITE ENERGY INC.

1. AMOUNTS AND TYPES OF FACILITIES (each referred to as a "Facility")

Facility #1 - Operating Loan Facility (Revolving) – Cdn. \$6,000,000.00

- (a) Facility #1 is available by way of:
 - Prime-based loans in Canadian dollars; and
 - Letters of Credit (to an aggregate maximum of \$1,000,000) in Canadian dollars.
- (b) Facility #1 is to be used for the general operating purposes of Borrower related to the exploration, development, production and acquisition of oil and natural gas reserves within the Western Canadian sedimentary basin.
- (c) Notwithstanding the amount of Facility #1, advances under Facility #1 will be limited to the amount equal to the lesser of:
 - the maximum principal amount of Facility #1; and
 - the amount of the most recent Borrowing Base determined hereunder.

From time to time, following the earning of all interests by Virginia Hills Oil Corp. under the Farmin Agreement, the Borrowing Base shall be re-calculated by Lender upon receipt of each engineering report required to be delivered hereunder and if Borrower fails to deliver any such report then at any other time following such earning at Lender's sole discretion. Lender shall notify Borrower of each change in the amount of the Borrowing Base. In the event that Lender re-calculates the Borrowing Base to be an amount that is less than the Borrowings outstanding under Facility #1, Borrower shall repay the difference between such Borrowings outstanding and the new Borrowing Base within sixty (60) days of receiving notice of the new Borrowing Base, and all rates and fees for Facility #1 listed under the "Interest Rates and Prepayment" section hereof will immediately upon receipt of that notice increase by one hundred (100) basis points. Lender confirms that the Borrowing Base on the date hereof is \$6,000,000.00.

Facility #2 – Non-Revolving Reducing Loan Facility – Cdn. \$5,000,000.00

- (d) Facility #2 is available by way of a Prime-based loan in Canadian dollars and is fully drawn.
- (e) Facility #2 is to be used as a non-conforming variable rate term loan related to Borrower's exploration, development, production and acquisition of domestic oil and natural gas reserves within the Western Canadian sedimentary basin.
- (f) Facility #2 is non-revolving. Amounts repaid may not be reborrowed. From April 1, 2016 through to and including April 15, 2016, Lender will have the right, at its sole discretion, but subject to TSX Venture Exchange approval at the time of conversion, to convert up to \$4,000,000.00 of Facility #2 into common shares of Virginia Hills Oil Corp. that shall be issued at a deemed price of the greater of (i) the "Market Price" (as defined in the TSX Venture Exchange Corporate Finance Manual using a 20 day volume weighted average price) as at the conversion date; and (ii) the issue price of \$0.30 per share of Virginia Hills Oil Corp. (the "Base Price") (with the Base Price being subject to customary

adjustments for share consolidations, splits, stock dividends and associated transactions). Lender shall provide Virginia Hills Oil Corp. with written notice of its intent to convert up to \$4,000,000 of Facility #2 into common shares of Virginia Hills Oil Corp. as set forth above. Upon receipt of such notice, Virginia Hills Oil Corp. shall use reasonable commercial efforts to issue common shares in the name of Lender or as otherwise directed by Lender within 5 Business Days. Notwithstanding the foregoing, in the event that the conversion of the debt into common shares of Virginia Hills Oil Corp. results in Lender being a "control person" as defined in the TSX Venture Exchange Corporate Finance Manual, such conversion shall be subject to obtaining the approval of disinterested Virginia Hills Oil Corp. shareholders at a special meeting of such shareholders. Lender acknowledges that until such approval is obtained, the notice of conversion shall not be effective and Virginia Hills Oil Corp. shall have no obligation to issue such shares. Lender understands and acknowledges that such common shares shall be subject to applicable statutory hold periods in addition to any other restriction on trade which may apply to Lender. Virginia Hills Oil Corp. will not be responsible for any make whole requirements on such debt to share conversion and Lender will be required to retire an equivalent portion of Facility #2 to equal the total share conversion consideration arising from the completion of same (the "VHO/ATB Share Conversion").

Other Facilities – Foreign Exchange, Interest Rate and Commodity Derivatives

- (g) At Borrower's request, Lender may enter into foreign exchange forward contracts and/or interest rate and commodity derivatives with Borrower from time to time. Lender makes no commitment to enter into any such contract or derivative and may at any time in its sole discretion decline to enter into any such contract or derivative. Any Security Documents will also secure Borrower's liability and obligations pursuant to any such contracts or derivatives.

2. INTEREST RATES AND PREPAYMENT:

Facility #1:

- Pricing applicable to Facility #1 is as follows:
 - Prime-based loans: Interest is payable in Canadian dollars at Prime plus 3.00% per annum; and
 - Letters of Credit: Fee is 2.00% per annum with a minimum fee of \$200.00.
- Non-refundable standby fee calculated at a rate of 0.50% per annum is payable monthly in Canadian dollars on the last day of each month, calculated daily on the unused portion of the authorized amount of Facility #1.
- Facility #1 may be prepaid in whole or in part at any time (subject to the notice periods provided hereunder) without penalty.

Facility #2:

- Pricing applicable to Facility #2 is as follows:
 - Prime-based loans: Interest is payable in Canadian dollars at Prime plus 3.00% per annum

- Facility #2 may be prepaid in whole or in part at any time (subject to the notice periods provided hereunder) without penalty.

3. REPAYMENT:

Facility #1:

- Facility #1 is a committed term facility, as detailed herein.
- Facility #1 is payable in full on September 30, 2016 (the "**Facility #1 Maturity Date**").
- Facility #1 may revolve in multiples as permitted hereunder, and Borrower may borrow, repay, reborrow and convert between types of Borrowings, up to the amount and subject to the notice periods provided hereunder.
- In addition to the foregoing, Borrower shall pay to Lender on the last day of each month an amount equal to the Available Cash Flow of Borrower for the immediately preceding month, which payment shall be used by Lender first to repay the outstanding Borrowings under Facility #1 until repaid in full (but without derogating from the revolving nature of Facility #1) and then to repay the then outstanding Borrowings under Facility #2 until repaid in full.

Facility #2:

- Facility #2 is a committed term facility, as detailed herein.
- Facility #2 is payable in full on September 30, 2016 (the "**Facility #2 Maturity Date**").
- In addition to the foregoing, Borrower shall pay to Lender on the last day of each month an amount equal to the Available Cash Flow of Borrower for the immediately preceding month, which payment shall be used by Lender first to repay the outstanding Borrowings under Facility #1 until repaid in full and then to repay the outstanding Borrowings under Facility #2 until repaid in full.

4. FEES:

- Non-refundable renewal fee of \$82,500.00 is payable on June 30, 2015. Lender is hereby authorized to debit Borrower's current account for any unpaid portion of the fee.
- Any amount in excess of established credit facilities may be subject to a fee where Lender in its sole discretion permits excess Borrowings, if any.
- For reports or statements not received within the stipulated periods (and without limiting Lender's rights by virtue of such default), Borrower will be subject to a fee of \$50 per month (per monthly or quarterly report or statement) and \$250 per month (per annual report or statement) for each late reporting occurrence, which will be deducted from Borrower's account.

5. SECURITY DOCUMENTS:

All security documents (whether held or later delivered) (collectively referred to as the "**Security Documents**") shall secure all Facilities and all other obligations of Borrower to Lender (whether

present or future, direct or indirect, contingent or matured). The parties acknowledge that the following Security Documents are currently held by Lender:

- (a) General Security Agreement from Borrower providing a security interest over all present and after acquired personal property and a floating charge on all lands.
- (b) Amending Agreement (General Security Agreement) from Borrower providing a fixed specific mortgage, pledge, charge and security interest in the real and immovable property more particularly described therein (collectively, the "**Fixed Charge Properties**"), together with supporting fixed charge registrations against the Fixed Charge Properties at the Alberta Land Titles Office and Alberta Energy.

The Security Documents have been or shall be registered in the following jurisdictions: Alberta and British Columbia.

Borrower hereby acknowledges and agrees that, notwithstanding the Reorganization Transactions or anything contained in this agreement, each of the Security Documents granted by Dolomite Energy Inc. (amalgamation predecessor of Borrower) to Lender in connection with the Existing Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of Borrower to Lender, arising or incurred in connection with this agreement and the Security Documents. Borrower acknowledges and agrees that Lender is relying on this Section 5 in connection with its commitments under this agreement and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include this agreement, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant hereto.

6. **REPRESENTATIONS AND WARRANTIES:**

Borrower represents and warrants to Lender that:

- (a) if a Loan Party is a corporation, it is a corporation duly incorporated or amalgamated, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;
- (b) if a Loan Party is a partnership or a limited partnership, it is a partnership or a limited partnership duly created, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;
- (c) the execution, delivery and performance by each Loan Party of this agreement and each Security Document to which it is a party have been duly authorized by all necessary actions and do not violate its governing documents or any applicable laws or agreements to which it is subject or by which it is bound (including, without limitation, any Material Contract);
- (d) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any provision of this agreement or any Security Document given in connection herewith;

- (e) the most recent financial statements of Borrower and, if applicable, any Guarantor, provided to Lender fairly present its financial position as of the date thereof and its results of operations and cash flows for the fiscal period covered thereby, and since the date of such financial statements, there has occurred no material adverse change in its business or financial condition (including, without limitation, in respect of any Fixed Charge Properties);
- (f) all engineering data, production and cash flow projections, and other information and data provided to Lender by or on behalf of Borrower (including, without limitation, any engineering reports and land schedules) are true and correct in all material respects as at the time provided and fairly reflect the interests of the Loan Parties therein net of all royalties and other burdens affecting the same;
- (g) each Loan Party has good and marketable title to all of its properties and assets (including, without limitation, the Fixed Charge Properties), free and clear of any encumbrances, other than Permitted Encumbrances;
- (h) each Loan Party is in compliance in all material respects with all applicable laws including, without limitation, all environmental laws, and there is no existing material impairment to its properties and assets as a result of environmental damage, except to the extent disclosed in writing to Lender and acknowledged by Lender;
- (i) Borrower has no Subsidiaries;
- (j) upon completion of the Reorganization Transactions, the Material Contracts will be in full force and effect, unamended; and
- (k) upon completion of the Reorganization Transactions, Borrower will be a wholly-owned Subsidiary of Virginia Hills Oil Corp.

All representations and warranties are deemed to be repeated by Borrower on each request for an advance hereunder.

7. POSITIVE COVENANTS:

Borrower covenants with Lender that so long as it is indebted or otherwise obligated (contingently or otherwise) to Lender, it will do and perform the following covenants. If any such covenant is to be done or performed by a Guarantor, Borrower also covenants with Lender to cause Guarantor to do or perform such covenant.

- (a) Borrower will pay to Lender when due all amounts (whether principal, interest or other sums) owing by it to Lender from time to time;
- (b) Borrower will deliver to Lender the Security Documents, in all cases in form and substance satisfactory to Lender and Lender's solicitor;
- (c) Borrower will ensure that at least 95% of its consolidated assets are held by those Loan Parties which have provided security in favour of Lender;
- (d) Borrower will use the proceeds of advances hereunder only for the purposes approved by Lender;

- (e) each Loan Party will maintain its valid existence as a corporation, partnership or limited partnership, as the case may be, and except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect, will maintain all licenses and authorizations required from regulatory or governmental authorities or agencies to permit it to carry on its business, including, without limitation, any licenses, certificates, permits and consents for the protection of the environment;
- (f) each Loan Party will maintain appropriate books of account and records relative to the operation of its business and financial condition;
- (g) each Loan Party will maintain and defend title to all of its property and assets, will maintain, repair and keep in good working order and condition all of its property and assets and will continuously carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good oilfield practice;
- (h) each Loan Party will maintain appropriate types and amounts of insurance with Lender shown as first loss payee on any property insurance covering any assets on which Lender has security, and promptly advise Lender in writing of any significant loss or damage to its property;
- (i) each Loan Party will provide evidence of insurance to Lender:
 - i) in situations where Lender has taken a fixed charge on an asset or property whether on real property or personal property; and
 - ii) in all other situations, on request;
- (j) each Loan Party will permit Lender, by its officers or authorized representatives at any reasonable time and on reasonable prior notice, to enter its premises and to inspect its plant, machinery, equipment and other real and personal property and their operation, and to examine and copy all of its relevant books of accounts and records (including without limitation, all land records);
- (k) Borrower will ensure that all engineering data, production and cash flow projections and other information and data provided to Lender by or on behalf of the Loan Parties (including without limitation, any engineering reports and land schedules) are true and accurate in all material respects as at the time provided and fairly reflect the interests of the Loan Parties therein net of all royalties and other burdens affecting the same;
- (l) each Loan Party will remit all sums when due to tax and other governmental authorities (including, without limitation, any sums in respect of employees and GST), and upon request, will provide Lender with such information and documentation in respect thereof as Lender may reasonably require from time to time;
- (m) each Loan Party will comply with all applicable laws, including without limitation, environmental laws, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (n) Borrower will promptly advise Lender in writing, giving reasonable details, of (i) the discovery of any contaminant or any spill, discharge or release of a contaminant into the environment from or upon any property of a Loan Party which would reasonably be expected to result in a Material Adverse Effect, (ii) any event which constitutes, or which

with notice, lapse of time or both, would constitute a breach of any provision hereof or of any Security Documents, and (iii) each event which has or is reasonably likely to have a Material Adverse Effect;

- (o) Borrower undertakes that, upon request from Lender, Borrower will grant (or cause Guarantor to grant) a fixed mortgage and charge to Lender on any or all property of Borrower or Guarantor so designated by Lender. Borrower shall promptly provide to Lender all information reasonably requested by Lender to assist it in that regard. Borrower acknowledges that this undertaking constitutes present and continuing security in favour of Lender, and that Lender may file such caveats, security notices or other filings in regard thereto at any time and from time to time as Lender may determine;
- (p) Borrower will apply 100% of (i) net land sale proceeds to Facility #2 until repaid in full; and (ii) penalty payments pursuant to the Farmin Agreement to Facility #1 until repaid in full;
- (q) Borrower will remain in compliance with all covenants, agreements and obligations under the Material Contracts, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect; and
- (r) Borrower shall provide written confirmation to Lender that (i) Virginia Hills Oil Corp. has spudded and drilled a well pursuant to the Farmin Agreement on or before July 31, 2015 or, alternatively, Virginia Hills Oil Corp. has paid a penalty of \$750,000.00 to Borrower, and (ii) Virginia Hills Oil Corp. has spudded and drilled a second well pursuant to the Farmin Agreement within 120 days of the rig release date of the well described in (i) above or, alternatively, Virginia Hills Oil Corp. has paid a penalty of \$750,000.00 to Borrower.

8. NEGATIVE COVENANTS:

Borrower covenants with Lender that while it is indebted or otherwise obligated (contingently or otherwise) to Lender, it will not do any of the following, without the prior written consent of Lender. If a Guarantor is not to do an act, Borrower also covenants with Lender not to permit Guarantor to do such act.

- (a) a Loan Party will not create or permit to exist any mortgage, charge, lien, encumbrance or other security interest on any of its present or future assets, other than Permitted Encumbrances;
- (b) a Loan Party will not create, incur, assume or allow to exist any Indebtedness other than:
 - i) trade payables incurred in the ordinary course of business;
 - ii) any Indebtedness owing to another Loan Party (but only if that Loan Party has provided security in favour of Lender);
 - iii) any Indebtedness secured by a Permitted Encumbrance;
 - iv) any unsecured advances from affiliates/shareholders which are postponed in all respects to the Facilities; and
 - v) any Indebtedness owing to Lender;

- (c) a Loan Party will not sell, lease or otherwise dispose of any assets except (i) inventory sold, leased or disposed of in the ordinary course of business, (ii) obsolete equipment which is being replaced with equipment of an equivalent value, (iii) assets sold, leased or disposed of to another Loan Party (but only if that Loan Party has provided security in favour of Lender), and (iv) assets sold, leased or disposed of during a fiscal year having an aggregate fair market value not exceeding \$100,000 for such fiscal year;
- (d) a Loan Party will not provide financial assistance (by means of a loan, guarantee or otherwise) to any person, including, without limitation, to Virginia Hills Oil Corp., (other than Lender) other than loans permitted under clause (b) above;
- (e) a Loan Party will not pay to or for the benefit of shareholders or persons associated with shareholders (within the meaning of the Alberta *Business Corporations Act*) by way of salaries, bonuses, dividends, management fees, repayment of loans or otherwise, any amount which would cause a breach of a provision hereof. Additionally Borrower will not pay any cash to Borrower's management pursuant to the March ____, 2015 executive severance agreement among Kofi Prah, John Salopek, Ian J. Towers, Lakeside Capital Ltd., Nathan Pearson, Borrower and Virginia Hills Oil Corp.;
- (f) a Loan Party will not reduce its capital or redeem, purchase or otherwise acquire, retire or pay off any of its present or future share capital other than to another Loan Party;
- (g) a Loan Party will not amalgamate, consolidate, or merge with any person other than a Loan Party and then only if no default or event of default is then in existence or would thereafter be in existence, and will not enter into any partnership with any other person unless the partnership becomes a Loan Party hereunder and provides security in favour of Lender;
- (h) a Loan Party will not acquire any assets in, or move or allow any of its assets to be moved to, a jurisdiction where Lender has not registered or perfected the Security Documents;
- (i) a Loan Party will not change the present nature of its business;
- (j) Borrower will not operate accounts with or otherwise conduct any banking business with any financial institution other than Lender, other than to the extent expressly permitted in the definition of Permitted Encumbrances hereunder;
- (k) a Loan Party will not incur any expenditure for a capital expenditure in a fiscal year if the aggregate of all capital expenditures in such fiscal year, including such proposed capital expenditure, would exceed the budget for such capital expenditures provided by Borrower to Lender annually in accordance with Section 9(b)iv), with Lender acknowledging and agreeing that the budget for such capital expenditures for each of the fiscal years of Borrower ending December 31, 2015 and December 31, 2016, respectively, has been approved by Lender at \$75,000;
- (l) a Loan Party will not incur capital expenditures in respect of oil or gas properties outside of the Western Canadian sedimentary basin;
- (m) a Loan Party will not enter into any Hedging Agreement which is not used for risk management in relation to its business or which is not entered into in the ordinary course of its business but is entered into for speculative purposes, or which, in the case of

commodity swaps or similar transactions of either a financial or physical nature, have a term exceeding one year or if more than 50% of its forecasted production from proved producing resources would be hedged at the time of determination for the hedged period;

- (n) a Loan Party will not allow any pollutant (including any pollutant now on, under or about such land) to be placed, handled, stored, disposed of or released on, under or about any of its lands unless done in the normal course of its business and then only as long as it complies with all applicable laws in placing, handling, storing, transporting, disposing of or otherwise dealing with such pollutants, except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect;
- (o) Borrower will not utilize Borrowings to finance a hostile takeover; and
- (p) Borrower will not modify, alter, amend (except amendments to Material Contracts which are made to correct or rectify ambiguities or inconsistent provisions, clerical omissions or manifest errors, provided that in each case such amendment is not prejudicial to the interest of Borrower or Lender), extend, renew, replace, knowingly waive strict and timely performance of any compliance with, waive any default under, terminate, cancel, suspend or assign any Material Contract or any material term, agreement, provision, item, obligation or covenant contained in any Material Contract.

9. REPORTING COVENANTS:

Borrower will provide to Lender:

- (a) within one hundred twenty (120) days after the end of each of its fiscal years:
 - i) financial statements of Borrower on an audited basis prepared by a firm of qualified accountants; and
 - ii) a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A";
- (b) within ninety (90) days after the end of each of its fiscal years:
 - i) external engineering report of the Loan Parties' total proved properties prepared by an accredited, independent firm of consulting petroleum engineers satisfactory to Lender;
 - ii) an officer's certificate as to title, attaching thereto a current land schedule of major producing petroleum and natural gas reserves held by the Loan Parties described by lease (type, date, term, parties), legal description (wells and spacing units), interest (W.I. or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances and overrides;
 - iii) an environmental questionnaire and disclosure statement in the form requested by Lender; and
 - iv) annual capital and revenue budget reports from Borrower for the next following fiscal year which include gross and/or net oil and gas production volumes, gross revenues, royalties and other burdens, operating costs, general and administrative costs, commodity price assumptions and, if available, a pro forma balance sheet;

- (c) within sixty (60) days following the end of each of its first 3 fiscal quarters:
 - i) internally produced financial statements of Borrower for that quarter; and
 - ii) a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A";
- (d) within sixty (60) days following the end of each calendar month, monthly production and revenue reports (operator statements or internally generated area-by-area summaries) for the Loan Parties' producing properties, certified by a senior officer of Borrower, clearly indicating gross and/or net oil and gas production volumes, gross revenues, royalties and other burdens, operating costs, etc.;
- (e) within thirty (30) days following the end of each calendar month, aged accounts payable listings as at the end of such month;
- (f) within thirty (30) days following the end of each calendar month, a monthly report of actual performance vs. forecast performance with monthly calculation of Available Cash Flow, supported by a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A"; and
- (g) on request, any further information regarding Borrower's assets, operations and financial condition that Lender may from time to time reasonably require.

10. FINANCIAL COVENANTS:

Borrower shall ensure that Available Cash Flow on a three (3) month rolling basis shall be equal to or greater than 75% of the Cash Flow, on a three (3) month rolling basis, for the applicable period as set forth in the forecast provided by Borrower to Lender on April 2, 2015.

11. CONDITIONS PRECEDENT:

It is a condition precedent to each advance hereunder that, at the time of such advance, all representations and warranties hereunder must be true and correct in all material respects as if made on such date, and there must be no default hereunder or under any Security Document.

In addition, no Facilities will be available until the following conditions precedent have been satisfied, unless waived by Lender:

- (a) Lender has received all Security Documents and all registrations and filings have been completed in Alberta and British Columbia, in all cases in form and substance satisfactory to Lender;
- (b) Borrower and Guarantors (if any) have provided all authorizations and all financial statements, appraisals, environmental reports and any other information that Lender may require;
- (c) Lender has received payment of all fees due in respect hereof;
- (d) Lender is satisfied as to the value of Borrower's and any Guarantor's assets and financial condition, and Borrower's and any Guarantor's ability to carry on business and repay any amount owed to Lender from time to time;

- (e) Lender has received an officer's certificate as to title satisfactory to Lender including a schedule of major producing petroleum and natural gas reserves described by lease (type, date, term, parties), legal description (wells and spacing units), interest (W.I. or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances, and overrides;
- (f) Lender shall have received written confirmation from Borrower, confirming that the Reorganization Transactions shall be completed concurrently with this agreement becoming effective;
- (g) Lender shall have received and approved executed copies of each of the Material Contracts; and
- (h) Lender shall have entered into such documentation with Virginia Hills Oil Corp. as is required to implement the VHO/ATB Share Conversion.

12. AUTHORIZATIONS AND SUPPORTING DOCUMENTS

Borrower has delivered or will deliver the following authorizations and supporting documents to Lender:

- Corporate Borrower:
 - a) Incorporation documents including Certificate of Incorporation, Articles of Incorporation (including any amendments) and last Notice of Directors;
 - b) Business Corporation Agreement;
 - c) Environmental Questionnaire & Disclosure Statement; and
 - d) Credit Information and Alberta Land Titles Office Name Search Consent Form;
- General:
 - a) Solicitor Opinion Letter from counsel to Borrower; and
 - b) Solicitor Opinion Letter from counsel to Lender.

13. DRAWDOWNS, PAYMENTS AND EVIDENCE OF INDEBTEDNESS

- Interest on Prime-based loans is calculated on the daily outstanding principal balance, and is payable on the last day of each month.
- If revolving of loans is permitted hereunder, principal advances and repayments on Prime-based loans are to be in the minimum sum of Cdn. \$10,000 or multiples of it.
- If Letters of Credit are available hereunder, the term of each Letter of Credit shall not exceed one (1) year, although automatic extensions thereof (unless notified by Lender) are permitted. On any demand being made by a beneficiary for payment under a Letter of Credit, the amount so paid shall be automatically deemed to be outstanding as a Prime-based loan under the relevant Facility.

- Borrower shall monitor its Borrowings (including the face amount and maturity date of each Letter of Credit) to ensure that the Borrowings hereunder do not exceed the maximum amount available hereunder.
- Borrower shall provide notice to Lender prior to requesting an advance or making a repayment or conversion of Borrowings hereunder, as follows:

For Borrowings:
 - under Cdn. \$5,000,000 – same day notice
 - Cdn. \$5,000,000 and over – one Business Day prior written notice
- Borrower may cancel the availability of any unused portion of a Facility on five Business Days' notice. Any such cancellation is irrevocable.
- The annual rates of interest or fees to which the rates calculated in accordance with this agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.
- If the amount of Borrowings outstanding under any Facility, when converted to the Equivalent Amount in Canadian dollars, exceeds the amount available under such Facility, Borrower shall, unless Lender otherwise agrees in its sole discretion, immediately repay such excess to Lender.
- If any amount due hereunder is not paid when due, Borrower shall pay interest on such unpaid amount (including without limitation, interest on interest) if and to the fullest extent permitted by applicable law, at a rate per annum equal to Prime plus 5%.
- The branch of Lender (the "**Branch of Account**") where Borrower maintains an account and through which the Borrowings will be made available is located at Calgary Stephen Avenue, 239 - 8 Avenue SW, Calgary, Alberta T2P 1B9. Funds under the Credit Facilities will be advanced into and repaid from account no. 760-00125228324 at the Branch of Account, or such other branch or account as Borrower and Lender may agree upon from time to time.
- Lender shall open and maintain at the Branch of Account accounts and records evidencing the Borrowings made available to Borrower by Lender under this agreement. Lender shall record the principal amount of each Borrowing and the payment of principal, interest and fees and all other amounts becoming due to Lender under this agreement. Lender's accounts and records (and any confirmations issued hereunder) constitute, in the absence of manifest error, conclusive evidence of the indebtedness of Borrower to Lender pursuant to this agreement.
- Borrower authorizes and directs Lender to automatically debit, by mechanical, electronic or manual means, any bank account of Borrower for all amounts payable by Borrower to Lender pursuant to this agreement. Any amount due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day, and interest shall accrue accordingly.

14. EVENTS OF DEFAULT:

Without restricting the right of Lender to terminate any Facility which is payable on demand and to demand payment in full of such demand Facility at any time, if any of the events set forth

below occurs and is continuing, Lender may at its option, by notice to Borrower, terminate any or all of any committed term Facilities hereunder and demand immediate payment in full of all or any part of the amounts owed by Borrower thereunder:

- (a) if Borrower defaults in paying when due all or any part of the principal amount due hereunder;
- (b) if Borrower defaults in paying when due all or any part of its indebtedness or other liability to Lender (other than as provided under section (a) above) and such default continues for three (3) Business Days after notice from Lender;
- (c) if Borrower or a Guarantor (if any) defaults in the observance or performance of any of its covenants or obligations hereunder or in any of the Security Documents (other than as provided under section (a) or (b) above), or in any other document under which Borrower or a Guarantor (if any) is obligated to Lender, and in any such cases, the default continues for ten (10) days after notice from Lender;
- (d) if there is, in the opinion of Lender, a material change in the ownership or management of Borrower, and Lender has not provided its consent to such change;
- (e) if any charge or encumbrance on any property of Borrower or a Guarantor (if any) becomes enforceable and steps are taken to enforce it;
- (f) if Borrower or a Guarantor (if any) defaults in any obligation to any person (other than Lender) which involves or may involve a sum exceeding Cdn. \$100,000, and the default has not been cured within ten (10) days of the date Borrower first knew or should have known of the default;
- (g) if any other creditor of Borrower or a Guarantor (if any) takes collection steps against Borrower or such Guarantor or its assets;
- (h) if final judgment or judgments should be entered against Borrower or Guarantor (if any) for the payment of any amount of money exceeding Cdn. \$100,000, and the judgment or judgments are not discharged within twenty (20) Business Days after entry;
- (i) if an order is made, an effective resolution passed, or a petition is filed for the winding up the affairs of Borrower or a Guarantor (if any) or if a receiver or liquidator of Borrower or a Guarantor (if any) or any part of its assets is appointed;
- (j) if Borrower or a Guarantor (if any) becomes insolvent or makes a general assignment for the benefit of its creditors or an assignment in bankruptcy or files a proposal or notice of intention to file a proposal under the *Bankruptcy and Insolvency Act* (Canada) or otherwise acknowledges its insolvency or if a bankruptcy petition is filed or receiving order is made against Borrower or a Guarantor (if any) and is not being disputed in good faith;
- (k) if Borrower or a Guarantor (if any) ceases or threatens to cease to carry on its business or makes a bulk sale of its assets;
- (l) if any of the licences, permits or approvals granted by any government or governmental authority or agency and material to the business of Borrower or a Guarantor (if any) is withdrawn, cancelled, suspended or adversely amended;

- (m) if any event or circumstance occurs which has or would reasonably be expected to have a Material Adverse Effect (as determined by Lender in its sole discretion);
- (n) if any of the Material Contracts are terminated prior to repayment of all Borrowings; and
- (o) if any event of default occurs and is continuing by Virginia Hills Oil Corp. pursuant to the credit agreement dated April ____, 2015 among Virginia Hills Oil Corp., The Bank of Nova Scotia, in its capacity as administrative agent, The Bank of Nova, Canadian Imperial Bank of Commerce, Alberta Treasury Branches and the other financial institutions named therein from time to time.

Failing such immediate payment, Lender may, without further notice, realize under the Security Documents to the extent Lender chooses.

15. MISCELLANEOUS:

- (a) All legal and other costs and expenses incurred by Lender in respect of the Facilities, the Security Documents and other related matters will be paid or reimbursed by Borrower on demand by Lender.
- (b) All Security Documents will be prepared by or under the supervision of Lender's solicitors, unless Lender otherwise permits. Acceptance of this offer will authorize Lender to instruct Lender's solicitors to prepare all necessary Security Documents and proceed with related matters.
- (c) Lender, without restriction, may waive in writing the satisfaction, observance or performance of any of the provisions of this Commitment Letter. The obligations of a Guarantor (if any) will not be diminished, discharged or otherwise affected by or as a result of any such waiver, except to the extent that such waiver relates to an obligation of such Guarantor. Any waiver by Lender of the strict performance of any provision hereof will not be deemed to be a waiver of any subsequent default, and any partial exercise of any right or remedy by Lender shall not be deemed to affect any other right or remedy to which Lender may be entitled.
- (d) Borrower shall reimburse Lender for any additional cost or reduction in income arising as a result of (i) the imposition of, or increase in, taxes on payments due to Lender hereunder (other than taxes on the overall net income of Lender), (ii) the imposition of, or increase in, any reserve or other similar requirement, (iii) the imposition of, or change in, any other condition affecting the Facilities imposed by any applicable law or the interpretation thereof.
- (e) Lender is authorized but not obligated, at any time, to apply any credit balance, whether or not then due, to which Borrower or Guarantor is entitled on any account in any currency at any branch or office of Lender in or towards satisfaction of the obligations of Borrower or such Guarantor due to Lender under this agreement or any guarantee granted in support hereof, as applicable. Lender is authorized to use any such credit balance to buy such other currencies as may be necessary to effect such application.
- (f) Words importing the singular will include the plural and vice versa, and words importing gender will include the masculine, feminine and neuter, and anything importing or referring to a person will include a body corporate and a partnership and any entity, in each case all as the context and the nature of the parties requires.

- (g) Where more than one person is liable as Borrower (or as a Guarantor) for any obligation hereunder, then the liability of each such person for such obligation is joint and several with each other such person.
- (h) If any portion of this agreement is held invalid or unenforceable, the remainder of this agreement will not be affected and will be valid and enforceable to the fullest extent permitted by law. In the event of a conflict between the provisions hereof and of any Security Document, the provisions hereof shall prevail to the extent of the conflict.
- (i) Where the interest rate for a credit is based on Prime, the applicable rate on any day will depend on the Prime rate in effect on that day, as applicable. The statement by Lender as to Prime and as to the rate of interest applicable to a credit on any day will be binding and conclusive for all purposes. All interest rates specified are nominal annual rates. The effective annual rate in any case will vary with payment frequency. All interest payable hereunder bears interest as well after as before maturity, default and judgment with interest on overdue interest at the applicable rate payable hereunder. To the extent permitted by law, Borrower waives the provisions of the *Judgment Interest Act* (Alberta).
- (j) Any written communication which a party may wish to serve on any other party may be served personally (in the case of a body corporate, on any officer or director thereof) or by leaving the same at or couriering or mailing the same by registered mail to the Branch of Account (for Lender) or to the last known address (for Borrower or any Guarantor), and in the case of mailing will be deemed to have been received two (2) Business Days after mailing except in the case of postal disruption.
- (k) Unless otherwise specified, references herein to "\$" and "dollars" mean Canadian dollars.
- (l) If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose, rate of exchange means the rate at which Lender would, on the relevant date, be prepared to sell a similar amount of such currency against the Judgment Currency, in accordance with normal banking procedures. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgment is given and the date of payment of the amount due, Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such day is the amount in the Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency. Any additional amount due from Borrower under this paragraph will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due in connection with this Agreement.
- (m) Lender shall have the right to assign, sell or participate its rights and obligations in the Facilities or in any Borrowing thereunder, in whole or in part, to one or more persons, provided that the consent of Borrower shall be required if no default is then in existence, such consent not to be unreasonably withheld or delayed.
- (n) Borrower shall indemnify Lender against all losses, liabilities, claims, damages or expenses (including without limitation legal expenses on a solicitor and his own client

basis) (i) incurred in connection with the entry into, performance or enforcement of this agreement, the use of the Facility proceeds or any breach by Borrower or any Guarantor of the terms hereof or any document related hereto, or (ii) arising out of or in respect of: (A) the release of any hazardous or toxic waste or other substance into the environment from any property of Borrower or any of its Subsidiaries, and (B) the remedial action (if any) taken by Lender in respect of any such release, contamination or pollution. This indemnity will survive the repayment or cancellation of any of the Facilities or any termination of this agreement.

- (o) For certainty, the permission to create a Permitted Encumbrance shall not be construed as a subordination or postponement, express or implied, of Lender's Security Documents to such Permitted Encumbrance.
- (p) Each accounting term used hereunder, unless otherwise defined herein, has the meaning assigned to it under GAAP consistently applied. If there occurs a change in generally accepted accounting principles (an "**Accounting Change**"), including as a result of a conversion to International Financial Reporting Standards, and such change would result in a change (other than an immaterial change) in the calculation of any financial covenant, standard or term used hereunder, then at the request of Borrower or Lender, Borrower and Lender shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by Borrower or Lender, Borrower and Lender have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change.
- (q) Borrower's information, corporate or personal, may be subject to disclosure without its consent pursuant to provincial, federal, national or international laws as they apply to the product or service Borrower has with Lender or any third party acting on behalf of or contracting with Lender.
- (r) Borrower acknowledges that the terms of this agreement are confidential, and Borrower agrees not to disclose the terms hereof or provide a copy hereof to any person without the prior written consent of Lender, unless and to the extent required by applicable law.
- (s) Time shall be of the essence in all provisions of this agreement. Each of the Loan Parties and Lender irrevocably and unconditionally: (a) agree that any suit, action or other legal proceeding (collectively, the "**Suit**") instituted by Lender and arising out of this agreement shall be brought and adjudicated only in Alberta, and (b) each Loan Party waives and agrees not to assert by way of motion, as a defence or otherwise at any such Suit, any claim that such Loan Party is not subject to the jurisdiction of the above courts, that such Suit is brought in an inconvenient forum or that the venue of such Suit is improper.
- (t) This Agreement may be executed by one or more of the parties on any number of separate counterparts (whether in original ink, by facsimile or in another electronic format), and all those counterparts taken together will be deemed to constitute one and the same instrument. The delivery of a facsimile or other electronic copy of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement, but the party delivering such facsimile or other electronic copy shall deliver

an original copy of this Agreement as soon as reasonably possible after delivery of the facsimile or other electronic copy.

- (u) This agreement shall be governed by the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta.
- (v) The following Schedule is attached to and forms part of this agreement and is incorporated herein by reference:

Schedule "A" - Compliance Certificate.

16. NEXT REVIEW DATE:

All demand Facilities are subject to review by Lender at any time in its sole discretion, and at least annually. The next annual review date has been set for September 30, 2016 but may be set at an earlier or later date at the sole discretion of Lender.

17. DEFINITIONS:

"Available Cash Flow" means, for any period, the positive Cash Flow (if any) of Borrower during such period, determined on a consolidated basis and calculated in a manner consistent with the forecast provided by Borrower to Lender on April 2, 2015; provided that (but without duplication) there shall be subtracted therefrom accounts payable aged greater than 60 days.

"Borrowing Base" means the number determined by Lender based on a lending value assigned to the net present value of the total proved oil and gas properties of Borrower and Guarantor, as determined by Lender in its sole discretion in accordance with its customary practices and standards for oil and gas loans using such reasonable assumptions as may be determined by Lender in its sole discretion.

"Borrowings" means all amounts outstanding under the Facilities, or if the context so requires, all amounts outstanding under one or more of the Facilities or under one or more borrowing options of one or more of the Facilities.

"Business Day" means a day, excluding Saturday and Sunday, on which banking institutions are open for business in the province of Alberta.

"Cash Flow" means, in respect of Borrower for any period, the revenue of Borrower determined on a consolidated basis and calculated in a manner consistent with the forecast provided by Borrower to Lender on April 2, 2015; provided that (but without duplication) there shall be subtracted therefrom royalties, operating costs, interest expense, Lender approved capital and operating expenses and general and administrative costs.

"Equivalent Amount" means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through Lender in accordance with normal banking procedures.

"Generally Accepted Accounting Principles" or "GAAP" means generally accepted accounting principles as may be described in the Canadian Institute of Chartered Accountants Handbook and other primary sources recognized from time to time by the Canadian Institute of Chartered Accountants.

"Guarantor" means any party that has provided a guarantee in favour of Lender with respect to the Borrowings hereunder.

"Hedging Agreement" means any swap, hedging, interest rate, currency, foreign exchange or commodity contract or agreement, or confirmation thereunder, entered into from time to time in connection with:

- (a) interest rate swaps, forward rate transactions, interest rate options, cap transactions, floor transactions and similar rate-related transactions;
- (b) forward rate agreements, foreign exchange forward agreements, cross currency transactions and other similar currency-related transactions; or
- (c) commodity swaps, hedging transactions and other similar commodity-related transactions (whether physically or financially settled), including without limitation commodity swaps;

the purpose of which is to hedge (a) interest rate, (b) currency exchange, and/or (c) commodity price exposure, as the case may be.

"Indebtedness" means all present and future obligations and indebtedness of a person, whether direct or indirect, absolute or contingent, including all indebtedness for borrowed money, all obligations in respect of swap or hedging arrangements and all other liabilities which in accordance with GAAP would appear on the liability side of a balance sheet (other than items of capital, retained earnings and surplus or deferred tax reserves).

"Letter of Credit" means a standby or documentary letter of credit or letter of guarantee issued by Lender on behalf of Borrower.

"Loan Parties" means Borrower and all Guarantors, other than any Guarantors that are natural persons, but, for greater certainty, excludes Virginia Hills Oil Corp., and **"Loan Party"** means any of them.

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

- (a) the financial condition of Borrower or of any Guarantor; or
- (b) the ability of Borrower or any Guarantor to repay amounts owing hereunder or under its guarantee in respect hereof.

"Material Contracts" means each of the following:

- (a) April ____, 2015 farmin agreement regarding the EVI Area, Alberta between Virginia Hills Oil Corp. and 1834163 Alberta Ltd (the **"Farmin Agreement"**);
- (b) April ____, 2015 asset management agreement regarding EVI Area, Alberta between Virginia Hills Oil Corp. and Borrower; and
- (c) April ____, 2015 contract well/facilities operating agreement between Virginia Hills Oil Corp., as contractor, and Borrower, as owner,

each as the same may be amended, modified, supplemented, restated or replaced, from time to time, on and subject to the terms of this agreement.

"Permitted Encumbrances" means, in respect of Borrower and any Guarantor, the following:

- (a) liens for taxes, assessments or governmental charges not yet due or delinquent or the validity of which is being contested in good faith;

- (b) liens arising in connection with workers' compensation, unemployment insurance, pension, employment or other social benefits laws or regulations which are not yet due or delinquent or the validity of which is being contested in good faith;
- (c) liens under or pursuant to any judgment rendered or claim filed which are or will be appealed in good faith provided any execution thereof has been stayed;
- (d) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law or which relate to obligations not due or delinquent;
- (e) liens arising by operation of law such as builders' liens, carriers' liens, materialmens' liens and other liens of a similar nature which relate to obligations not due or delinquent;
- (f) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which singularly or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of Borrower or such Guarantor;
- (g) security given to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of Borrower or such Guarantor, all in the ordinary course of its business which singularly or in the aggregate do not materially impair the operation of the business of Borrower or such Guarantor;
- (h) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (i) liens created or arising in the ordinary course of the oil and gas business in respect of the joint operation of oil and gas properties and related production and processing facilities or arrangements for the processing, treating, transmission or transportation of hydrocarbon substances, provided such liens are not in respect of obligations which are due or delinquent and do not materially reduce the value of the oil and gas properties affected by such liens;
- (j) penalties arising in the ordinary course of business under non-participation or independent operations provisions of operating agreements as a consequence of an election not to participate in drilling or other operations;
- (k) the provisions of operating agreements, pooling agreements, unitization agreements and other similar arrangements entered into in the ordinary course of the oil and gas business which do not materially affect the value of the oil and gas properties which are subject thereto;
- (l) royalties, net profits interests and similar encumbrances and rights to convert any of them to working interests which are created in the ordinary course of the oil and gas business; provided that if any of the foregoing relate to oil and gas properties, full disclosure thereof is made in any engineering reports required to be delivered to Lender from time to time in respect of such oil and gas properties;

- (m) rights of first refusal and similar preferential rights created in the ordinary course of the oil and gas business;
- (n) operating leases;
- (o) capital lease transactions (according to GAAP) or sale-leaseback transactions where the indebtedness represented by all such transactions does not at any time exceed \$100,000 in aggregate;
- (p) security interests granted or assumed to finance the purchase of any property or asset (a "**Purchase Money Security Interest**") where:
 - i) the security interest is granted at the time of or within 60 days after the purchase,
 - ii) the security interest is limited to the property and assets acquired, and
 - iii) the indebtedness represented by all Purchase Money Security Interests does not at any time exceed \$100,000 in aggregate;
- (q) security interests or liens (other than those hereinbefore listed) of a specific nature (and excluding for greater certainty floating charges) on properties and assets having a fair market value not in excess of \$100,000 in aggregate.

"**Prime**" means the prime lending rate per annum established by Lender from time to time for commercial loans denominated in Canadian dollars made by Lender in Canada.

"**Reorganization Transactions**" means the following:

- (a) the arrangement under section 193 of the *Business Corporations Act* (Alberta) involving Pinecrest Energy Inc., Virginia Hills Oil Corp. and Cardinal Energy Ltd., as more particularly described and set forth in the plan of arrangement attached as Schedule "A" to the arrangement agreement dated December 8, 2014 with an effective date of February 16, 2015, as amended by an amending agreement dated January 26, 2015, a second amending agreement dated February 16, 2015 and a third amending agreement dated April 13, 2015; and
- (b) the business combination transactions pursuant to the terms and conditions of an amalgamation agreement dated as of March 2, 2015 among Virginia Hills Oil Corp., Borrower and 1834163 Alberta Ltd.

"**Subsidiaries**" means:

- (a) a person of which another person alone or in conjunction with its other subsidiaries owns an aggregate number of voting shares sufficient to elect a majority of the directors regardless of the manner in which other voting shares are voted; and
- (b) a partnership of which at least a majority of the outstanding income interests or capital interests are directly or indirectly owned or controlled by such person,

and includes a person in like relation to a Subsidiary.

SCHEDULE "A"

CONTAINING FORM OF COMPLIANCE CERTIFICATE

To: Alberta Treasury Branches
Corporate Financial Services
600, 444 – 7th Avenue SW
Calgary, Alberta T2P 0X8
Attention: John Sullivan, Director

I, _____ hereby certify as of the date of this certificate as follows:

- (a) I am the _____ *[insert title]* of Dolomite Energy Inc. ("Borrower") and I am authorized to provide this certificate to you for and on behalf of Borrower.
- (b) This certificate applies to the **[fiscal quarter/fiscal year]** ending _____.
- (c) I am familiar with and have examined the provisions of the amended and restated letter agreement (as amended, modified, supplemented, restated or replaced, from time to time, the "Agreement") dated April 24, 2015 between the Borrower, as borrower, and Alberta Treasury Branches ("Lender"), as lender, and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of Borrower and of any Guarantor. Terms defined in the Agreement have the same meanings when used in this certificate.
- (d) No event or circumstance has occurred which constitutes or which, with the giving of notice, lapse of time, or both, would constitute a breach of any covenant or other term or condition of the Agreement and there is no reason to believe that during the next fiscal quarter of Borrower, any such event or circumstance will occur.

OR

We are or anticipate being in default of the following terms or conditions, and our proposed action to meet compliance is set out below:

Description of any breaches and proposed action to remedy: _____

- (e) Our financial covenant is as follows:

Available Cash Flow on a three (3) month rolling basis **[is/is not]** equal to or greater than 75% of the Cash Flow for the applicable period as set forth in the forecast provided by Borrower to Lender on April 2, 2015.
- (f) The detailed calculations of the foregoing covenant are set forth in the addendum annexed hereto and are true and correct in all respects.

This certificate is given by the undersigned officer in his/her capacity as an officer of the Borrower without any personal liability on the part of such officer.

Dated this _____ day of _____, 20____.

DOLOMITE ENERGY INC.

Per: _____

Name: _____

Title: _____

APPENDIX

Cash Flow is _____, calculated as follows:

Revenue: \$ _____

less:

(a) royalties; \$ _____

(b) operating costs; \$ _____

(c) interest expense; \$ _____

(d) general and administrative costs; and \$ _____

(e) ATB approved capital and operating expenditures.

= \$ _____

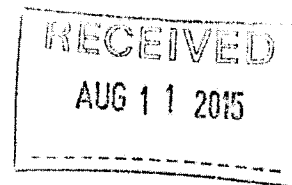
Available Cash Flow is _____, calculated as follows:

Cash Flow: \$ _____

less:

payments on accounts payable aged greater than 60 days \$ _____

= \$ _____



August 10, 2015

Dolomite Energy Inc.
1500, 202 6th Avenue SW
Calgary, Alberta T2P 2R9

Attention: Colin Witwer

Dear Sir:

Reference is made to the amended and restated commitment letter dated as of April 27, 2015 (the "**Commitment Letter**") between Dolomite Energy Inc. (the "**Borrower**"), as borrower, and Alberta Treasury Branches ("**ATB**" or the "**Lender**"), as lender.

This letter will serve as the first amending agreement to the Commitment Letter. Capitalized terms used herein shall have the respective meanings ascribed to such terms in the Commitment Letter, as amended hereby (as so amended, the "**Amended Commitment Letter**"), unless otherwise defined herein. All other terms and conditions contained in the Commitment Letter shall remain in full force and effect, unamended.

1. At the request of the Borrower, ATB hereby waives the breach by the Borrower of the financial covenant set forth in section 10 of the Commitment Letter provided that the waiver contained in this Section 1 does not constitute a waiver of any term or condition under the Amended Commitment Letter other than a waiver of the breach of section 10 of the Commitment Letter for the period from April 2015 through to and including June 30, 2015. Each of such other terms and conditions of the Amended Commitment Letter shall remain in full force and effect

2. Section 10, Financial Covenants, of the Commitment Letter is hereby amended by deleting the existing section 10 in its entirety and replacing such provision with the following:

"Borrower shall ensure that Available Cash Flow on a three (3) month rolling basis shall be equal to or greater than 75% of the Cash Flow, on a three (3) month rolling basis, for the applicable period as set forth in the forecast provided by the Borrower to Lender on June 19, 2015."

3. Section 17 of the Commitment Letter is hereby amended by deleting the definition of "**Available Cash Flow**" and replacing it with the following:

""**Available Cash Flow**" means, for any period, the positive Cash Flow (if any) of the Borrower during such period, determined on a consolidated basis and calculated in a manner consistent with the forecast provided by Borrower to Lender on June 19, 2015; provided that (but without duplication) there shall be subtracted therefrom accounts payable aged greater than 60 days, with such calculation to be applicable from July 1, 2015 and thereafter."

ATB Corporate
Financial Services™

600, 585 8th Avenue SW Calgary, AB T2P 1G1

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™ Trademarks of Alberta Treasury Branches.

4. Section 17 of the Commitment Letter is hereby amended by deleting the definition of "**Cash Flow**" and replacing it with the following:

""**Cash Flow**" means, in respect of Borrower for any period, the revenue of Borrower determined on a consolidated basis and calculated in a manner consistent with the forecast provided by Borrower to Lender on June 19, 2015; provided that (but without duplication) there shall be subtracted therefrom royalties, operating costs, interest expense, Lender approved capital and operating expenses and general and administrative costs."

5. In consideration of ATB entering into this first amending agreement, the Borrower shall pay a non-refundable amendment fee of \$5,000.00 on or before September 30, 2015. ATB is hereby authorized to debit the Borrower's current account for any unpaid portion of such amendment fee.
6. The Borrower hereby acknowledges and agrees that, notwithstanding anything contained in this first amending agreement, each of the Security Documents granted by the Borrower to the Lender in connection with the Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of the Borrower to the Lender, arising or incurred in connection with the Commitment Letter and the Security Documents. The Borrower acknowledges and agrees that the Lender is relying on this Section 6 in connection with its commitments under the Amended Commitment Letter and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include the Amended Commitment Letter, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant thereto.
7. The Borrower, for and on behalf of itself and the other Loan Parties, hereby confirms that the representations set forth in section 6 of the Commitment Letter (other than those given as of a specific date) are in all material respects complete, true and correct on the date hereof.
8. This first amending agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same first amending agreement. For the purposes of this Section 8, the delivery of a facsimile or other electronic copy of an executed counterpart of this first amending agreement shall be deemed to be valid execution and delivery of this first amending agreement.
9. This first amending agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta. Each party to this first amending agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.
10. The provisions of the Commitment Letter, as amended by this first amending agreement, are hereby ratified, confirmed and approved.

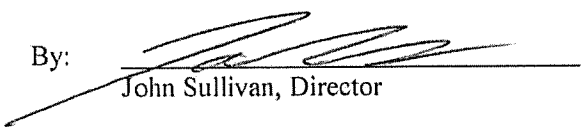
[remainder of page intentionally left blank; signature pages follow]

Please acknowledge your acceptance of the same by returning an executed copy of this first amending agreement on or before August 11, 2015.

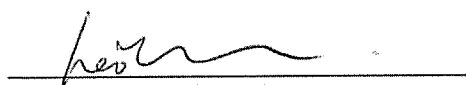
Yours truly,

ALBERTA TREASURY BRANCHES

By:


John Sullivan, Director

By:


Leo Tam, Associate Director

[signature page to First Amending Agreement]

Accepted this 10th day of August, 2015


Borrower:

Dolomite Energy Inc.

Per:


Colin Wirtner, COO

Per:


Tracie Noble, CFO

[signature page to First Amending Agreement]

November 9, 2015

Dolomite Energy Inc.
950, 640 – 8 Avenue SW.
Calgary, Alberta T2P 3P4

Attn: Colin Witwer

Dear Sir:

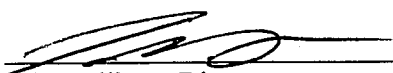
Alberta Treasury Branches has approved and offers financial assistance to Dolomite Energy Inc. ("**Borrower**") on the terms and conditions in the attached Commitment Letter. This agreement amends and restates in its entirety our letter dated April 27, 2015, as amended by first letter amending agreement dated August 10, 2015 (collectively, the "**Existing Commitment Letter**") from Alberta Treasury Branches, as lender, to Dolomite Energy Inc. (amalgamation predecessor of Borrower). Any borrowings outstanding under that letter agreement are deemed to be Borrowings hereunder under the related facility referenced herein. At the request of Borrower, Alberta Treasury Branches hereby waives the breach by Borrower of the financial covenant set forth in section 10 of the Existing Commitment Letter provided that the waiver contained herein does not constitute a waiver of any term or condition under the attached Commitment Letter other than a waiver of the breach of section 10 of the Existing Commitment Letter for the period from July 1, 2015 through to and including October 31, 2015, on and subject to the terms of the attached Commitment Letter.

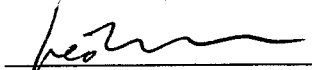
You may accept our offer by returning the enclosed duplicate of this letter, signed as indicated below, by 4:00 p.m. on or before November 23, 2015 or our offer will automatically expire. We reserve the right to cancel our offer at any time prior to acceptance.

Thank you for your continued business.

Yours truly,

ALBERTA TREASURY BRANCHES

By: 
John Sullivan, Director

By: 
Leo Tam, Associate Director

Encl.

ATB Corporate
Financial Services™

600, 585 8th Avenue SW Calgary, AB T2P 1G1

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184571664/NA/INDIVIDUALS

Accepted this 9 day of November, 2015

DOLOMITE ENERGY INC.

Per: 

Name: Colin Witwer

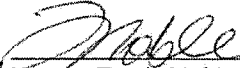
Title: President and Chief Executive Officer

By its execution of the acknowledgment below, and in connection with the VHO/ATB Share Conversion (as defined in the attached Commitment Letter), Virginia Hills Oil Corp. hereby accepts and shall be bound by the covenants, terms and conditions applicable to Virginia Hills Oil Corp. as set forth in Sections 1(f) and 11(h) of the attached Commitment Letter.

The foregoing is acknowledged effective this 9 day of November, 2015.

VIRGINIA HILLS OIL CORP.

Per:



Name: Tracie Noble

Title: Vice President, Finance and
Chief Financial Officer

COMMITMENT LETTER

LENDER: ALBERTA TREASURY BRANCHES

BORROWER: DOLOMITE ENERGY INC.

1. AMOUNTS AND TYPES OF FACILITIES (each referred to as a "Facility")

Facility #1 - Operating Loan Facility (Revolving) – Cdn. \$6,000,000.00

- (a) Facility #1 is available by way of:
 - Prime-based loans in Canadian dollars; and
 - Letters of Credit (to an aggregate maximum of \$1,000,000) in Canadian dollars.
- (b) Facility #1 is to be used for the general operating purposes of Borrower related to the exploration, development, production and acquisition of oil and natural gas reserves within the Western Canadian sedimentary basin.
- (c) Notwithstanding the amount of Facility #1, advances under Facility #1 will be limited to the amount equal to the lesser of:
 - the maximum principal amount of Facility #1; and
 - the amount of the most recent Borrowing Base determined hereunder.

From time to time after the earning of the last of all interests that may be earned by Virginia Hills Oil Corp. under the Farmin Agreement, the Borrowing Base shall be re-calculated by Lender upon receipt of each engineering report required to be delivered hereunder and if Borrower fails to deliver any such report then at any other time following such earning at Lender's sole discretion. Lender shall notify Borrower of each change in the amount of the Borrowing Base. In the event that Lender re-calculates the Borrowing Base to be an amount that is less than the Borrowings outstanding under Facility #1, Borrower shall repay the difference between such Borrowings outstanding and the new Borrowing Base within sixty (60) days of receiving notice of the new Borrowing Base, and all rates and fees for Facility #1 listed under the "Interest Rates and Prepayment" section hereof will immediately upon receipt of that notice increase by one hundred (100) basis points. Lender confirms that the Borrowing Base on the date hereof is \$6,000,000.00.

Facility #2 – Non-Revolving Reducing Loan Facility – Cdn. \$5,000,000.00

- (d) Facility #2 is available by way of a Prime-based loan in Canadian dollars and is fully drawn.
- (e) Facility #2 is to be used as a non-conforming variable rate term loan related to Borrower's exploration, development, production and acquisition of domestic oil and natural gas reserves within the Western Canadian sedimentary basin.
- (f) Facility #2 is non-revolving. Amounts repaid may not be reborrowed. From April 1, 2016 through to and including April 15, 2016, Lender will have the right, at its sole discretion, but subject to TSX Venture Exchange approval at the time of conversion, to convert up to \$4,000,000.00 of Facility #2 into common shares of Virginia Hills Oil Corp. that shall be issued at a deemed price of the greater of (i) the "Market Price" (as defined in the TSX Venture Exchange Corporate Finance Manual using a 20 day volume weighted average

price) as at the conversion date; and (ii) the issue price of \$0.30 per share of Virginia Hills Oil Corp. (the "**Base Price**") (with the Base Price being subject to customary adjustments for share consolidations, splits, stock dividends and associated transactions). Lender shall provide Virginia Hills Oil Corp. with written notice of its intent to convert up to \$4,000,000 of Facility #2 into common shares of Virginia Hills Oil Corp. as set forth above. Upon receipt of such notice, Virginia Hills Oil Corp. shall use reasonable commercial efforts to issue common shares in the name of Lender or as otherwise directed by Lender within 5 Business Days. Notwithstanding the foregoing, in the event that the conversion of the debt into common shares of Virginia Hills Oil Corp. results in Lender being a "control person" as defined in the TSX Venture Exchange Corporate Finance Manual, such conversion shall be subject to obtaining the approval of disinterested Virginia Hills Oil Corp. shareholders at a special meeting of such shareholders. Lender acknowledges that until such approval is obtained, the notice of conversion shall not be effective and Virginia Hills Oil Corp. shall have no obligation to issue such shares. Lender understands and acknowledges that such common shares shall be subject to applicable statutory hold periods in addition to any other restriction on trade which may apply to Lender. Virginia Hills Oil Corp. will not be responsible for any make whole requirements on such debt to share conversion and Lender will be required to retire an equivalent portion of Facility #2 to equal the total share conversion consideration arising from the completion of same (the "**VHO/ATB Share Conversion**").

Other Facilities – Foreign Exchange, Interest Rate and Commodity Derivatives

- (g) At Borrower's request, Lender may enter into foreign exchange forward contracts and/or interest rate and commodity derivatives with Borrower from time to time. Lender makes no commitment to enter into any such contract or derivative and may at any time in its sole discretion decline to enter into any such contract or derivative. Any Security Documents will also secure Borrower's liability and obligations pursuant to any such contracts or derivatives.

2. INTEREST RATES AND PREPAYMENT:

Facility #1:

- Pricing applicable to Facility #1 is as follows:
 - Prime-based loans: Interest is payable in Canadian dollars at Prime plus 3.00% per annum; and
 - Letters of Credit: Fee is 2.00% per annum with a minimum fee of \$200.00.
- Non-refundable standby fee calculated at a rate of 0.50% per annum is payable monthly in Canadian dollars on the last day of each month, calculated daily on the unused portion of the authorized amount of Facility #1.
- Facility #1 may be prepaid in whole or in part at any time (subject to the notice periods provided hereunder) without penalty.

Facility #2:

- Pricing applicable to Facility #2 is as follows:
 - Prime-based loans: Interest is payable in Canadian dollars at Prime plus 3.00% per annum
- Facility #2 may be prepaid in whole or in part at any time (subject to the notice periods provided hereunder) without penalty.

3. REPAYMENT:

Facility #1:

- Facility #1 is a committed term facility, as detailed herein.
- Facility #1 is payable in full on September 30, 2016 (the "**Facility #1 Maturity Date**").
- Facility #1 may revolve in multiples as permitted hereunder, and Borrower may borrow, repay, reborrow and convert between types of Borrowings, up to the amount and subject to the notice periods provided hereunder.
- In addition to the foregoing, Borrower shall pay to Lender on the last day of each month an amount equal to the Available Cash Flow of Borrower for the immediately preceding month, which payment shall be used by Lender first to repay the outstanding Borrowings under Facility #1 until repaid in full (but without derogating from the revolving nature of Facility #1) and then to repay the then outstanding Borrowings under Facility #2 until repaid in full.

Facility #2:

- Facility #2 is a committed term facility, as detailed herein.
- Facility #2 is payable in full on September 30, 2016 (the "**Facility #2 Maturity Date**").
- In addition to the foregoing, Borrower shall pay to Lender on the last day of each month an amount equal to the Available Cash Flow of Borrower for the immediately preceding month, which payment shall be used by Lender first to repay the outstanding Borrowings under Facility #1 until repaid in full and then to repay the outstanding Borrowings under Facility #2 until repaid in full.

4. FEES:

- Non-refundable amendment fee of \$1,000.00 is payable on acceptance hereof. Lender is hereby authorized to debit Borrower's current account for any unpaid portion of the fee.
- Any amount in excess of established credit facilities may be subject to a fee where Lender in its sole discretion permits excess Borrowings, if any.
- For reports or statements not received within the stipulated periods (and without limiting Lender's rights by virtue of such default), Borrower will be subject to a fee of \$50 per month (per monthly or quarterly report or statement) and \$250 per month (per annual report or statement) for each late reporting occurrence, which will be deducted from Borrower's account.

5. SECURITY DOCUMENTS:

All security documents (whether held or later delivered) (collectively referred to as the "**Security Documents**") shall secure all Facilities and all other obligations of Borrower to Lender (whether present or future, direct or indirect, contingent or matured). The parties acknowledge that the following Security Documents are currently held by Lender:

- (a) General Security Agreement from Borrower providing a security interest over all present and after acquired personal property and a floating charge on all lands.
- (b) Amending Agreement (General Security Agreement) from Borrower providing a fixed specific mortgage, pledge, charge and security interest in the real and immovable property more particularly described therein (collectively, the "**Fixed Charge Properties**"), together with supporting fixed charge registrations against the Fixed Charge Properties at the Alberta Land Titles Office and Alberta Energy.

The additional Security Documents required at this time are as follows:

- (a) Amending Agreement #2 (General Security Agreement) from Borrower provided a fixed specific mortgage, pledge, charge and security interest in the real and immovable property more particularly described therein (collectively, the "**Farmin Properties**"), together with supporting fixed charge registrations against the Farmin Properties at the Alberta Land Titles Office and Alberta Energy.
- (b) Such other documents as required with respect to the Farmin Properties.

The Security Documents have been or shall be registered in the following jurisdictions: Alberta and British Columbia.

Borrower hereby acknowledges and agrees that, notwithstanding the completion of the Reorganization Transactions or anything contained in this agreement, each of the Security Documents granted by Dolomite Energy Inc. (amalgamation predecessor of Borrower) to Lender in connection with the Existing Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of Borrower to Lender, arising or incurred in connection with this agreement and the Security Documents. Borrower acknowledges and agrees that Lender is relying on this Section 5 in connection with its commitments under this agreement and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include this agreement, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant hereto.

6. REPRESENTATIONS AND WARRANTIES:

Borrower represents and warrants to Lender that:

- (a) if a Loan Party is a corporation, it is a corporation duly incorporated or amalgamated, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;

- (b) if a Loan Party is a partnership or a limited partnership, it is a partnership or a limited partnership duly created, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;
- (c) the execution, delivery and performance by each Loan Party of this agreement and each Security Document to which it is a party have been duly authorized by all necessary actions and do not violate its governing documents or any applicable laws or agreements to which it is subject or by which it is bound (including, without limitation, any Material Contract);
- (d) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any provision of this agreement or any Security Document given in connection herewith;
- (e) the most recent financial statements of Borrower and, if applicable, any Guarantor, provided to Lender fairly present its financial position as of the date thereof and its results of operations and cash flows for the fiscal period covered thereby, and since the date of such financial statements, there has occurred no material adverse change in its business or financial condition (including, without limitation, in respect of any Fixed Charge Properties);
- (f) all engineering data, production and cash flow projections, and other information and data provided to Lender by or on behalf of Borrower (including, without limitation, any engineering reports and land schedules) are true and correct in all material respects as at the time provided and fairly reflect the interests of the Loan Parties therein net of all royalties and other burdens affecting the same;
- (g) each Loan Party has good and marketable title to all of its properties and assets (including, without limitation, the Fixed Charge Properties), free and clear of any encumbrances, other than Permitted Encumbrances;
- (h) each Loan Party is in compliance in all material respects with all applicable laws including, without limitation, all environmental laws, and there is no existing material impairment to its properties and assets as a result of environmental damage, except to the extent disclosed in writing to Lender and acknowledged by Lender;
- (i) Borrower has no Subsidiaries;
- (j) the Material Contracts are in full force and effect, unamended; and
- (k) Borrower is a wholly-owned Subsidiary of Virginia Hills Oil Corp.

All representations and warranties are deemed to be repeated by Borrower on each request for an advance hereunder.

7. POSITIVE COVENANTS:

Borrower covenants with Lender that so long as it is indebted or otherwise obligated (contingently or otherwise) to Lender, it will do and perform the following covenants. If any such covenant is to be done or performed by a Guarantor, Borrower also covenants with Lender to cause Guarantor to do or perform such covenant.

- (a) Borrower will pay to Lender when due all amounts (whether principal, interest or other sums) owing by it to Lender from time to time;
- (b) Borrower will deliver to Lender the Security Documents, in all cases in form and substance satisfactory to Lender and Lender's solicitor;
- (c) Borrower will ensure that at least 95% of its consolidated assets are held by those Loan Parties which have provided security in favour of Lender;
- (d) Borrower will use the proceeds of advances hereunder only for the purposes approved by Lender;
- (e) each Loan Party will maintain its valid existence as a corporation, partnership or limited partnership, as the case may be, and except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect, will maintain all licenses and authorizations required from regulatory or governmental authorities or agencies to permit it to carry on its business, including, without limitation, any licenses, certificates, permits and consents for the protection of the environment;
- (f) each Loan Party will maintain appropriate books of account and records relative to the operation of its business and financial condition;
- (g) each Loan Party will maintain and defend title to all of its property and assets, will maintain, repair and keep in good working order and condition all of its property and assets and will continuously carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good oilfield practice;
- (h) each Loan Party will maintain appropriate types and amounts of insurance with Lender shown as first loss payee on any property insurance covering any assets on which Lender has security, and promptly advise Lender in writing of any significant loss or damage to its property;
- (i) each Loan Party will provide evidence of insurance to Lender:
 - i) in situations where Lender has taken a fixed charge on an asset or property whether on real property or personal property; and
 - ii) in all other situations, on request;
- (j) each Loan Party will permit Lender, by its officers or authorized representatives at any reasonable time and on reasonable prior notice, to enter its premises and to inspect its plant, machinery, equipment and other real and personal property and their operation, and to examine and copy all of its relevant books of accounts and records (including without limitation, all land records);

- (k) Borrower will ensure that all engineering data, production and cash flow projections and other information and data provided to Lender by or on behalf of the Loan Parties (including without limitation, any engineering reports and land schedules) are true and accurate in all material respects as at the time provided and fairly reflect the interests of the Loan Parties therein net of all royalties and other burdens affecting the same;
- (l) each Loan Party will remit all sums when due to tax and other governmental authorities (including, without limitation, any sums in respect of employees and GST), and upon request, will provide Lender with such information and documentation in respect thereof as Lender may reasonably require from time to time;
- (m) each Loan Party will comply with all applicable laws, including without limitation, environmental laws, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (n) Borrower will promptly advise Lender in writing, giving reasonable details, of (i) the discovery of any contaminant or any spill, discharge or release of a contaminant into the environment from or upon any property of a Loan Party which would reasonably be expected to result in a Material Adverse Effect, (ii) any event which constitutes, or which with notice, lapse of time or both, would constitute a breach of any provision hereof or of any Security Documents, and (iii) each event which has or is reasonably likely to have a Material Adverse Effect;
- (o) Borrower undertakes that, upon request from Lender, Borrower will grant (or cause Guarantor to grant) a fixed mortgage and charge to Lender on any or all property of Borrower or Guarantor so designated by Lender. Borrower shall promptly provide to Lender all information reasonably requested by Lender to assist it in that regard. Borrower acknowledges that this undertaking constitutes present and continuing security in favour of Lender, and that Lender may file such caveats, security notices or other filings in regard thereto at any time and from time to time as Lender may determine;
- (p) Borrower will apply 100% of (i) net land sale proceeds to Facility #2 until repaid in full; and (ii) penalty payments pursuant to the Farmin Agreement to Facility #1 until repaid in full; and
- (q) Borrower will remain in compliance with all covenants, agreements and obligations under the Material Contracts, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect.

8. NEGATIVE COVENANTS:

Borrower covenants with Lender that while it is indebted or otherwise obligated (contingently or otherwise) to Lender, it will not do any of the following, without the prior written consent of Lender. If a Guarantor is not to do an act, Borrower also covenants with Lender not to permit Guarantor to do such act.

- (a) a Loan Party will not create or permit to exist any mortgage, charge, lien, encumbrance or other security interest on any of its present or future assets, other than Permitted Encumbrances;
- (b) a Loan Party will not create, incur, assume or allow to exist any Indebtedness other than:

- i) trade payables incurred in the ordinary course of business;
 - ii) any Indebtedness owing to another Loan Party (but only if that Loan Party has provided security in favour of Lender);
 - iii) any Indebtedness secured by a Permitted Encumbrance;
 - iv) any unsecured advances from affiliates/shareholders which are postponed in all respects to the Facilities; and
 - v) any Indebtedness owing to Lender;
- (c) a Loan Party will not sell, lease or otherwise dispose of any assets except (i) inventory sold, leased or disposed of in the ordinary course of business, (ii) obsolete equipment which is being replaced with equipment of an equivalent value, (iii) assets sold, leased or disposed of to another Loan Party (but only if that Loan Party has provided security in favour of Lender), and (iv) assets sold, leased or disposed of during a fiscal year having an aggregate fair market value not exceeding \$100,000 for such fiscal year;
- (d) a Loan Party will not provide financial assistance (by means of a loan, guarantee or otherwise) to any person, including, without limitation, to Virginia Hills Oil Corp., (other than Lender) other than loans permitted under clause (b) above;
- (e) a Loan Party will not pay to or for the benefit of shareholders or persons associated with shareholders (within the meaning of the *Alberta Business Corporations Act*) by way of salaries, bonuses, dividends, management fees, repayment of loans or otherwise, any amount which would cause a breach of a provision hereof. Additionally Borrower will not pay any cash to Borrower's management pursuant to the April 27, 2015 executive severance agreement among Kofi Prah, John Salopek, Ian J. Towers, Lakeside Capital Ltd., Nathan Pearson, Borrower and Virginia Hills Oil Corp.;
- (f) a Loan Party will not reduce its capital or redeem, purchase or otherwise acquire, retire or pay off any of its present or future share capital other than to another Loan Party;
- (g) a Loan Party will not amalgamate, consolidate, or merge with any person other than a Loan Party and then only if no default or event of default is then in existence or would thereafter be in existence, and will not enter into any partnership with any other person unless the partnership becomes a Loan Party hereunder and provides security in favour of Lender;
- (h) a Loan Party will not acquire any assets in, or move or allow any of its assets to be moved to, a jurisdiction where Lender has not registered or perfected the Security Documents;
- (i) a Loan Party will not change the present nature of its business;
- (j) Borrower will not operate accounts with or otherwise conduct any banking business with any financial institution other than Lender, other than to the extent expressly permitted in the definition of Permitted Encumbrances hereunder;
- (k) a Loan Party will not incur any expenditure for a capital expenditure in a fiscal year if the aggregate of all capital expenditures in such fiscal year, including such proposed capital

expenditure, would exceed the budget for such capital expenditures provided by Borrower to Lender on October 20, 2015;

- (l) a Loan Party will not incur capital expenditures in respect of oil or gas properties outside of the Western Canadian sedimentary basin;
- (m) a Loan Party will not enter into any Hedging Agreement which is not used for risk management in relation to its business or which is not entered into in the ordinary course of its business but is entered into for speculative purposes, or which, in the case of commodity swaps or similar transactions of either a financial or physical nature, have a term exceeding one year or if more than 50% of its forecasted production from proved producing resources would be hedged at the time of determination for the hedged period;
- (n) a Loan Party will not allow any pollutant (including any pollutant now on, under or about such land) to be placed, handled, stored, disposed of or released on, under or about any of its lands unless done in the normal course of its business and then only as long as it complies with all applicable laws in placing, handling, storing, transporting, disposing of or otherwise dealing with such pollutants, except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect;
- (o) Borrower will not utilize Borrowings to finance a hostile takeover; and
- (p) Borrower will not modify, alter, amend (except amendments to Material Contracts which are made to correct or rectify ambiguities or inconsistent provisions, clerical omissions or manifest errors, provided that in each case such amendment is not prejudicial to the interest of Borrower or Lender), extend, renew, replace, knowingly waive strict and timely performance of any compliance with, waive any default under, terminate, cancel, suspend or assign any Material Contract or any material term, agreement, provision, item, obligation or covenant contained in any Material Contract.

9. REPORTING COVENANTS:

Borrower will provide to Lender:

- (a) within one hundred twenty (120) days after the end of each of its fiscal years:
 - i) financial statements of Borrower on review engagement basis prepared by a firm of qualified accountants; and
 - ii) a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A";
- (b) within ninety (90) days after the end of each of its fiscal years:
 - i) external engineering report of the Loan Parties' total proved properties prepared by an accredited, independent firm of consulting petroleum engineers satisfactory to Lender;
 - ii) an officer's certificate as to title, attaching thereto a current land schedule of major producing petroleum and natural gas reserves held by the Loan Parties described by lease (type, date, term, parties), legal description (wells and spacing units), interest (W.I. or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances and overrides;

- iii) an environmental questionnaire and disclosure statement in the form requested by Lender; and
 - iv) annual capital and revenue budget reports from Borrower for the next following fiscal year which include gross and/or net oil and gas production volumes, gross revenues, royalties and other burdens, operating costs, general and administrative costs, commodity price assumptions and, if available, a pro forma balance sheet;
- (c) within sixty (60) days following the end of each of its first 3 fiscal quarters:
- i) internally produced financial statements of Borrower for that quarter; and
 - ii) a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A";
- (d) within sixty (60) days following the end of each calendar month, monthly production and revenue reports (operator statements or internally generated area-by-area summaries) for the Loan Parties' producing properties, certified by a senior officer of Borrower, clearly indicating gross and/or net oil and gas production volumes, gross revenues, royalties and other burdens, operating costs, etc.;
- (e) within thirty (30) days following the end of each calendar month, aged accounts payable listings as at the end of such month;
- (f) within thirty (30) days following the end of each calendar month, a monthly report of actual performance vs. forecast performance with monthly calculation of Available Cash Flow, supported by a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A"; and
- (g) on request, any further information regarding Borrower's assets, operations and financial condition that Lender may from time to time reasonably require.

10. FINANCIAL COVENANTS:

Borrower will not at any time without the prior written consent of Lender, permit the Working Capital to be not less than:

- (a) negative \$1,300,000.00 for the period from October 1, 2015 through to and including March 31, 2016; and
- (b) negative \$1,200,000.00 for the period from April 1, 2016 through to and including September 30, 2016.

11. CONDITIONS PRECEDENT:

It is a condition precedent to each advance hereunder that, at the time of such advance, all representations and warranties hereunder must be true and correct in all material respects as if made on such date, and there must be no default hereunder or under any Security Document.

In addition, no Facilities will be available until the following conditions precedent have been satisfied, unless waived by Lender:

- (a) Lender has received all Security Documents and all registrations and filings have been completed in Alberta and British Columbia, in all cases in form and substance satisfactory to Lender;
- (b) Borrower and Guarantors (if any) have provided all authorizations and all financial statements, appraisals, environmental reports and any other information that Lender may require;
- (c) Lender has received payment of all fees due in respect hereof;
- (d) Lender is satisfied as to the value of Borrower's and any Guarantor's assets and financial condition, and Borrower's and any Guarantor's ability to carry on business and repay any amount owed to Lender from time to time;
- (e) Lender has received an officer's certificate as to title satisfactory to Lender including a schedule of major producing petroleum and natural gas reserves described by lease (type, date, term, parties), legal description (wells and spacing units), interest (W.I. or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances, and overrides;
- (f) Lender shall have received written confirmation from Borrower, confirming that the Reorganization Transactions shall be completed concurrently with this agreement becoming effective;
- (g) Lender shall have received and approved executed copies of each of the Material Contracts; and
- (h) Lender shall have entered into such documentation with Virginia Hills Oil Corp. as is required to implement the VHO/ATB Share Conversion.

12. AUTHORIZATIONS AND SUPPORTING DOCUMENTS

Borrower has delivered or will deliver the following authorizations and supporting documents to Lender:

- Corporate Borrower:
 - a) Incorporation documents including Certificate of Incorporation, Articles of Incorporation (including any amendments) and last Notice of Directors;
 - b) Business Corporation Agreement;
 - c) Environmental Questionnaire & Disclosure Statement; and

d) Credit Information and Alberta Land Titles Office Name Search Consent Form;

- General:

a) Solicitor Opinion Letter from counsel to Borrower; and

b) Solicitor Opinion Letter from counsel to Lender.

13. DRAWDOWNS, PAYMENTS AND EVIDENCE OF INDEBTEDNESS

- Interest on Prime-based loans is calculated on the daily outstanding principal balance, and is payable on the last day of each month.
- If revolvment of loans is permitted hereunder, principal advances and repayments on Prime-based loans are to be in the minimum sum of Cdn. \$10,000 or multiples of it.
- If Letters of Credit are available hereunder, the term of each Letter of Credit shall not exceed one (1) year, although automatic extensions thereof (unless notified by Lender) are permitted. On any demand being made by a beneficiary for payment under a Letter of Credit, the amount so paid shall be automatically deemed to be outstanding as a Prime-based loan under the relevant Facility.
- Borrower shall monitor its Borrowings (including the face amount and maturity date of each Letter of Credit) to ensure that the Borrowings hereunder do not exceed the maximum amount available hereunder.
- Borrower shall provide notice to Lender prior to requesting an advance or making a repayment or conversion of Borrowings hereunder, as follows:

For Borrowings:

- under Cdn. \$5,000,000 – same day notice
- Cdn. \$5,000,000 and over – one Business Day prior written notice
- Borrower may cancel the availability of any unused portion of a Facility on five Business Days' notice. Any such cancellation is irrevocable.
- The annual rates of interest or fees to which the rates calculated in accordance with this agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.
- If the amount of Borrowings outstanding under any Facility, when converted to the Equivalent Amount in Canadian dollars, exceeds the amount available under such Facility, Borrower shall, unless Lender otherwise agrees in its sole discretion, immediately repay such excess to Lender.
- If any amount due hereunder is not paid when due, Borrower shall pay interest on such unpaid amount (including without limitation, interest on interest) if and to the fullest extent permitted by applicable law, at a rate per annum equal to Prime plus 5%.
- The branch of Lender (the "**Branch of Account**") where Borrower maintains an account and through which the Borrowings will be made available is located at Calgary Stephen Avenue, 239 - 8 Avenue SW, Calgary, Alberta T2P 1B9. Funds under the Credit Facilities will be advanced into and repaid from account no. 760-00125228324 at the

Branch of Account, or such other branch or account as Borrower and Lender may agree upon from time to time.

- Lender shall open and maintain at the Branch of Account accounts and records evidencing the Borrowings made available to Borrower by Lender under this agreement. Lender shall record the principal amount of each Borrowing and the payment of principal, interest and fees and all other amounts becoming due to Lender under this agreement. Lender's accounts and records (and any confirmations issued hereunder) constitute, in the absence of manifest error, conclusive evidence of the indebtedness of Borrower to Lender pursuant to this agreement.
- Borrower authorizes and directs Lender to automatically debit, by mechanical, electronic or manual means, any bank account of Borrower for all amounts payable by Borrower to Lender pursuant to this agreement. Any amount due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day, and interest shall accrue accordingly.

14. EVENTS OF DEFAULT:

Without restricting the right of Lender to terminate any Facility which is payable on demand and to demand payment in full of such demand Facility at any time, if any of the events set forth below occurs and is continuing, Lender may at its option, by notice to Borrower, terminate any or all of any committed term Facilities hereunder and demand immediate payment in full of all or any part of the amounts owed by Borrower thereunder:

- (a) if Borrower defaults in paying when due all or any part of the principal amount due hereunder;
- (b) if Borrower defaults in paying when due all or any part of its indebtedness or other liability to Lender (other than as provided under section (a) above) and such default continues for three (3) Business Days after notice from Lender;
- (c) if Borrower or a Guarantor (if any) defaults in the observance or performance of any of its covenants or obligations hereunder or in any of the Security Documents (other than as provided under section (a) or (b) above), or in any other document under which Borrower or a Guarantor (if any) is obligated to Lender, and in any such cases, the default continues for ten (10) days after notice from Lender;
- (d) if there is, in the opinion of Lender, a material change in the ownership or management of Borrower, and Lender has not provided its consent to such change;
- (e) if any charge or encumbrance on any property of Borrower or a Guarantor (if any) becomes enforceable and steps are taken to enforce it;
- (f) if Borrower or a Guarantor (if any) defaults in any obligation to any person (other than Lender) which involves or may involve a sum exceeding Cdn. \$100,000, and the default has not been cured within ten (10) days of the date Borrower first knew or should have known of the default;
- (g) if any other creditor of Borrower or a Guarantor (if any) takes collection steps against Borrower or such Guarantor or its assets;

- (h) if final judgment or judgments should be entered against Borrower or Guarantor (if any) for the payment of any amount of money exceeding Cdn. \$100,000, and the judgment or judgments are not discharged within twenty (20) Business Days after entry;
- (i) if an order is made, an effective resolution passed, or a petition is filed for the winding up the affairs of Borrower or a Guarantor (if any) or if a receiver or liquidator of Borrower or a Guarantor (if any) or any part of its assets is appointed;
- (j) if Borrower or a Guarantor (if any) becomes insolvent or makes a general assignment for the benefit of its creditors or an assignment in bankruptcy or files a proposal or notice of intention to file a proposal under the *Bankruptcy and Insolvency Act* (Canada) or otherwise acknowledges its insolvency or if a bankruptcy petition is filed or receiving order is made against Borrower or a Guarantor (if any) and is not being disputed in good faith;
- (k) if Borrower or a Guarantor (if any) ceases or threatens to cease to carry on its business or makes a bulk sale of its assets;
- (l) if any of the licences, permits or approvals granted by any government or governmental authority or agency and material to the business of Borrower or a Guarantor (if any) is withdrawn, cancelled, suspended or adversely amended;
- (m) if any event or circumstance occurs which has or would reasonably be expected to have a Material Adverse Effect (as determined by Lender in its sole discretion);
- (n) if any of the Material Contracts are terminated prior to repayment of all Borrowings; and
- (o) if any event of default occurs and is continuing by Virginia Hills Oil Corp. pursuant to the credit agreement dated April 15, 2015 among Virginia Hills Oil Corp., The Bank of Nova Scotia, in its capacity as administrative agent, The Bank of Nova, Canadian Imperial Bank of Commerce, Alberta Treasury Branches and the other financial institutions named therein from time to time.

Failing such immediate payment, Lender may, without further notice, realize under the Security Documents to the extent Lender chooses.

15. MISCELLANEOUS:

- (a) All legal and other costs and expenses incurred by Lender in respect of the Facilities, the Security Documents and other related matters will be paid or reimbursed by Borrower on demand by Lender.
- (b) All Security Documents will be prepared by or under the supervision of Lender's solicitors, unless Lender otherwise permits. Acceptance of this offer will authorize Lender to instruct Lender's solicitors to prepare all necessary Security Documents and proceed with related matters.
- (c) Lender, without restriction, may waive in writing the satisfaction, observance or performance of any of the provisions of this Commitment Letter. The obligations of a Guarantor (if any) will not be diminished, discharged or otherwise affected by or as a result of any such waiver, except to the extent that such waiver relates to an obligation of such Guarantor. Any waiver by Lender of the strict performance of any provision hereof

will not be deemed to be a waiver of any subsequent default, and any partial exercise of any right or remedy by Lender shall not be deemed to affect any other right or remedy to which Lender may be entitled.

- (d) Borrower shall reimburse Lender for any additional cost or reduction in income arising as a result of (i) the imposition of, or increase in, taxes on payments due to Lender hereunder (other than taxes on the overall net income of Lender), (ii) the imposition of, or increase in, any reserve or other similar requirement, (iii) the imposition of, or change in, any other condition affecting the Facilities imposed by any applicable law or the interpretation thereof.
- (e) Lender is authorized but not obligated, at any time, to apply any credit balance, whether or not then due, to which Borrower or Guarantor is entitled on any account in any currency at any branch or office of Lender in or towards satisfaction of the obligations of Borrower or such Guarantor due to Lender under this agreement or any guarantee granted in support hereof, as applicable. Lender is authorized to use any such credit balance to buy such other currencies as may be necessary to effect such application.
- (f) Words importing the singular will include the plural and vice versa, and words importing gender will include the masculine, feminine and neuter, and anything importing or referring to a person will include a body corporate and a partnership and any entity, in each case all as the context and the nature of the parties requires.
- (g) Where more than one person is liable as Borrower (or as a Guarantor) for any obligation hereunder, then the liability of each such person for such obligation is joint and several with each other such person.
- (h) If any portion of this agreement is held invalid or unenforceable, the remainder of this agreement will not be affected and will be valid and enforceable to the fullest extent permitted by law. In the event of a conflict between the provisions hereof and of any Security Document, the provisions hereof shall prevail to the extent of the conflict.
- (i) Where the interest rate for a credit is based on Prime, the applicable rate on any day will depend on the Prime rate in effect on that day, as applicable. The statement by Lender as to Prime and as to the rate of interest applicable to a credit on any day will be binding and conclusive for all purposes. All interest rates specified are nominal annual rates. The effective annual rate in any case will vary with payment frequency. All interest payable hereunder bears interest as well after as before maturity, default and judgment with interest on overdue interest at the applicable rate payable hereunder. To the extent permitted by law, Borrower waives the provisions of the *Judgment Interest Act* (Alberta).
- (j) Any written communication which a party may wish to serve on any other party may be served personally (in the case of a body corporate, on any officer or director thereof) or by leaving the same at or couriering or mailing the same by registered mail to the Branch of Account (for Lender) or to the last known address (for Borrower or any Guarantor), and in the case of mailing will be deemed to have been received two (2) Business Days after mailing except in the case of postal disruption.
- (k) Unless otherwise specified, references herein to "\$" and "dollars" mean Canadian dollars.

- (l) If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose, rate of exchange means the rate at which Lender would, on the relevant date, be prepared to sell a similar amount of such currency against the Judgment Currency, in accordance with normal banking procedures. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgment is given and the date of payment of the amount due, Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such day is the amount in the Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency. Any additional amount due from Borrower under this paragraph will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due in connection with this Agreement.
- (m) Lender shall have the right to assign, sell or participate its rights and obligations in the Facilities or in any Borrowing thereunder, in whole or in part, to one or more persons, provided that the consent of Borrower shall be required if no default is then in existence, such consent not to be unreasonably withheld or delayed.
- (n) Borrower shall indemnify Lender against all losses, liabilities, claims, damages or expenses (including without limitation legal expenses on a solicitor and his own client basis) (i) incurred in connection with the entry into, performance or enforcement of this agreement, the use of the Facility proceeds or any breach by Borrower or any Guarantor of the terms hereof or any document related hereto, or (ii) arising out of or in respect of: (A) the release of any hazardous or toxic waste or other substance into the environment from any property of Borrower or any of its Subsidiaries, and (B) the remedial action (if any) taken by Lender in respect of any such release, contamination or pollution. This indemnity will survive the repayment or cancellation of any of the Facilities or any termination of this agreement.
- (o) For certainty, the permission to create a Permitted Encumbrance shall not be construed as a subordination or postponement, express or implied, of Lender's Security Documents to such Permitted Encumbrance.
- (p) Each accounting term used hereunder, unless otherwise defined herein, has the meaning assigned to it under GAAP consistently applied. If there occurs a change in generally accepted accounting principles (an "**Accounting Change**"), including as a result of a conversion to International Financial Reporting Standards, and such change would result in a change (other than an immaterial change) in the calculation of any financial covenant, standard or term used hereunder, then at the request of Borrower or Lender, Borrower and Lender shall enter into negotiations to amend such provisions so as to reflect such Accounting Change with the result that the criteria for evaluating the financial condition of Borrower or any other party, as applicable, shall be the same after such Accounting Change, as if such Accounting Change had not occurred. If, however, within 30 days of the foregoing request by Borrower or Lender, Borrower and Lender have not reached agreement on such amendment, the method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change.

- (q) Borrower's information, corporate or personal, may be subject to disclosure without its consent pursuant to provincial, federal, national or international laws as they apply to the product or service Borrower has with Lender or any third party acting on behalf of or contracting with Lender.
- (r) Borrower acknowledges that the terms of this agreement are confidential, and Borrower agrees not to disclose the terms hereof or provide a copy hereof to any person without the prior written consent of Lender, unless and to the extent required by applicable law.
- (s) Time shall be of the essence in all provisions of this agreement. Each of the Loan Parties and Lender irrevocably and unconditionally: (a) agree that any suit, action or other legal proceeding (collectively, the "Suit") instituted by Lender and arising out of this agreement shall be brought and adjudicated only in Alberta, and (b) each Loan Party waives and agrees not to assert by way of motion, as a defence or otherwise at any such Suit, any claim that such Loan Party is not subject to the jurisdiction of the above courts, that such Suit is brought in an inconvenient forum or that the venue of such Suit is improper.
- (t) This Agreement may be executed by one or more of the parties on any number of separate counterparts (whether in original ink, by facsimile or in another electronic format), and all those counterparts taken together will be deemed to constitute one and the same instrument. The delivery of a facsimile or other electronic copy of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement, but the party delivering such facsimile or other electronic copy shall deliver an original copy of this Agreement as soon as reasonably possible after delivery of the facsimile or other electronic copy.
- (u) This agreement shall be governed by the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta.
- (v) The following Schedule is attached to and forms part of this agreement and is incorporated herein by reference:

Schedule "A" - Compliance Certificate.

16. NEXT REVIEW DATE:

All demand Facilities are subject to review by Lender at any time in its sole discretion, and at least annually. The next interim review date has been set for September 30, 2016 but may be set at an earlier or later date at the sole discretion of Lender.

17. DEFINITIONS:

"Available Cash Flow" means, for any period, the positive Cash Flow (if any) of Borrower during such period, determined on a consolidated basis and calculated in a manner consistent with the forecast provided by Borrower to Lender on October 20, 2015; provided that (but without duplication) there shall be subtracted therefrom accounts payable aged greater than 60 days.

"Borrowing Base" means the number determined by Lender based on a lending value assigned to the net present value of the total proved oil and gas properties of Borrower and Guarantor, as determined by Lender in its sole discretion in accordance with its customary practices and standards for oil and gas loans using such reasonable assumptions as may be determined by Lender in its sole discretion.

"Borrowings" means all amounts outstanding under the Facilities, or if the context so requires, all amounts outstanding under one or more of the Facilities or under one or more borrowing options of one or more of the Facilities.

"Business Day" means a day, excluding Saturday and Sunday, on which banking institutions are open for business in the province of Alberta.

"Cash Flow" means, in respect of Borrower for any period, the revenue of Borrower determined on a consolidated basis and calculated in a manner consistent with the forecast provided by Borrower to Lender on October 20, 2015; provided that (but without duplication) there shall be subtracted therefrom royalties, operating costs, interest expense, Lender approved capital and operating expenses and general and administrative costs.

"Current Assets" means, for a day, the amount of current assets of Borrower as determined in accordance with GAAP on a consolidated basis, but in any event excluding any amounts arising as a result of the mark-to-market position of Borrower due to any Hedging Agreement.

"Current Liabilities" means, for a day, the amount of current liabilities of Borrower as determined in accordance with GAAP on a consolidated basis, but in any event excluding (i) any amounts arising as a result of the mark-to-market position of Borrower due to any Hedging Agreement and non-cash embedded Hedging Agreements, (ii) any payables arising as a result of non-cash executive severance, and (iii) any outstanding bank Indebtedness, including all amounts due and payable hereunder.

"Equivalent Amount" means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through Lender in accordance with normal banking procedures.

"Generally Accepted Accounting Principles" or "GAAP" means generally accepted accounting principles as may be described in the Canadian Institute of Chartered Accountants Handbook and other primary sources recognized from time to time by the Canadian Institute of Chartered Accountants.

"Guarantor" means any party that has provided a guarantee in favour of Lender with respect to the Borrowings hereunder.

"Hedging Agreement" means any swap, hedging, interest rate, currency, foreign exchange or commodity contract or agreement, or confirmation thereunder, entered into from time to time in connection with:

- (a) interest rate swaps, forward rate transactions, interest rate options, cap transactions, floor transactions and similar rate-related transactions;
- (b) forward rate agreements, foreign exchange forward agreements, cross currency transactions and other similar currency-related transactions; or
- (c) commodity swaps, hedging transactions and other similar commodity-related transactions (whether physically or financially settled), including without limitation commodity swaps;

the purpose of which is to hedge (a) interest rate, (b) currency exchange, and/or (c) commodity price exposure, as the case may be.

"Indebtedness" means all present and future obligations and indebtedness of a person, whether direct or indirect, absolute or contingent, including all indebtedness for borrowed money, all obligations in respect of swap or hedging arrangements and all other liabilities which in accordance with GAAP would appear

on the liability side of a balance sheet (other than items of capital, retained earnings and surplus or deferred tax reserves).

"Letter of Credit" means a standby or documentary letter of credit or letter of guarantee issued by Lender on behalf of Borrower.

"Loan Parties" means Borrower and all Guarantors, other than any Guarantors that are natural persons, but, for greater certainty, excludes Virginia Hills Oil Corp., and **"Loan Party"** means any of them.

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

- (a) the financial condition of Borrower or of any Guarantor; or
- (b) the ability of Borrower or any Guarantor to repay amounts owing hereunder or under its guarantee in respect hereof.

"Material Contracts" means each of the following:

- (a) April 27, 2015 farmin agreement regarding the EVI Area, Alberta between Virginia Hills Oil Corp. and Borrower (the **"Farmin Agreement"**);
- (b) April 27, 2015 asset management agreement regarding EVI Area, Alberta between Virginia Hills Oil Corp. and Borrower; and
- (c) April 27, 2015 contract well/facilities operating agreement between Virginia Hills Oil Corp., as contractor, and Borrower, as owner,

each as the same may be amended, modified, supplemented, restated or replaced, from time to time, on and subject to the terms of this agreement.

"Permitted Encumbrances" means, in respect of Borrower and any Guarantor, the following:

- (a) liens for taxes, assessments or governmental charges not yet due or delinquent or the validity of which is being contested in good faith;
- (b) liens arising in connection with workers' compensation, unemployment insurance, pension, employment or other social benefits laws or regulations which are not yet due or delinquent or the validity of which is being contested in good faith;
- (c) liens under or pursuant to any judgment rendered or claim filed which are or will be appealed in good faith provided any execution thereof has been stayed;
- (d) undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law or which relate to obligations not due or delinquent;
- (e) liens arising by operation of law such as builders' liens, carriers' liens, materialmens' liens and other liens of a similar nature which relate to obligations not due or delinquent;
- (f) easements, rights-of-way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights-of-way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables)

granted to or reserved or taken by other persons which singularly or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of Borrower or such Guarantor;

- (g) security given to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of Borrower or such Guarantor, all in the ordinary course of its business which singularly or in the aggregate do not materially impair the operation of the business of Borrower or such Guarantor;
- (h) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions to title;
- (i) liens created or arising in the ordinary course of the oil and gas business in respect of the joint operation of oil and gas properties and related production and processing facilities or arrangements for the processing, treating, transmission or transportation of hydrocarbon substances, provided such liens are not in respect of obligations which are due or delinquent and do not materially reduce the value of the oil and gas properties affected by such liens;
- (j) penalties arising in the ordinary course of business under non-participation or independent operations provisions of operating agreements as a consequence of an election not to participate in drilling or other operations;
- (k) the provisions of operating agreements, pooling agreements, unitization agreements and other similar arrangements entered into in the ordinary course of the oil and gas business which do not materially affect the value of the oil and gas properties which are subject thereto;
- (l) royalties, net profits interests and similar encumbrances and rights to convert any of them to working interests which are created in the ordinary course of the oil and gas business; provided that if any of the foregoing relate to oil and gas properties, full disclosure thereof is made in any engineering reports required to be delivered to Lender from time to time in respect of such oil and gas properties;
- (m) rights of first refusal and similar preferential rights created in the ordinary course of the oil and gas business;
- (n) operating leases;
- (o) capital lease transactions (according to GAAP) or sale-leaseback transactions where the indebtedness represented by all such transactions does not at any time exceed \$100,000 in aggregate;
- (p) security interests granted or assumed to finance the purchase of any property or asset (a "Purchase Money Security Interest") where:
 - i) the security interest is granted at the time of or within 60 days after the purchase,
 - ii) the security interest is limited to the property and assets acquired, and
 - iii) the indebtedness represented by all Purchase Money Security Interests does not at any time exceed \$100,000 in aggregate;

- (q) security interests or liens (other than those hereinbefore listed) of a specific nature (and excluding for greater certainty floating charges) on properties and assets having a fair market value not in excess of \$100,000 in aggregate.

"Prime" means the prime lending rate per annum established by Lender from time to time for commercial loans denominated in Canadian dollars made by Lender in Canada.

"Reorganization Transactions" means the following:

- (a) the arrangement under section 193 of the *Business Corporations Act* (Alberta) involving Pinecrest Energy Inc., Virginia Hills Oil Corp. and Cardinal Energy Ltd., as more particularly described and set forth in the plan of arrangement attached as Schedule "A" to the arrangement agreement dated December 8, 2014 with an effective date of February 16, 2015, as amended by an amending agreement dated January 26, 2015, a second amending agreement dated February 16, 2015 and a third amending agreement dated April 13, 2015; and
- (b) the business combination transactions pursuant to the terms and conditions of an amalgamation agreement dated as of March 2, 2015 among Virginia Hills Oil Corp., Borrower and 1834163 Alberta Ltd.

"Subsidiaries" means:

- (a) a person of which another person alone or in conjunction with its other subsidiaries owns an aggregate number of voting shares sufficient to elect a majority of the directors regardless of the manner in which other voting shares are voted; and
- (b) a partnership of which at least a majority of the outstanding income interests or capital interests are directly or indirectly owned or controlled by such person,

and includes a person in like relation to a Subsidiary.

"Working Capital" means Current Assets minus Current Liabilities.

SCHEDULE "A"

CONTAINING FORM OF COMPLIANCE CERTIFICATE

To: Alberta Treasury Branches
Corporate Financial Services
600, 444 – 7th Avenue SW
Calgary, Alberta T2P 0X8
Attention: John Sullivan, Director

I, _____ hereby certify as of the date of this certificate as follows:

- (a) I am the _____ *[insert title]* of Dolomite Energy Inc. ("**Borrower**") and I am authorized to provide this certificate to you for and on behalf of Borrower.
- (b) This certificate applies to the [**fiscal quarter/fiscal year**] ending _____.
- (c) I am familiar with and have examined the provisions of the amended and restated letter agreement (as amended, modified, supplemented, restated or replaced, from time to time, the "**Agreement**") dated November ■, 2015 between the Borrower, as borrower, and Alberta Treasury Branches ("**Lender**"), as lender, and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of Borrower and of any Guarantor. Terms defined in the Agreement have the same meanings when used in this certificate.
- (d) No event or circumstance has occurred which constitutes or which, with the giving of notice, lapse of time, or both, would constitute a breach of any covenant or other term or condition of the Agreement and there is no reason to believe that during the next fiscal quarter of Borrower, any such event or circumstance will occur.

OR

We are or anticipate being in default of the following terms or conditions, and our proposed action to meet compliance is set out below:

Description of any breaches and proposed action to remedy: _____

- (e) Our Working Capital is as follows:

\$ _____

Our Available Cash Flow is as follows:

\$ _____

- (f) The detailed calculations of the foregoing are set forth in the addendum annexed hereto and are true and correct in all respects.

This certificate is given by the undersigned officer in his/her capacity as an officer of the Borrower without any personal liability on the part of such officer.

Dated this ____ day of _____, 20__.

DOLOMITE ENERGY INC.

Per: _____

Name: _____

Title: _____

APPENDIX

(i) the **Working Capital** is \$ _____, calculated as follows:

Current Assets: \$ _____

minus:

Current Liabilities \$ _____

Cash Flow is _____, calculated as follows:

Revenue: \$ _____

less:

(a) royalties; \$ _____

(b) operating costs; \$ _____

(c) interest expense; \$ _____

(d) general and administrative costs; and \$ _____

(e) ATB approved capital and operating expenditures.

= \$ _____

Available Cash Flow is _____, calculated as follows:

Cash Flow: \$ _____

less:

payments on accounts payable aged greater than 60 days \$ _____

= \$ _____

June 20, 2016

Dolomite Energy Inc.
950, 640-8 Avenue SW
Calgary, Alberta T2P 3P4

Attention: Colin Witwer

Dear Sir:

Reference is made to the amended and restated commitment letter dated as of November 9, 2015 (the "**Commitment Letter**") between Dolomite Energy Inc. (the "**Borrower**"), as borrower, and Alberta Treasury Branches, as lender ("**ATB**" or the "**Lender**").

This letter will serve as the first amending agreement to the Commitment Letter. Capitalized terms used herein shall have the respective meanings ascribed to such terms in the Commitment Letter, as amended hereby (as so amended, the "**Amended Commitment Letter**"), unless otherwise defined herein. All other terms and conditions contained in the Commitment Letter shall remain in full force and effect, unamended.

1. ATB's continued support of the Borrower pursuant to the Amended Commitment Letter is conditional upon the occurrence of each of the following:
 - (a) concurrently with execution hereof, the Lender is provided written confirmation, on terms satisfactory to the Lender, that Virginia Hills Oil Corp. has been provided with a satisfactory waiver of any breach or event of default pursuant to the credit agreement dated April 15, 2015 among Virginia Hills Oil Corp., The Bank of Nova Scotia, in its capacity as administrative agent, The Bank of Nova, Canadian Imperial Bank of Commerce, Alberta Treasury Branches and the other financial institutions named therein from time to time (as so amended, the "**VHO Credit Agreement**"); and
 - (b) concurrently with the execution hereof, the Borrower pays a waiver fee of \$5,000.00 to the Lender.

Except as expressly provided herein and for the limited purposes herein, nothing contained herein shall waive, limit or affect the Borrower's indebtedness, liabilities, obligations or covenants to ATB under the Commitment Letter or any of the Security Documents, all of which continue in full force and effect.

ATB Corporate
Financial Services™

600, 585 8th Avenue SW Calgary, AB T2P 1G1

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2. At the request of the Borrower, in connection with the reporting of the Borrower's results for the month ending April 30, 2016, ATB hereby waives the breach by the Borrower of the financial covenant set forth in section 10(b) of the Commitment Letter, for the period through to and including June 30, 2016 (the "**Waiver Period**"), provided that the waiver contained in this Section 2 does not constitute a waiver of any term or condition under the Amended Commitment Letter other than as described herein for the Waiver Period. Immediately upon termination of the Waiver Period, the Borrower shall automatically be bound by and subject to the financial covenant set forth in section 10(b) of the Commitment Letter as at the termination of the Waiver Period, without any further action on the part of ATB. Each of the other terms and conditions of the Amended Commitment Letter shall remain in full force and effect.
3. The Borrower hereby acknowledges and agrees that, notwithstanding anything contained in this first amending agreement, each of the Security Documents granted by the Borrower to the Lender in connection with the Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of the Borrower to the Lender, arising or incurred in connection with the Commitment Letter and the Security Documents. The Borrower acknowledges and agrees that the Lender is relying on this Section 3 in connection with its commitments under the Amended Commitment Letter and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include the Amended Commitment Letter, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant thereto.
4. The Borrower, for and on behalf of itself and the other Loan Parties, hereby confirms that, subject to Section 2 above, the representations set forth in section 6 of the Commitment Letter (other than those given as of a specific date) are in all material respects complete, true and correct on the date hereof.
5. This first amending agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same first amending agreement. For the purposes of this Section 5, the delivery of a facsimile or other electronic copy of an executed counterpart of this first amending agreement shall be deemed to be valid execution and delivery of this first amending agreement.
6. This first amending agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta. Each party to this first amending agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.
7. The provisions of the Commitment Letter, as amended by this first amending agreement, are hereby ratified, confirmed and approved.

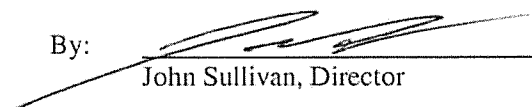
[remainder of page intentionally left blank; signature pages follow]

Please acknowledge your acceptance of the same by returning an executed copy of this first amending agreement on or before June 30, 2016.

Yours truly,

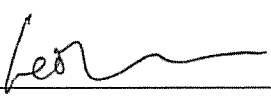
ALBERTA TREASURY BRANCHES

By:



John Sullivan, Director

By:



Leo Tam, Associate Director

Accepted this 30th day of June, 2016.

Borrower:

Dolomite Energy Inc.

Per: BT U
Name: Brent Conrad
Title: VP Engineering & CDD

By: Adeline Martin
Name: ADELINE MARTIN
Title: VP Finance & CFO

August 2, 2016

Dolomite Energy Inc.
950, 640-8 Avenue SW
Calgary, Alberta T2P 3P4

Attention: Colin Witwer

Dear Sir:

Reference is made to the amended and restated commitment letter dated as of November 9, 2015, as amended by first amending agreement and waiver dated June 20, 2016 (collectively, the "Commitment Letter") between Dolomite Energy Inc. (the "Borrower"), as borrower, and Alberta Treasury Branches, as lender ("ATB" or the "Lender").

This letter will serve as the second amending agreement and waiver to the Commitment Letter. Capitalized terms used herein shall have the respective meanings ascribed to such terms in the Commitment Letter, as amended hereby (as so amended, the "Amended Commitment Letter"), unless otherwise defined herein. All other terms and conditions contained in the Commitment Letter shall remain in full force and effect, unamended.

1. In connection with the reporting of the Borrower's results for the months ending April 30, 2016, May 31, 2016 and June 30, 2016, ATB hereby waives the breach by the Borrower of the financial covenant set forth in section 10(b) of the Commitment Letter, for such periods, provided that the waiver contained in this Section 1 does not constitute a waiver of any term or condition under the Amended Commitment Letter other than as described herein.
2. The Borrower hereby acknowledges and agrees that, notwithstanding anything contained in this second amending agreement, each of the Security Documents granted by the Borrower to the Lender in connection with the Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of the Borrower to the Lender, arising or incurred in connection with the Commitment Letter and the Security Documents. The Borrower acknowledges and agrees that the Lender is relying on this Section 2 in connection with its commitments under the Amended Commitment Letter and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include the Amended Commitment Letter, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant thereto.
3. The Borrower, for and on behalf of itself and the other Loan Parties, hereby confirms that, subject to Section 1 above, the representations set forth in section 6 of the Commitment Letter (other than those given as of a specific date) are in all material respects complete, true and correct on the date hereof.

ATB Corporate
Financial Services™

600, 585 8th Avenue SW Calgary, AB T2P 1G1

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4. This second amending agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same second amending agreement. For the purposes of this Section 4, the delivery of a facsimile or other electronic copy of an executed counterpart of this second amending agreement shall be deemed to be valid execution and delivery of this second amending agreement.
5. This second amending agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta. Each party to this second amending agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.
6. The provisions of the Commitment Letter, as amended by this second amending agreement, are hereby ratified, confirmed and approved.

[remainder of page intentionally left blank; signature pages follow]


SP-1

Please acknowledge your acceptance of the same by returning an executed copy of this second amending agreement on or before August 5, 2016.

Yours truly,

ALBERTA TREASURY BRANCHES

By: 
Rick Miller, Director

By: 
Ian Philip, Associate Director


SP-2

Accepted this 5th day of August, 2016.

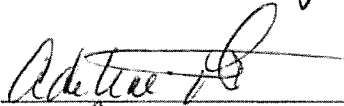
Borrower:

Dolomite Energy Inc.

Per:


Name: BRENT CONRAD
Title: Vice President, Engineering & COO

By:


Name: ADELINE MARTIN
Title: Vice President, Finance & CFO

September 6, 2016

Dolomite Energy Inc.
950, 640-8 Avenue SW
Calgary, Alberta T2P 3P4

Attention: Colin Witwer

Dear Sir:

Reference is made to the amended and restated commitment letter dated as of November 9, 2015, as amended by first amending agreement and waiver dated June 20, 2016 and the second amending agreement and waiver dated August 2, 2016 (collectively, the "**Commitment Letter**") between Dolomite Energy Inc. (the "**Borrower**"), as borrower, and Alberta Treasury Branches, as lender ("**ATB**" or the "**Lender**").

This letter will serve as the third amending agreement and waiver to the Commitment Letter. Capitalized terms used herein shall have the respective meanings ascribed to such terms in the Commitment Letter, as amended hereby (as so amended, the "**Amended Commitment Letter**"), unless otherwise defined herein. All other terms and conditions contained in the Commitment Letter shall remain in full force and effect, unamended.

1. In connection with the reporting of the Borrower's results for the month ending July 31, 2016, ATB hereby waives the breach by the Borrower of the financial covenant set forth in section 10(b) of the Commitment Letter, for such period, provided that the waiver contained in this Section 1 does not constitute a waiver of any term or condition under the Amended Commitment Letter other than as described herein.
2. The Borrower hereby acknowledges and agrees that, notwithstanding anything contained in this third amending agreement, each of the Security Documents granted by the Borrower to the Lender in connection with the Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of the Borrower to the Lender, arising or incurred in connection with the Commitment Letter and the Security Documents. The Borrower acknowledges and agrees that the Lender is relying on this Section 2 in connection with its commitments under the Amended Commitment Letter and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include the Amended Commitment Letter, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant thereto.
3. The Borrower, for and on behalf of itself and the other Loan Parties, hereby confirms that, subject to Section 1 above, the representations set forth in section 6 of the Commitment Letter (other than

those given as of a specific date) are in all material respects complete, true and correct on the date hereof.

4. This third amending agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same third amending agreement. For the purposes of this Section 4, the delivery of a facsimile or other electronic copy of an executed counterpart of this third amending agreement shall be deemed to be valid execution and delivery of this third amending agreement.
5. This third amending agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta. Each party to this third amending agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.
6. The provisions of the Commitment Letter, as amended by this third amending agreement, are hereby ratified, confirmed and approved.


[remainder of page intentionally left blank; signature pages follow]

Please acknowledge your acceptance of the same by returning an executed copy of this third amending agreement on or before September 9, 2016.

Yours truly,

ALBERTA TREASURY BRANCHES

By: 
Rick Miller, Director


By: 
Simon Briggs, Senior Associate Director

Accepted this 7th day of September, 2016.

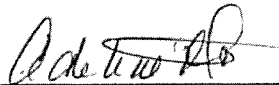
Borrower:

Dolomite Energy Inc.

Per:


Name: Colin Witwer
Title: President + CEO

By:


Name: ADELINE MARTIN
Title: VP Finance + CFO

September 29, 2016

Dolomite Energy Inc.
950, 640-8 Avenue SW
Calgary, Alberta T2P 3P4

Attention: Colin Witwer

Dear Sir:

Reference is made to the amended and restated commitment letter dated as of November 9, 2015, as amended by first amending agreement and waiver dated June 20, 2016, by second amending agreement and waiver dated August 2, 2016 and by third amending agreement dated September 6, 2016 (collectively, the "**Commitment Letter**") between Dolomite Energy Inc. (the "**Borrower**"), as borrower, and Alberta Treasury Branches, as lender ("**ATB**" or the "**Lender**").

This letter will serve as the fourth amending agreement and waiver to the Commitment Letter. Capitalized terms used herein shall have the respective meanings ascribed to such terms in the Commitment Letter, as amended hereby (as so amended, the "**Amended Commitment Letter**"), unless otherwise defined herein. All other terms and conditions contained in the Commitment Letter shall remain in full force and effect, unamended.

1. Section 1 of the Commitment Letter is amended to provide that the annual Borrowing Base review shall, for 2016, be completed on or before November 30, 2016.
2. Section 3 of the Commitment Letter is hereby deleted in its entirety and replaced with the following:

"3. REPAYMENT:

Facility #1:

- Facility #1 is a committed term facility, as detailed herein.
- Facility #1 is payable in full on November 30, 2016 (the "**Facility #1 Maturity Date**").
- Facility #1 may revolve in multiples as permitted hereunder, and Borrower may borrow, repay, reborrow and convert between types of Borrowings, up to the amount and subject to the notice periods provided hereunder.
- In addition to the foregoing, Borrower shall pay to Lender on the last day of each month an amount equal to the Available Cash Flow of Borrower for the immediately preceding month, which payment shall be used by Lender first to repay the outstanding Borrowings under Facility #1 until repaid in full (but without derogating from the revolving nature of Facility #1) and then to repay the then outstanding Borrowings under Facility #2 until repaid in full.

Facility #2:

- Facility #2 is a committed term facility, as detailed herein.
- Facility #2 is payable in full on November 30, 2016 (the "**Facility #2 Maturity Date**").
- In addition to the foregoing, Borrower shall pay to Lender on the last day of each month an amount equal to the Available Cash Flow of Borrower for the immediately preceding month, which payment shall be used by Lender first to repay the outstanding Borrowings under Facility #1 until repaid in full and then to repay the outstanding Borrowings under Facility #2 until repaid in full."

3. Section 10(b) of the Commitment Letter is hereby deleted in its entirety and replaced with the following:

"(b) negative \$1,200,000.00 for the period from April 1, 2016 through to and including November 30, 2016."

4. Section 16 of the Commitment Letter is hereby deleted in its entirety and replaced with the following:

"16. NEXT REVIEW DATE:

YAM All demand Facilities are subject to review by Lender at any time in its sole discretion and at least annually. The next annual review date has been set for November 30, 2016 but may be set at an earlier or later date at the sole discretion of Lender."

5. The Borrower hereby acknowledges and agrees that, notwithstanding anything contained in this fourth amending agreement, each of the Security Documents granted by the Borrower to the Lender in connection with the Commitment Letter continues in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and obligations of the Borrower to the Lender, arising or incurred in connection with the Commitment Letter and the Security Documents. The Borrower acknowledges and agrees that the Lender is relying on this Section 5 in connection with its commitments under the Amended Commitment Letter and further acknowledges and agrees that references in the Security Documents to the "Commitment Letter", the "Loan Agreement" or the "Credit Agreement" (as applicable) shall include the Amended Commitment Letter, as the same may be amended, modified, supplemented, restated or replaced, from time to time, and the other documents, instruments and agreements entered into pursuant thereto.
6. The Borrower, for and on behalf of itself and the other Loan Parties, hereby confirms that the representations set forth in section 6 of the Commitment Letter (other than those given as of a specific date) are in all material respects complete, true and correct on the date hereof.


7. This fourth amending agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same fourth amending agreement. For the purposes of this Section 7, the delivery of a facsimile or other electronic copy of an executed counterpart of this fourth amending agreement shall be deemed to be valid execution and delivery of this fourth amending agreement.
8. This fourth amending agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in the Province of Alberta. Each party to this fourth amending agreement hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and all courts competent to hear appeals therefrom.
9. The provisions of the Commitment Letter, as amended by this fourth mending agreement, are hereby ratified, confirmed and approved.

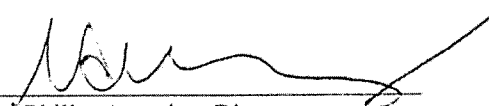
[remainder of page intentionally left blank; signature pages follow]

Please acknowledge your acceptance of the same by returning an executed copy of this fourth amending agreement on or before October 5, 2016.

Yours truly,

ALBERTA TREASURY BRANCHES

By: 
Richard Miller, Director

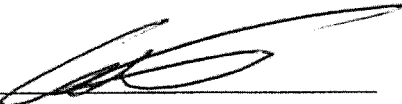
By: 
Ian Philip, Associate Director


SP-2

Accepted this 30 day of September, 2016.

Borrower:

Dolomite Energy Inc.

Per: 
Name: _____
Title: President

By: 
Name: ADELINE MARTIN
Title: VP FINANCE 'S CFO

THIS IS EXHIBIT "E"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a series of loops and a long horizontal stroke extending to the right.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: Calgary Stephen Avenue, 239 - 8 Avenue SW, Calgary, Alberta T2P 1B9

FROM: Dolomite Energy Inc. (the "**Debtor**")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "**PPSA**") of the province or territory referred to in the "Governing Law" section of this Agreement (the "**Province**") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "**Indebtedness**"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "**Collateral**").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "**Security Interests**". The Debtor warrants and acknowledges to and in favour of ATB that:
 - (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "**Encumbrances**" and individually, an "**Encumbrance**") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;

- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;
- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "**Default**") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "**Receiver**" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without

- limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it. Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;
- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
 - (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("**Retained Collateral**"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)

- (a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:
 - (i) any one of the events described in Section 7 hereof occurring;
 - (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
 - (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
 - (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20.

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 16th day of MAY, 2011.

WITNESS:

Associate Director

Dolomite Energy Inc.

By:

Name:

Title:

By:

Name:

Title:

Full Address of Debtor: 2550, 605 5th Avenue SW

Calgary, Alberta

T2P 3H5

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- ☐ (a) All of the Debtor's present and after-acquired Personal Property.
- ☒ (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immoveable and leasehold property.
- ☐ (c) All of the Debtor's present and after-acquired Personal Property except _____ :
- ☐ (d) All of the Debtor's _____ equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (g) The following described Personal Property of the Debtor:
- ☐ (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (i) All of the Debtor's _____, male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

<u>Make</u>	<u>Model</u>	<u>Year of Manufacture</u>	<u>Serial Number (and Registration Mark for aircraft only)</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Locations of Collateral:

The Collateral is located at the following location(s):

SCHEDULE B
PERMITTED ENCUMBRANCES

AMENDING AGREEMENT (GENERAL SECURITY AGREEMENT)

WHEREAS DOLOMITE ENERGY INC. (the "**Debtor**") is indebted to Alberta Treasury Branches ("**ATB**" or the "**Lender**") and as security therefor ATB holds, *inter alia*, a general security agreement from the Debtor dated the 16th day of May, 2011 (the "**General Security Agreement**");

AND WHEREAS, pursuant to the General Security Agreement, the Debtor agreed to provide fixed charge security over the petroleum and natural gas properties of the Debtor following receipt by the Debtor of a request by the Lender to provide such fixed charge security over the Debtor's petroleum and natural gas properties;

AND WHEREAS the Debtor has agreed to amend and supplement the General Security Agreement by granting fixed, specific mortgages and charges over the Debtor's petroleum and natural gas properties pursuant to the General Security Agreement in and to the Additional Collateral (as defined herein);

IN CONSIDERATION of the sum of ONE (\$1.00) DOLLAR and other good and valuable consideration, the receipt of which is hereby acknowledged by the Debtor:

1. Terms and expressions defined in the General Security Agreement, when used herein, have the same meanings as ascribed to them therein, except as defined herein.
2. The Debtor does, subject to the terms and conditions of the General Security Agreement and as additional security for the payment of the monies thereby secured, grant, assign, mortgage, pledge and charge, as and by way of a fixed specific mortgage, pledge and charge, and does grant a Security Interest to and in favour of ATB in the real and immovable property (including, by way of sublease, leasehold lands; and which "real and immovable property" shall include any interest in or right with respect to real and immovable property) and all of its present and after acquired petroleum and natural gas properties, buildings, erections, improvements, fixtures and plant (whether the same form part of the realty or not) and all appurtenances to any of the foregoing, including the petroleum and natural gas properties described in Schedule "A1" hereto and in (i) all its present and after acquired equipment, including all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired, (ii) all its present and after acquired petroleum and natural gas properties and inventory, including all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service, and (iii) all Proceeds and renewals thereof, accessions thereto and substitutions therefor (collectively, the "**Additional Collateral**").
3. The Debtor acknowledges and agrees that the Additional Collateral is mortgaged, pledged and charged as collateral security for any and all obligations of the Debtor to ATB up to the principal amount of \$20,000,000.00.
4. The Debtor covenants and agrees that Schedule "A" of the General Security Agreement shall be amended by adding thereto the description of the Additional Collateral.
5. The Debtor agrees, represents and warrants to and with the Lender that:
 - (a) the Debtor has good and valid title to its petroleum and natural gas properties referred to in Schedule "A1" attached hereto, subject only to Permitted Encumbrances;
 - (b) the list of petroleum and natural gas properties and other specific property referred to in Schedule "A1" attached hereto is a complete list of all material petroleum and natural gas properties of the Debtor;

- (c) the Debtor is not aware of any right or option (except for rights and options arising in the ordinary course of business in the oil and gas industry) of any person relating to any of the petroleum and natural gas properties of the Debtor which would, if exercised, have the effect of divesting the Debtor of title to the affected properties;
 - (d) the Debtor has not received from any person any notice claiming an entitlement to, exercising or purporting to exercise any right of first refusal, right of first purchase or similar right or option relating to any material part of the Debtor's petroleum and natural gas properties which would, if exercised, have the effect of divesting the Debtor of title to the affected properties; and
 - (e) without limiting anything contained in this amending agreement, neither the provisions of this amending agreement nor the actual or constructive notice on the part of the Lender of the actual or alleged existence of any right of any person to claim any right of first refusal or right of first purchase shall affect or derogate from the right of the Lender to rely upon this Section 5.
6. The Lender may at any time and from time to time register or cause to be registered this amending agreement (or a caveat or other notice in respect thereof) against title to any or all of the petroleum and natural gas properties of the Debtor. Upon the request of the Lender, the Debtor will provide to the Lender a list of its petroleum and natural gas properties containing a sufficient description thereof to permit the Lender to register this amending agreement (or a caveat or notice thereof) against title to such petroleum and natural gas properties. The Debtor shall ensure and will assist the Lender to ensure that this amending agreement and all such supplementary and corrective instruments and all additional mortgage and security documents and all documents, caveats, cautions, memorials, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the charge granted by the Debtor in favour of the Lender pursuant to this amending agreement as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon the Lender by such charge and will cause to be furnished promptly to the Lender evidence satisfactory to the Lender of such filing, registering and depositing. The Debtor shall, forthwith on demand being made by the Lender, pay all reasonable fees, costs and expenses incurred by the Lender or its agents in connection with the filing, re-filing, registering, re-registering, depositing and re-depositing of this amending agreement and all such supplementary and corrective instruments and all additional mortgage and security documents. The fees, costs and expenses incurred by the Lender or its agents hereunder shall be secured hereby and shall become part of the indebtedness, liabilities and obligations of the Debtor to the Lender.
7. To the full extent that it may lawfully do so, the Debtor hereby:
- (a) agrees that the *Land Contracts (Actions) Act* (Saskatchewan) shall have no application to any action (as defined in such Act) taken with respect to any security interest or mortgaged property herein; and
 - (b) agrees that the *Limitation of Civil Rights Act* (Saskatchewan) shall have no application to:
 - (i) this amending agreement, as amended, or any instrument or agreement in implementation hereof,
 - (ii) any security interest or security for the payment of money made, given or created pursuant to any of the foregoing instruments,

- (iii) any instrument or agreement entered into at any time hereafter by the Debtor renewing or extending or collateral to this amending agreement, as amended, or to any of the foregoing instruments, or
 - (iv) the rights, powers or remedies of the Lender or any Receiver under any of the foregoing instruments.
8. The Debtor further covenants and agrees that this amending agreement shall be read and construed with the General Security Agreement and the schedules attached thereto and shall be treated as a part thereof and for such purpose and so far as may be necessary to give effect to this amending agreement, the General Security Agreement and the schedules attached thereto and any other collateral securities delivered by the undersigned to ATB shall be regarded as being hereby amended and the General Security Agreement and the schedules attached thereto and the other collateral securities so amended together with all the covenants and conditions thereof shall remain in full force and effect.
9. This amending agreement will be interpreted in accordance with the laws of the Province of Alberta and of Canada applicable therein, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this amending agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attend to the same.

13th IN WITNESS WHEREOF the undersigned has executed this amending agreement as of the day of April, 2015.

DOLOMITE ENERGY INC.

Per: 

Name:

Title:

IAN J. TOWERS
PRESIDENT & CEO

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14391406_1PDF

14482913.1PDF

SCHEDULE "A1"

DOLOMITE ENERGY INC. - PDP Case					
Engineering Report: Sproule (Effective: December 31, 2013)					
Borrowing Base Effective: 2014-01					
Data Format: email					
Review by: JM October 1, 2014					
PROPERTY	W/L BPO	W/L APO	BURDENS	OPERATOR	COMMENTS
PROVED DEVELOPED PRODUCING					
Brazeeau 100/13-28-045-14W5/2	8.000%		Crown	Delphi	OL, Lower Mannville Vv, On prod: 2006, RL: 9 yrs.
Brazeeau					
Inland 100/16-33-052-16W4/0	75.000%		FH	Perpetual	GAS, Upper Mannville Eee, On prod: 2008, RL: 6 yrs.
Inland					
Lubicon 100/07-29-088-10W5/0	100.000%			Harvest	OL, Granite Wash J, On prod: 2005, RL: 5 yrs
Lubicon					
Medicine Hat 100/10-03-011-04W4/0	100.000%		FH	Dolomite	GAS, Cmg, Start: 2014-01, RL: 9 yrs
Medicine Hat 100/06-11-011-04W4/0	100.000%		Crown	Dolomite	GAS, Cmg, Start: 2014-01, RL: 9 yrs
Medicine Hat					
Oiler 100/01-04-088-11W5/0	100.000%		CR/GORR	Dolomite	OL, Slave Point, On prod: 2011, RL: 13 yrs.
Oiler 100/12-10-088-11W5/0	100.000%		CR/GORR	Dolomite	OL, Slave Point, On prod: 2012-02, RL: 19 yrs.
Oiler 100/09-14-088-11W5/0	100.000%		CR/GORR	Dolomite	OL, Slave Point, On prod: 2012-02, RL: 11 yrs.
Oiler 100/11-15-088-11W5/0	100.000%		CR/GORR	Dolomite	OL, Slave Point, On prod: 2012-02, RL: 19 yrs.
Oiler 100/16-22-088-11W5/0	100.000%		CR/GORR	Dolomite	OL, Slave Point, On prod: 2011, RL: 21 yrs.
Oiler					
Total Proved Developed Producing					

DOLOMITE ENERGY INC. - PDP Case					
Engineering Report: Sproule (Effective: December 31, 2013)					
Borrowing Base Effective: 2014-01					
Data Format: email					
Review by: JM October 1, 2014					
PROPERTY	W/L BPO	W/L APO	BURDENS	OPERATOR	COMMENTS
Brazeeau Subtotal - PDP per Engineering Report					
Inland Subtotal - PDP per Engineering Report:					
Lubicon Subtotal - PDP per Engineering Report:					
Medicine Hat Subtotal - PDP per Engineering Report:					
Oiler Subtotal - PDP per Engineering Report:					
TOTAL — PDP per Engineering Report:					
GRAND TOTAL:					
TOTAL PDP @ ATB July 2014 Pricing					
GRAND TOTAL PDP — @ ATB July 2014 Pricing Effective: 2014-01					
GRAND TOTAL PDP — @ ATB July 2014 Pricing Effective: 2014-09					
GRAND TOTAL PDP — @ ATB July 2014 Pricing Effective: 2015-01					
GRAND TOTAL PDP — @ ATB July 2014 Pricing Effective: 2015-04					

AMENDING AGREEMENT #2 (GENERAL SECURITY AGREEMENT)

WHEREAS DOLOMITE ENERGY INC. (the "Debtor") is indebted to Alberta Treasury Branches ("ATB" or the "Lender") and as security therefor ATB holds, *inter alia*, a general security agreement from the Debtor dated the 16th day of May, 2011, as amended by an amending agreement (general security agreement) dated the 13th day of April, 2015 (collectively, the "General Security Agreement");

AND WHEREAS, pursuant to the General Security Agreement, the Debtor agreed to provide fixed charge security over the petroleum and natural gas properties of the Debtor following receipt by the Debtor of a request by the Lender to provide such fixed charge security over the Debtor's petroleum and natural gas properties;

AND WHEREAS the Debtor has agreed to amend and supplement the General Security Agreement by granting fixed, specific mortgages and charges over the Debtor's petroleum and natural gas properties pursuant to the General Security Agreement in and to the Additional Collateral (as defined herein);

IN CONSIDERATION of the sum of ONE (\$1.00) DOLLAR and other good and valuable consideration, the receipt of which is hereby acknowledged by the Debtor:

1. Terms and expressions defined in the General Security Agreement, when used herein, have the same meanings as ascribed to them therein, except as defined herein.
2. The Debtor does, subject to the terms and conditions of the General Security Agreement and as additional security for the payment of the monies thereby secured, grant, assign, mortgage, pledge and charge, as and by way of a fixed specific mortgage, pledge and charge, and does grant a Security Interest to and in favour of ATB in the real and immovable property (including, by way of sublease, leasehold lands; and which "real and immovable property" shall include any interest in or right with respect to real and immovable property) and all of its present and after acquired petroleum and natural gas properties, buildings, erections, improvements, fixtures and plant (whether the same form part of the realty or not) and all appurtenances to any of the foregoing, including the petroleum and natural gas properties described in Schedule "A1" hereto and in (i) all its present and after acquired equipment, including all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired, (ii) all its present and after acquired petroleum and natural gas properties and inventory, including all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service, and (iii) all Proceeds and renewals thereof, accessions thereto and substitutions therefor (collectively, the "Additional Collateral").
3. The Debtor acknowledges and agrees that the Additional Collateral is mortgaged, pledged and charged as collateral security for any and all obligations of the Debtor to ATB up to the principal amount of \$20,000,000.00.
4. The Debtor covenants and agrees that Schedule "A" of the General Security Agreement shall be amended by adding thereto the description of the Additional Collateral.
5. The Debtor agrees, represents and warrants to and with the Lender that:
 - (a) the Debtor has good and valid title to its petroleum and natural gas properties referred to in Schedule "A1" attached hereto, subject only to Permitted Encumbrances;

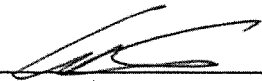
- (b) the list of petroleum and natural gas properties and other specific property referred to in Schedule "A1" attached hereto is a complete list of all material petroleum and natural gas properties of the Debtor;
 - (c) the Debtor is not aware of any right or option (except for rights and options arising in the ordinary course of business in the oil and gas industry) of any person relating to any of the petroleum and natural gas properties of the Debtor which would, if exercised, have the effect of divesting the Debtor of title to the affected properties;
 - (d) the Debtor has not received from any person any notice claiming an entitlement to, exercising or purporting to exercise any right of first refusal, right of first purchase or similar right or option relating to any material part of the Debtor's petroleum and natural gas properties which would, if exercised, have the effect of divesting the Debtor of title to the affected properties; and
 - (e) without limiting anything contained in this amending agreement, neither the provisions of this amending agreement nor the actual or constructive notice on the part of the Lender of the actual or alleged existence of any right of any person to claim any right of first refusal or right of first purchase shall affect or derogate from the right of the Lender to rely upon this Section 5.
6. The Lender may at any time and from time to time register or cause to be registered this amending agreement (or a caveat or other notice in respect thereof) against title to any or all of the petroleum and natural gas properties of the Debtor. Upon the request of the Lender, the Debtor will provide to the Lender a list of its petroleum and natural gas properties containing a sufficient description thereof to permit the Lender to register this amending agreement (or a caveat or notice thereof) against title to such petroleum and natural gas properties. The Debtor shall ensure and will assist the Lender to ensure that this amending agreement and all such supplementary and corrective instruments and all additional mortgage and security documents and all documents, caveats, cautions, memorials, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the charge granted by the Debtor in favour of the Lender pursuant to this amending agreement as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon the Lender by such charge and will cause to be furnished promptly to the Lender evidence satisfactory to the Lender of such filing, registering and depositing. The Debtor shall, forthwith on demand being made by the Lender, pay all reasonable fees, costs and expenses incurred by the Lender or its agents in connection with the filing, re-filing, registering, re-registering, depositing and re-depositing of this amending agreement and all such supplementary and corrective instruments and all additional mortgage and security documents. The fees, costs and expenses incurred by the Lender or its agents hereunder shall be secured hereby and shall become part of the indebtedness, liabilities and obligations of the Debtor to the Lender.
7. To the full extent that it may lawfully do so, the Debtor hereby:
- (a) agrees that the *Land Contracts (Actions) Act* (Saskatchewan) shall have no application to any action (as defined in such Act) taken with respect to any security interest or mortgaged property herein; and
 - (b) agrees that the *Limitation of Civil Rights Act* (Saskatchewan) shall have no application to:
 - (i) this amending agreement, as amended, or any instrument or agreement in implementation hereof,

- (ii) any security interest or security for the payment of money made, given or created pursuant to any of the foregoing instruments,
 - (iii) any instrument or agreement entered into at any time hereafter by the Debtor renewing or extending or collateral to this amending agreement, as amended, or to any of the foregoing instruments, or
 - (iv) the rights, powers or remedies of the Lender or any Receiver under any of the foregoing instruments.
8. The Debtor further covenants and agrees that this amending agreement shall be read and construed with the General Security Agreement and the schedules attached thereto and shall be treated as a part thereof and for such purpose and so far as may be necessary to give effect to this amending agreement, the General Security Agreement and the schedules attached thereto and any other collateral securities delivered by the undersigned to ATB shall be regarded as being hereby amended and the General Security Agreement and the schedules attached thereto and the other collateral securities so amended together with all the covenants and conditions thereof shall remain in full force and effect.
9. This amending agreement will be interpreted in accordance with the laws of the Province of Alberta and of Canada applicable therein, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this amending agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

IN WITNESS WHEREOF the undersigned has executed this amending agreement as of the 1st day of December, 2015.

DOLOMITE ENERGY INC.

Per: 
 Name: Tracie L. Noble
 Title: CFO

Per: 
Colin Witwer
President & CEO

SCHEDULE "A1"

SEE ATTACHED

VIRGINIA HILLS OIL CORP.
WELL ABSTRACT

UWI: 100/13-12-088-11-W5/00
Well Number: 000412

Basic Well Information

UWI:	100/13-12-088-11-W5/00	File Number:	000412
Name:	VHOC HZ EVI 13-12-88-11		
File Status:	ACTIVE	Status Date:	AUG 19, 2015
Well Status:	PRODUCING	Well Status Date:	AUG 19, 2015
Well Type:	OIL WELL	Penalty Flag:	No
Admin Company:	DOLOMITE ENERGY INC.	Confidentiality Flag:	No
Division:	GREATER RED EARTH		
Area:	EVI - EVI (AB)	Spud Date:	JUL 25, 2015
District:	NOT APPLICABLE	Rig Release Date:	AUG 06, 2015
Govt. Status:		Completion Date:	
Lessor Type:	CROWN	On Prod Date:	SEP 24, 2015
Well Licensee:	VIRGINIA HILLS	Payout Date:	
ShutIn Reason:		ShutIn Date:	
Injection Date:		Abandoned Date:	
Directionally Drilled:	YES	Last Prod Date:	
Governing Agmt:	C0112		
Govern Agmt Oper:	VIRGINIA HILLS		

Licence/Well Data

Contract Operator:		Lease Class:	
Reserve:		Licence Number:	0476330
Facility:		Licence Date:	JUL 24, 2015
Feld:		Expiry Date:	JUL 24, 2016
Pool:		Acct Project:	
Gov't Unit Code:			
Unit Of Measure:	Metres	Metes:	437.2 M South
Surface Location:	12-11-088-11 W5M	Bounds:	77.4 M East
Ground Elevation:	595.8 M	Drill Spacing Unit:	0.0 Hectares
Projected Depth:	3,011.0 M	Kelly Bushing Elev:	0.0 M
Total Depth:	0.0 M	True Vert Depth:	0.0 M
Total Depth Zone:	SLAVE_POINT	Plug Back Depth:	0.0 M
Producing Zone:	SLAVE_POINT		
Target Zone:			

DOI

Owner: Contract: C0112 A
WI - WORKING INTEREST Effective Date: Oct 06, 2015 DOI Id: 4004

Occ	Partner	Short Name	Penalty	Percent Partner Type	Trustee Name
1	000001	VIRGINIA HILLS		70.00000000	
2	000139	DOLOMITE ENERGY		30.00000000	
Comment:				100.00000000	

Related Mineral / Royalty

VIRGINIA HILLS OIL CORP.
WELL ABSTRACT

UWI: 100/13-12-088-11-W5/00
Well Number: 000412

Mineral File No	File Status	Lease Type	Min Interest	Alloc Type 1	Alloc Pcnt 1	Alloc Type 2	Alloc Pcnt 2
M0537 A	ACTIVE	PNG	100.00000000		0.00000000		0.00000000
Relationship:							
Comments:							
Royalty Type:	GOR	Royalty ID:	739	Linked to Contract:			
Product:	ALL	Convertible:	NO	Sliding Scale:		NO	
Royalty Percent:	0.00000000	0.50000000 % of Prod/Sales:		PROD			
Deduction:	NO					Prod/Sales	
Gas: Royalty:	0.00000000			Min Pay:			
S/S Oil: Min:	0.00000000	Max:	0.00000000	Div:			
Other: Percent:				Min:			
Paidto: (Royally Owned)				Paidby: Linked to Current: WI			
000999	CARDINAL ENERGY	100.00000000	000001	VIRGINIA HILLS	70.00000000		
		100.00000000	000139	DOLOMITE ENERGY	30.00000000		
						100.00000000	

Royalty Type:	LOR	Royalty ID:	688	Linked to Contract:			
Product:	ALL	Convertible:	NO	Sliding Scale:		YES	
Royalty Percent:	0.00000000	100.00000000 % of Prod/Sales:		PROD			
Deduction:	STANDARD					Prod/Sales	
Gas: Royalty:	0.00000000			Min Pay:			
S/S Oil: Min:	0.00000000	Max:	0.00000000	Div:			
Other: Percent:				Min:			
Paidto: Linked to Lease: LESSOR				Paidby: Linked to Current: WI			
000004	AB ENERGY	100.00000000	000001	VIRGINIA HILLS	70.00000000		
		100.00000000	000139	DOLOMITE ENERGY	30.00000000		
						100.00000000	

Remarks

Related Contracts

Contract File No	File Status	Contract Type	Contract Date	Effective Date
C0111	A	ACTIVE	JOA	Apr 15, 2015
Related:		Comments:		
C0112	A	ACTIVE	FARMIN	Apr 27, 2015
Related:		Comments:		
C0515	A	ACTIVE	FARMIN	Jul 17, 2015
Related:		Comments:		

Related Mineral

Mineral File No	File Status	Lease Type	Lessor Type	Lease Number	Mineral Interest
M0537	A	ACTIVE	PNG	CR	0511010203
Lease Date: Jan 13, 2011		Effective Date: Jan 13, 2011			
Relationship:				Substance Allocation	
Comments:				Alloc Type: Alloc Pcnt:	
				1. 0.00000000	
				2. 0.00000000	
Total Allocation Percentage:				ALL	OIL
				0.00000000	0.00000000
					GAS
					0.00000000

Related Surface

VIRGINIA HILLS OIL CORP.
WELL ABSTRACT

UWI: 100/13-12-088-11-W5/00
Well Number: 000412

Surface File No	File Status	Document Type	Lessor Type	Lease No	Document Date	Effective Date
S0545	ACTIVE	STMSL	CR	MSL 112015	Sep 14, 2011	Sep 14, 2011
Related:			Comments:			
S0546	ACTIVE	STLO	CR	LOC 111832	Sep 14, 2011	Sep 14, 2011
Related:			Comments:			
Related Road Use						
Related Easement						
Related AMI/AOE						
Related Units						
Related Tracts						
Obligations						
Related Service						
Related Facility						

**VIRGINIA HILLS OIL CORP.
WELL ABSTRACT**

UWI: 102/12-10-088-11-W5/02
Well Number: 000413

Basic Well Information

UWI:	102/12-10-088-11-W5/02	File Number:	000413
Name:	VHOC 102 HZ EVI 12-10-88-11		
File Status:	ACTIVE	Status Date:	SEP 02, 2015
Well Status:	PRODUCING	Well Status Date:	SEP 02, 2015
Well Type:	OIL WELL	Penalty Flag:	No
Admin Company:	VIRGINIA HILLS OIL CORP	Confidentiality Flag:	No
Division:	GREATER RED EARTH		
Area:	EVI - EVI (AB)		
District:	NOT APPLICABLE	Spud Date:	AUG 07, 2015
Govt. Status:		Rig Release Date:	AUG 29, 2015
Lessor Type:	CROWN	Completion Date:	
Well Licensee:	VIRGINIA HILLS	On Prod Date:	SEP 23, 2015
ShutIn Reason:		Payout Date:	
Injection Date:		ShutIn Date:	
Directionally Drilled:	YES	Abandoned Date:	
Governing Agmt:	C0112	Last Prod Date:	
Govern Agmt Oper:	VIRGINIA HILLS		

Licence/Well Data

Contract Operator:	VIRGINIA HILLS	Lahee Class:	
Reserve:		Licence Number:	0476329
Facility:		Licence Date:	JUL 24, 2015
Field:		Expiry Date:	JUL 24, 2016
Pool:		Acct Project:	
Gov't Unit Code:			
Unit Of Measure:	Metres	Meters:	0.0 M South
Surface Location:	12-11-088-11-W5M	Bounds:	0.0 M East
Ground Elevation:	595.8 M	Drill Spacing Unit:	0.0 Hectares
Projected Depth:	3,090.0 M	Kelly Bushing Elev:	0.0 M
Total Depth:	0.0 M	True Vert Depth:	0.0 M
Total Depth Zone:		Plug Back Depth:	0.0 M
Producing Zone:	SLAVE_POINT		
Target Zone:	SLAVE_POINT		

DOI

Owner: Contract: C0112 A
WI - WORKING INTEREST
Effective Date: Oct 06, 2015 DOI Id: 4004

Occ	Partner	Short Name	Penalty	Percent	Partner Type	Trustee Name
1	000001	VIRGINIA HILLS		70.00000000		
2	000139	DOLOMITE ENERGY		30.00000000		
Comment:				100.00000000		

Related Mineral / Royalty

VIRGINIA HILLS OIL CORP.
WELL ABSTRACT

UWI: 102/12-10-088-11-W5/02
Well Number: 000413

Mineral File No	File Status	Lease Type	Min Interest	Alloc Type 1	Alloc Pcnt 1	Alloc Type 2	Alloc Pcnt 2
Relationship:							
M0505 B	ACTIVE	PNG	100.00000000		0.00000000		0.00000000
Comments:							
Royalty Type:	LOR	Royalty ID:	740	Linked to Contract:			
Product:	ALL	Convertible:	NO	Sliding Scale: YES			
Royalty Percent:	0.00000000	100.00000000 % of Prod/Sales: PROD					
Deduction:	STANDARD	Prod/Sales					
Gas: Royalty:	0.00000000	Min Pay:					
S/S Oil: Min:	0.00000000	Max:	0.00000000	Div:			
Other: Percent:		Min:					
Paidto: Linked to Lease:	LESSOR	Paidby: Linked to Current: WI					
000004	AB ENERGY	100.00000000	000001	VIRGINIA HILLS	70.00000000		
		100.00000000	000139	DOLOMITE ENERGY	30.00000000		
					100.00000000		

Remarks

Related Contracts

Contract File No	File Status	Contract Type	Contract Date	Effective Date
C0112	A	ACTIVE	FARMIN	Apr 27, 2015

Related:

Comments:

Related Mineral

Mineral File No	File Status	Lease Type	Lessor Type	Lease Number	Mineral Interest
M0505	B	ACTIVE	PNG	CR	0511050399
Lease Date: May 19, 2011					Effective Date: May 19, 2011
Relationship:					Substance Allocation
Comments:					Alloc Type: Alloc Pcnt:
					1. 0.00000000
					2. 0.00000000
Total Allocation Percentage:					ALL OIL GAS
					0.00000000 0.00000000 0.00000000

Related Surface

Surface File No	File Status	Document Type	Lessor Type	Lease No	Document Date	Effective Date
S0545	ACTIVE	STMSL	CR	MSL 112015	Sep 14, 2011	Sep 14, 2011
Related:			Comments:			
S0546	ACTIVE	STLO	CR	LOC 111832	Sep 14, 2011	Sep 14, 2011
Related:			Comments:			

Related Road Use

Related Easement

Related AMI/AOE

Related Units

Related Tracts

Obligations

Related Service

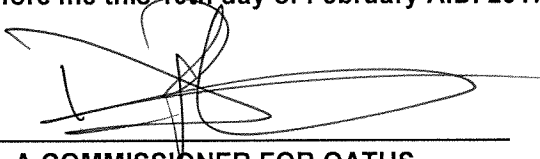
Related Facility

THIS IS EXHIBIT "F"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, appearing to read 'Derek Pontin', is written over a horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

<

Search ID#: Z08801372

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

29 10015 103 AVENUE
EDMONTON, AB T5J 0H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z08801372

Date of Search: 2017-Feb-08

Time of Search: 16:03:24

Business Debtor Search For:

DOLOMITE ENERGY INC

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Search ID#: Z08801372

Business Debtor Search For:

DOLOMITE ENERGY INC

Search ID #: Z08801372

Date of Search: 2017-Feb-08

Time of Search: 16:03:24

Registration Number: 11051703454

Registration Type: SECURITY AGREEMENT

Registration Date: 2011-May-17

Registration Status: Current

Expiry Date: 2026-May-17 23:59:59

Exact Match on: Debtor

No: 4

Amendments to Registration

11051729644	Amendment	2011-May-17
12082413074	Amendment	2012-Aug-24
13100230088	Amendment	2013-Oct-02
15041723107	Amendment	2015-Apr-17
15092906714	Renewal	2015-Sep-29
16060926525	Amendment	2016-Jun-09

Debtor(s)

Block

Status

1	DOLOMITE ENERGY INC. 850, 101 6 AVENUE SW CALGARY, AB T2P 3P4	Deleted by 12082413074
---	---	---------------------------

Block

Status

2	DOLOMITE ENERGY INC. 400 606 4TH STREET SW CALGARY, AB T2P 1T1	Deleted by 13100230088
---	--	---------------------------

Block

Status

3	DOLOMITE ENERGY INC. 950 640 8TH AVENUE SW CALGARY, AB T2P 1G7	Deleted by 15041723107
---	--	---------------------------

Block

Status

Search ID#: Z08801372

4 DOLOMITE ENERGY INC.
500, 255 - 5TH AVENUE SW
CALGARY, AB T2P 3G6

Current by
15041723107

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES-TRANSIT# 04509
MAIN STEPHEN AVE, 3RD FL 239 8 AVENUE SW
CALGARY, AB T2P 1B9

Deleted by
11051729644

Phone #: 403 974 6653 Fax #: 403 974 5191

Block

Status

2 ALBERTA TREASURY BRANCHES-TRANSIT
600, 444 - 7TH AVENUE SW
CALGARY, AB T2P0X8

Deleted by
16060926525

Block

Status

3 ALBERTA TREASURY BRANCHES
SUITE 600, 585 - 8TH AVENUE SW
CALGARY, AB T2P1G1

Current by
16060926525

Collateral: General

Block

Description

Status

1 All present and after-acquired personal property of the Debtor.

Current

2 PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY
DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ORIGINAL
COLLATERAL OR PROCEEDS THEREOF

Current By
12082413074

Search ID#: Z08801372

Business Debtor Search For:

DOLOMITE ENERGY INC

Search ID #: Z08801372

Date of Search: 2017-Feb-08

Time of Search: 16:03:24

Registration Number: 11051703505

Registration Type: LAND CHARGE

Registration Date: 2011-May-17

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 4

Amendments to Registration

11051729609	Amendment	2011-May-17
12082413125	Amendment	2012-Aug-24
13100230138	Amendment	2013-Oct-02
15041723129	Amendment	2015-Apr-17
16060926630	Amendment	2016-Jun-09

Debtor(s)

Block

1 DOLOMITE ENERGY INC.
850, 101 - 6 AVENUE SW
CALGARY, AB T2P 3P4

Status

Deleted by
12082413125

Block

2 DOLOMITE ENERGY INC.
400 606 4TH STREET SW
CALGARY, AB T2P 1T1

Status

Deleted by
13100230138

Block

3 DOLOMITE ENERGY INC.
950 640 8TH AVENUE SW
CALGARY, AB T2P 1G7

Status

Deleted by
15041723129

Block

4

Status

Current by
15041723129

Search ID#: Z08801372

DOLOMITE ENERGY INC.
500, 255 - 5TH AVENUE SW
CALGARY, AB T2P 3G6

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES-TRANSIT# 04509
MAIN STEPHEN AVE, 3RD FL 239 8 AVENUE SW
CALGARY, AB T2P 1B9

Phone #: 403 974 6653 Fax #: 403 974 5191

Deleted by
11051729609

Block

Status

2 ALBERTA TREASURY BRANCHES
600, 444 - 7TH AVENUE SW
CALGARY, AB T2P0X8

Deleted by
16060926630

Block

Status

3 ALBERTA TREASURY BRANCHES
SUITE 600, 585 - 8TH AVENUE SW
CALGARY, AB T2P1G1

Current by
16060926630

Search ID#: Z08801372

Business Debtor Search For:

DOLOMITE ENERGY INC

Search ID #: Z08801372

Date of Search: 2017-Feb-08

Time of Search: 16:03:24

Registration Number: 16112337409	Registration Type: LAND CHARGE
Registration Date: 2016-Nov-23	Registration Status: Current
	Registration Term: Infinity

Exact Match on: Debtor	No: 1
------------------------	-------

Debtor(s)

<u>Block</u>		<u>Status</u>
1	DOLOMITE ENERGY INC. 2400, 525 - 8TH AVENUE SW CALGARY, AB T2P 1G1	Current

Secured Party / Parties

<u>Block</u>		<u>Status</u>
1	PRAIRIE PROVIDENT RESOURCES INC. 1100, 640 - 5TH AVENUE SW CALGARY, AB T2P 3G4	Current

Search ID#: Z08801372

Business Debtor Search For:

DOLOMITE ENERGY INC

Search ID #: Z08801372

Date of Search: 2017-Feb-08

Time of Search: 16:03:24

=====

Registration Number: 16112337934

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Nov-23

Registration Status: Current

Expiry Date: 2019-Nov-23 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 DOLOMITE ENERGY INC.
2400, 525 - 8TH AVENUE SW
CALGARY, AB T2P 1G1

Current

Secured Party / Parties

Block

Status

1 PRAIRIE PROVIDENT RESOURCES INC.
1100, 640 - 5TH AVENUE SW
CALGARY, AB T2P 3G4

Current

Collateral: General

Block

Description

Status

1 All right, title and interest in the debtor to the lands located at Sections 4, 19, 14, 15
22-088-11 W5M, the wells and equipment thereon, the petroleum substances
produced therefor, and any other tangible and intangible property related thereto.

Current

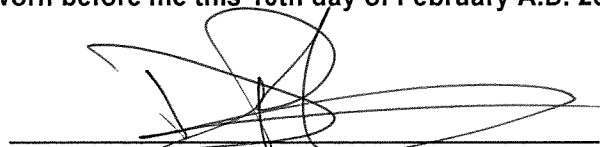
Result Complete

THIS IS EXHIBIT "G"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

**Alberta Mineral Information
Agreement Report By Client ID**

Created On: 2017/02/08 4:40:08 PM
External Search
Request No.: R3592011
AMI100012

Parameters

Des Rep:	True
Client Id:	8079472 DOLOMITE ENERGY INC.
Agreement Status:	Active, Cancelled, Under Review
Designated Representative For Agreements:	Yes
Report Type:	Detail

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Client ID: 8079472 Client Name: DOLOMITE ENERGY INC.

Agreement Type	Agreement Number	Status	Term Date	Cancellation Type	Cancel/Expiry Date	Rental paid to date	Current Area (HA)	Client ID	Client Partcptn	Client Hectares
5 YR PLAINS PNG LEASE (004)	0404040019	CANCELLED	2004/04/08	WELL ADDRESSED	2009/04/08	2009/04/08	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0404040020	ACTIVE	2004/04/08		INDEFINITE	2017/04/08	64.0000	8079472	100.00000000	64.0000
5 YR PLAINS PNG LEASE (004)	0404040021	CANCELLED	2004/04/08	EXPIRY	2009/04/08	2009/04/08	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0404040022	CANCELLED	2004/04/08	EXPIRY	2009/04/08	2009/04/08	64.0000	8079472	100.00000000	64.0000
5 YR PLAINS PNG LEASE (004)	0404040786	CANCELLED	2004/04/22	EXPIRY	2009/04/22	2009/04/22	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0404040787	CANCELLED	2004/04/22	EXPIRY	2009/04/22	2009/04/22	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0404050016	CANCELLED	2004/05/06	WELL ADDRESSED	2009/05/06	2009/05/06	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0404080012	CANCELLED	2004/08/05	EXPIRY	2009/08/05	2009/08/05	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0404090696	CANCELLED	2004/09/30	EXPIRY	2009/09/30	2009/09/30	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0412030148	ACTIVE	2012/03/08		2017/03/08	2017/03/08	256.0000	8079472	100.00000000	256.0000
5 YR PLAINS PNG LEASE (004)	0415070012	ACTIVE	2015/07/09		2020/07/09	2017/07/09	64.0000	8079472	100.00000000	64.0000
5 YR NORTHERN PNG LEASE (005)	0504010657	CANCELLED	2004/01/22	EXPIRY	2009/01/22	2009/01/22	256.0000	8079472	100.00000000	256.0000
5 YR NORTHERN PNG LEASE (005)	0504010660	CANCELLED	2004/01/22	EXPIRY	2009/01/22	2009/01/22	256.0000	8079472	100.00000000	256.0000
5 YR NORTHERN PNG LEASE (005)	0504010661	CANCELLED	2004/01/22	EXPIRY	2009/01/22	2009/01/22	256.0000	8079472	100.00000000	256.0000
5 YR NORTHERN PNG LEASE (005)	0505030933	CANCELLED	2005/03/24	EXPIRY	2010/03/24	2010/03/24	64.0000	8079472	50.00000000	32.0000
5 YR NORTHERN PNG LEASE (005)	0505070339	CANCELLED	2005/07/14	EXPIRY	2010/07/14	2010/07/14	64.0000	8079472	50.00000000	32.0000
5 YR NORTHERN PNG LEASE (005)	0505070342	CANCELLED	2005/07/14	EXPIRY	2010/07/14	2010/07/14	64.0000	8079472	50.00000000	32.0000
5 YR NORTHERN PNG LEASE (005)	0505110234	CANCELLED	2005/11/03	EXPIRY	2010/11/03	2010/11/03	192.0000	8079472	80.00000000	153.6000
5 YR NORTHERN PNG LEASE (005)	0505110236	CANCELLED	2005/11/03	EXPIRY	2010/11/03	2010/11/03	192.0000	8079472	80.00000000	153.6000
5 YR NORTHERN PNG LEASE (005)	0506020315	CANCELLED	2006/02/09	EXPIRY	2012/02/09	2011/02/09	192.0000	8079472	100.00000000	192.0000
5 YR NORTHERN PNG LEASE (005)	0506040287	ACTIVE	2006/04/06		INDEFINITE	2017/04/06	256.0000	8079472	100.00000000	256.0000

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type	Agreement Number	Status	Term Date	Cancellation Type	Cancel/Expiry Date	Rental paid to date	Current Area (HA)	Client ID	Client Partcptn	Client Hectares
5 YR NORTHERN PNG LEASE (005)	0506090681	ACTIVE	2006/09/21		INDEFINITE	2017/09/21	64.0000	8079472	100.00000000	64.0000
5 YR NORTHERN PNG LEASE (005)	0506090682	ACTIVE	2006/09/21		INDEFINITE	2017/09/21	64.0000	8079472	100.00000000	64.0000
5 YR NORTHERN PNG LEASE (005)	0506090683	ACTIVE	2006/09/21		INDEFINITE	2017/09/21	64.0000	8079472	100.00000000	64.0000
5 YR NORTHERN PNG LEASE (005)	0506090684	ACTIVE	2006/09/21		INDEFINITE	2017/09/21	64.0000	8079472	100.00000000	64.0000
5 YR NORTHERN PNG LEASE (005)	0506090685	ACTIVE	2006/09/21		INDEFINITE	2017/09/21	64.0000	8079472	100.00000000	64.0000
5 YR NORTHERN PNG LEASE (005)	0511060781	ACTIVE	2011/06/30		INDEFINITE	2017/06/30	384.0000	8079472	100.00000000	384.0000
5 YR NORTHERN PNG LEASE (005)	0511080129	CANCELLED	2011/08/11	EXPIRY	2016/08/11		768.0000	8079472	100.00000000	768.0000
5 YR NORTHERN PNG LEASE (005)	0511090160	CANCELLED	2011/09/08	EXPIRY	2016/09/08		256.0000	8079472	100.00000000	256.0000
5 YR NORTHERN PNG LEASE (005)	0512080381	ACTIVE	2012/08/23		2017/08/23	2017/08/23	192.0000	8079472	100.00000000	192.0000
Total Number of Agreements: 30							Totals:	5,952.0000		5,779.2000

Total Number of Agreements: 30

Total Number of Clients: 1

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Report Detail

Agreement Type/Number: 004 0404040019 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/07/09
Term Date:	2004/04/08	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/04/08	Current Expiry Date:	2009/04/08
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	2	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/07/09

Cancellation / Default Notice Info

Type: WELL ADDRESSED

Cancellation Date: 2009/04/08

Designated Representative

Client Name/Address
DOLOMITE ENERGY INC.
202 6 AVE SW SUITE 1500
CALGARY AB T2P 2R9

Corporate Status
ACTIVE

Client ID
8079472

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040019 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2005/07/21 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
Total Interest: 100.0000000			

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/04/08
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$896.00

Land/Rights Description

Land Description: 2
4-04-011:
PETROLEUM AND NATURAL GAS

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 16 02 011 04W4 00	LOCATED ON AGREEMENT (0)	GAS SUSPENDED	
100 16 02 011 04W4 02	LOCATED ON AGREEMENT (0)	DRILLING & CASED	
Total: 2			

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040019 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Origin Data

Creation Date:	2004/04/08	Original Expiry Date:	2009/04/08
Sale Or O/C Date:	2004/04/07	Original Area:	256.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$42,949.12
Security Deposit:			
Order in Council:			
Issuance Fee:	\$500.00		

Disclaimer

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040020 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2004/04/08
Term Date:	2004/04/08	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/04/08	Current Expiry Date:	INDEFINITE
Continuation Date:	2009/04/08		
Original Area(Ha):	256.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	1	Encumbrance Count:	1
Offset Compensation:	No	Last Update Date:	2010/04/16

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2005/07/21 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040020 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/04/08
Default Notice Issued: \$224.00
Current Rental Amount: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description:
4-04-011:
11SW
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE MEDICINE HAT SD
AS DESIGNATED IN DRRZD 00012
KEY WELL: 00/06-30-014-04W4/00
INTERVAL: 1,312.00 - 1,582.00 Feet
LOG TYPE: INDUCTION GAMMA RAY
Continued To: INDEFINITE Section of Act/Regulation: 15

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 06 11 011 04W4 00	LOCATED ON AGREEMENT (0)	GAS FLOWING	
Total: 1			

Alberta Mineral Information Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040020 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2009/04/08	PRIMARY CONTINUATION		192.0000				
Total: 1							

Origin Data

Creation Date: 2004/04/08
Sale Or O/C Date: 2004/04/07
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$500.00

Original Expiry Date: 2009/04/08
Original Area: 256.0000
Payment Amount: \$37,829.12

Encumbrance Data

Encumbrance ID	Encumbrance Type	Status	Registration Date	Partial Discharge Type
1501300	SECURITY NOTICE	ACTIVE	2015/04/16	
Total Number of Records: 1				

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040020 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Encumbrance Details

Registration Type/Number: SN 1501300 SECURITY NOTICE

Interest Of

DOE Client ID	Name
8079472	DOLOMITE ENERGY INC.

Secured Party

DOE Client ID	Name
8014904	ALBERTA TREASURY BRANCHES

Address For Service

DOE Client ID	Name
8014904	ALBERTA TREASURY BRANCHES 444 7 AVE SW SUITE 600 CALGARY AB T2P 0X8

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040020 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040021 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/06/26
Term Date:	2004/04/08	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/04/08	Current Expiry Date:	2009/04/08
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/06/26

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2009/04/08

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AM1100012

Agreement Type/Number: 004 0404040021 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2005/07/21 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/04/08
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$896.00

Land/Rights Description

Land Description: 12
4-04-011:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/04/08
Sale Or O/C Date: 2004/04/07
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$500.00
Original Expiry Date: 2009/04/08
Original Area: 256.0000
Payment Amount: \$7,109.12

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040021 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040022 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/06/26
Term Date:	2004/04/08	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/04/08	Current Expiry Date:	2009/04/08
Continuation Date:			
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/06/26

Cancellation / Default Notice Info

Cancellation Date: 2009/04/08

Type: EXPIRY

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040022 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2005/07/21 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2009/04/08
Default Notice Issued: Monthly Invoice: Yes

Land/Rights Description

Land Description: 13SE
4-04-011:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/04/08
Sale Or O/C Date: 2004/04/07
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$500.00
Original Expiry Date: 2009/04/08
Original Area: 64.0000
Payment Amount: \$1,777.28

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040022 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040786 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/08/07
Term Date:	2004/04/22	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/04/22	Current Expiry Date:	2009/04/22
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/08/07

Cancellation / Default Notice Info

Cancellation Date: 2009/04/22

Type: EXPIRY

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040786 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2005/07/21 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.00000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/04/22
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$896.00

Land/Rights Description

Land Description: 18
4-03-011:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/04/22
Sale Or O/C Date: 2004/04/21
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit: \$500.00
Order in Council:
Issuance Fee:
Original Expiry Date: 2009/04/22
Original Area: 256.0000
Payment Amount: \$17,349.12

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040786 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040787 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/08/07
Term Date:	2004/04/22	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/04/22	Current Expiry Date:	2009/04/22
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/08/07

Cancellation / Default Notice Info

Cancellation Date: 2009/04/22

Type: EXPIRY

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040787 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2005/07/21 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
Total Interest: 100.0000000			

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/04/22
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$896.00

Land/Rights Description

Land Description: 30
4-03-011:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/04/22
Sale Or O/C Date: 2004/04/21
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$500.00
Original Expiry Date: 2009/04/22
Original Area: 256.0000
Payment Amount: \$60,869.12

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404040787 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404050016 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/08/31
Term Date:	2004/05/06	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/05/06	Current Expiry Date:	2009/05/06
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	1	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/11/16

Cancellation / Default Notice Info

Type: WELL ADDRESSED

Cancellation Date: 2009/05/06

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 04040500016 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2005/07/21 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
Total Interest:			100.00000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/05/06
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$896.00

Land/Rights Description

Land Description: 10
4-01-012:
PETROLEUM AND NATURAL GAS

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 14 10 012 01W4 00	LOCATED ON AGREEMENT (0)	GAS ABANDONED	
Total:			1

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 04040500016 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Origin Data

Creation Date:	2004/05/06	Original Expiry Date:	2009/05/06
Sale Or O/C Date:	2004/05/05	Original Area:	256.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$78,789.12
Security Deposit:			
Order in Council:			
Issuance Fee:	\$500.00		

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404080012 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/11/17
Term Date:	2004/08/05	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/08/05	Current Expiry Date:	2009/08/05
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/11/17

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2009/08/05

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404080012 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2005/07/21 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/08/05
Default Notice Issued: Yes
Current Rental Amount: \$896.00
Monthly Invoice: Yes

Land/Rights Description

Land Description:
4-03-011: 32
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE SECOND WHITE SPECKS
AS DESIGNATED IN DRRZD 00013
KEY WELL: 00/10-17-014-09W4/00
INTERVAL: 1,820.00 - 2,030.00 Feet
LOG TYPE: INDUCTION ELECTRIC

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404080012 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Origin Data

Creation Date:	2004/08/05	Original Expiry Date:	2009/08/05
Sale Or O/C Date:	2004/08/04	Original Area:	256.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$35,269.12
Security Deposit:			
Order in Council:			
Issuance Fee:	\$500.00		

Disclaimer

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404090696 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/10/29
Term Date:	2004/09/30	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/09/30	Current Expiry Date:	2009/09/30
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/10/29

Cancellation / Default Notice Info

Cancellation Date: 2009/09/30

Type: EXPIRY

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404090696 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2005/07/21 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Rental Information

Required Rental Amount: \$896.00 Current Rental Amount: \$896.00
Rental Paid To Date: 2009/09/30 Monthly Invoice: Yes
Default Notice Issued:

Land/Rights Description

Land Description: 24
4-01-011:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/09/30 Original Expiry Date: 2009/09/30
Sale Or O/C Date: 2004/09/29 Original Area: 256.0000
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE Payment Amount: \$14,789.12
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$625.00

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0404090696 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0412030148 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/03/08
Term Date:	2012/03/08	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2017/03/08	Current Expiry Date:	2017/03/08
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	3	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/07/20

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/07/18 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0412030148 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2017/03/08
Default Notice Issued: Current Rental Amount: \$896.00
Monthly Invoice: Yes

Land/Rights Description

Land Description: 29
4-16-052:
PETROLEUM AND NATURAL GAS

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 03 29 052 16W4 00	LOCATED ON AGREEMENT (0)	DRILLING & CASED	
100 11 29 052 16W4 00	LOCATED ON AGREEMENT (0)	GAS SUSPENDED	
100 15 29 052 16W4 00	LOCATED ON AGREEMENT (0)	GAS SUSPENDED	
Total: 3			

Origin Data

Creation Date: 2012/01/10
Sale Or O/C Date: 2012/03/07
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
Security Deposit: SALE - BONUS
Order in Council: \$625.00
Issuance Fee: 2017/03/08
Original Expiry Date: 256.0000
Original Area: \$6,586.88
Payment Amount:

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0412030148 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0415070012 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2015/07/09
Term Date:	2015/07/09	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2020/07/09	Current Expiry Date:	2020/07/09
Continuation Date:			
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	2	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2015/09/25

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2015/09/23 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0415070012 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/07/09
Default Notice Issued: \$224.00
Current Rental Amount: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description: 2NE
PETROLEUM AND NATURAL GAS

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 16 02 011 04W4 00	LOCATED ON AGREEMENT (0)	GAS SUSPENDED	
100 16 02 011 04W4 02	LOCATED ON AGREEMENT (0)	DRILLING & CASED	
Total: 2			

Origin Data

Creation Date: 2015/05/12
Sale Or O/C Date: 2015/07/08
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
Security Deposit: SALE - BONUS
Order in Council: \$625.00
Issuance Fee: \$625.00
Original Expiry Date: 2020/07/09
Original Area: 64.0000
Payment Amount: \$640.00

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 004 0415070012 5 YEAR PLAINS PETROLEUM AND NATURAL GAS LEASE

Crown Mineral Activity

Crown Mineral Activity ID	Crown Mineral Activity Type	Crown Mineral Activity Status	Approval Date	Expiry Date
WLK 15090345	WLK	Rejected	2015/09/04	INDEFINITE
WLK 15100384	WLK	Active	2015/10/06	INDEFINITE
Total Number of Crown Mineral Activities: 2				

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010657 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/06/11
Term Date:	2004/01/22	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/01/22	Current Expiry Date:	2009/01/22
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/06/11

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2009/01/22

Designated Representative

Client Name/Address
DOLOMITE ENERGY INC.
202 6 AVE SW SUITE 1500
CALGARY AB T2P 2R9

Corporate Status
ACTIVE

Client ID
8079472

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010657 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2008/05/22 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/01/22
Default Notice Issued: Yes

Land/Rights Description

Land Description: 5
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/01/22
Sale Or O/C Date: 2004/01/21
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit: \$500.00
Order in Council:
Issuance Fee:

Original Expiry Date: 2009/01/22
Original Area: 256.0000
Payment Amount: \$3,013.12

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010657 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AM1100012

Agreement Type/Number: 005 0504010660 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/06/11
Term Date:	2004/01/22	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/01/22	Current Expiry Date:	2009/01/22
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	1	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/06/11

Cancellation / Default Notice Info

Cancellation Date: 2009/01/22

Type: EXPIRY

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010660 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2008/05/22 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/01/22
Default Notice Issued: Yes
Current Rental Amount: \$896.00
Monthly Invoice: Yes

Land/Rights Description

Land Description: 8
5-17-070:
PETROLEUM AND NATURAL GAS

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 04 08 070 17W5 00	LOCATED ON AGREEMENT (0)	ABANDONED	
			Total: 1

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010660 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Origin Data

Creation Date:	2004/01/22	Original Expiry Date:	2009/01/22
Sale Or O/C Date:	2004/01/21	Original Area:	256.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$3,013.12
Security Deposit:			
Order in Council:			
Issuance Fee:	\$500.00		

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AM1100012

Agreement Type/Number: 005 0504010661 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2009/06/11
Term Date:	2004/01/22	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2009/01/22	Current Expiry Date:	2009/01/22
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2009/06/11

Cancellation / Default Notice Info

Cancellation Date: 2009/01/22

Type: EXPIRY

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010661 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2008/05/22 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date: 2009/01/22
Default Notice Issued: Monthly Invoice: Yes

Land/Rights Description

Land Description: 18
5-17-070:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2004/01/22
Sale Or O/C Date: 2004/01/21
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
Security Deposit: SALE - BONUS
Order in Council: \$500.00
Issuance Fee: \$3,013.12

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0504010661 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505030933 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2010/04/13
Term Date:	2005/03/24	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2010/03/24	Current Expiry Date:	2010/03/24
Continuation Date:			
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2010/04/13

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2010/03/24

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505030933 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2007/01/08 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	50.0000000
8083334	DECKER PETROLEUM LTD.	STRUCK	50.0000000
Total Interest:			100.00000000

Rental Information

Required Rental Amount: \$224.00 Current Rental Amount: \$224.00
Rental Paid To Date: 2010/03/24
Default Notice Issued: Monthly Invoice: Yes

Land/Rights Description

Land Description: 11NE
5-11-076:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2005/03/24 Original Expiry Date: 2010/03/24
Sale Or O/C Date: 2005/03/23 Original Area: 64.0000
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE Payment Amount: \$753.28
Security Deposit:
Order in Council:
Issuance Fee: \$625.00

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505030933 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505070339 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2010/08/10
Term Date:	2005/07/14	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2010/07/14	Current Expiry Date:	2010/07/14
Continuation Date:			
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2010/08/10

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2010/07/14

Designated Representative

Client ID	Client Name/Address
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9

Corporate Status
ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505070339 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2006/12/18 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8030550	EAGLE HYDROCARBONS LTD.	ACTIVE	50.0000000
8079472	DOLOMITE ENERGY INC.	ACTIVE	50.0000000
Total Interest:			100.0000000

Rental Information

Required Rental Amount: \$224.00 Current Rental Amount: \$224.00
Rental Paid To Date: 2010/07/14
Default Notice Issued: Monthly Invoice: Yes

Land/Rights Description

Land Description: 2NE
5-18-070:
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2005/07/14 Original Expiry Date: 2010/07/14
Sale Or O/C Date: 2005/07/13 Original Area: 64.0000
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE Payment Amount: \$7,224.32
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$625.00

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505070339 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505070342 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2010/08/10
Term Date:	2005/07/14	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2010/07/14	Current Expiry Date:	2010/07/14
Continuation Date:			
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2010/08/10

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2010/07/14

Designated Representative

Client ID	Client Name/Address
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9

Corporate Status
ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505070342 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2008/05/21 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8030550	EAGLE HYDROCARBONS LTD.	ACTIVE	50.0000000
8079472	DOLOMITE ENERGY INC.	ACTIVE	50.0000000
Total Interest:			100.0000000

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2010/07/14
Default Notice Issued: Yes

Land/Rights Description

Land Description:
5-18-071:
1NE
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2005/07/14
Sale Or O/C Date: 2005/07/13
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$625.00
Original Expiry Date: 2010/07/14
Original Area: 64.0000
Payment Amount: \$7,224.32

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505070342 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505110234 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2010/12/10
Term Date:	2005/11/03	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2010/11/03	Current Expiry Date:	2010/11/03
Continuation Date:			
Original Area(Ha):	192.0000	Current Area(Ha):	192.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	No
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2010/12/10

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2010/11/03

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505110234 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2008/05/21 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8030550	EAGLE HYDROCARBONS LTD.	ACTIVE	20,000,000
8079472	DOLOMITE ENERGY INC.	ACTIVE	80,000,000
Total Interest:			100,000,000

Rental Information

Required Rental Amount: \$672.00 Current Rental Amount: \$672.00
Rental Paid To Date: 2010/11/03 Monthly Invoice: Yes
Default Notice Issued:

Land/Rights Description

Land Description: 2S,NW
PETROLEUM AND NATURAL GAS

Origin Data

Creation Date: 2005/11/03 Original Expiry Date: 2010/11/03
Sale Or O/C Date: 2005/11/02 Original Area: 192.0000
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE Payment Amount: \$26,346.24
Security Deposit:
Order in Council:
Issuance Fee: \$625.00

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505110234 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505110236 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2010/12/10
Term Date:	2005/11/03	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2010/11/03	Current Expiry Date:	2010/11/03
Continuation Date:	192.0000	Current Area(Ha):	192.0000
Original Area(Ha):	No	Continuation Pending:	No
Transfer Pending:	PRIMARY	Oil Sands Area:	No
Vintage:	0	Security Deposit Amount:	\$0.00
Security Type:	No	Encumbrance Count:	0
Well Count:		Last Update Date:	2010/12/10
Offset Compensation:			

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2010/11/03

Designated Representative

Client ID	Client Name/Address
8079472	DOLomite ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9

Corporate Status
ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505110236 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2008/05/21 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8030550	EAGLE HYDROCARBONS LTD.	ACTIVE	20,000,000
8079472	DOLOMITE ENERGY INC.	ACTIVE	80,000,000
Total Interest:			100,000,000

Rental Information

Required Rental Amount: \$672.00
Rental Paid To Date: 2010/11/03
Default Notice Issued: Yes

Land Description:
5-17-071:

6N, SE

PETROLEUM AND NATURAL GAS

Land/Rights Description

Origin Data

Creation Date: 2005/11/03
Sale Or O/C Date: 2005/11/02
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
Security Deposit: SALE - BONUS
Order in Council: \$625.00
Issuance Fee:

Original Expiry Date: 2010/11/03
Original Area: 192.0000
Payment Amount: \$26,346.24

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0505110236 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2012/05/01
Term Date:	2006/02/09	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/02/09	Current Expiry Date:	2012/02/09
Continuation Date:	2011/02/09		
Original Area(Ha):	192.0000	Current Area(Ha):	192.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:	PNG CONT-ACCEPTANCE FEE	Security Deposit Amount:	\$4,800.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2012/05/01

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2012/02/09

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Participant(s)

Last Transfer Date: 2011/05/31 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Rental Information

Required Rental Amount: \$672.00
Rental Paid To Date: 2011/02/09
Default Notice Issued: Yes

Current Rental Amount: \$672.00

Monthly Invoice:

Land/Rights Description

Land Description:
5-09-088:
22S,NW
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE SLAVE POINT FM
AS DESIGNATED IN DRRZD 00018
KEY WELL: 00/02-17-088-08W5/00
INTERVAL: 4,196.00 - 4,336.00 Feet
LOG TYPE: GAMMA RAY-ACOUSTIC

Continued To: 2012/02/09 Section of Act/Regulation: 17

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE
CRG 0001 55	CARIBOU RANGE	CARIBOU RANGE	SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS	PUBLIC INFORMATION	1991/06/01	INDEFINITE

Addendum Number: ADM 0019 02

Addendum Detail

Name: PEACE RIVER OIL SANDS DESIGNATED AREA(S)
Access Level: SURFACE ACCESS IS NOT AFFECTED
Security Level: PUBLIC INFORMATION
Activity Type: PNG DRILLING
Effective Date: 1996/11/29
Expiry Date: INDEFINITE

Contact Client

Contact ID/Name: EN28 GRACE MATIAS
Phone No: (780) 422-9395
Client ID: 8000322
Client Address: ALBERTA DEPARTMENT OF ENERGY
9945 108 ST
EDMONTON AB T5K 2G6
Title: DIRECTOR
Status: NONREG

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Land/Rights Description

Land Description:

5-09-088: 22S,NW

NATURAL GAS

Addendum Text

Text ID:

ENR 0016 ENERGY

IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ALBERTA ENERGY AND UTILITIES BOARD (AEUB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE AEUB OR OTHERWISE, ON THE GROUND THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/ LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE AEUB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Addendum Number: CRG 0001 55

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name: CARIBOU RANGE
Access Level: SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS
Security Level: PUBLIC INFORMATION
Activity Type: ALL MINERAL ACTIVITIES
Effective Date: 1991/06/01 Expiry Date: INDEFINITE

Contact Client

Contact ID/Name: F057 THERESE YACYSHYN Title: OPERATIONS SECTION HEAD
Phone No: (780) 523-6524 Status:
Client ID: 8059654
Client Address: HIGH PRAIRIE OFFICE - LAND USE AREA -LANDS DIVISION DEPT. OF SUSTAINABLE RESOURCE DEV
PO BOX 149
HIGH PRAIRIE AB T0G 1E0

Land/Rights Description

Land Description: 22S,NW
5-09-088:
ALL MINERALS

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID: WLF 0016 FISH AND WILDLIFE SERVICES
IS/ARE WITHIN AN IMPORTANT CARIBOU RANGE.

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2011/02/09	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		192.0000				
Total: 1							

Origin Data

Creation Date:	2006/02/09	Original Expiry Date:	2011/02/09
Sale Or O/C Date:	2006/02/08	Original Area:	192.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$3,066.24
Security Deposit:	PNG CONT-ACCEPTANCE FEE		
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506020315 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506040287 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/04/30
Term Date:	2006/04/06	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/04/06	Current Expiry Date:	INDEFINITE
Continuation Date:	2011/04/06		
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	No
Security Type:	PNG CONT-ACCEPTANCE FEE	Security Deposit Amount:	\$6,400.00
Well Count:	1	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/08/15

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/08/11 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506040287 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount:	\$896.00	Current Rental Amount:	\$896.00
Rental Paid To Date:	2017/04/06	Monthly Invoice:	Yes
Default Notice Issued:			

Land/Rights Description

Land Description:
5-10-086:

34

PETROLEUM AND NATURAL GAS BELOW THE BASE OF THE WABAMUN GRP
AS DESIGNATED IN DRRZD 00277
KEY WELL: 00/03-10-063-26W5/00
INTERVAL: 10,452.00 - 11,198.00 Feet
LOG TYPE: BOREHOLE COMPENSATED SONIC

TO THE BASE OF THE SLAVE POINT FM
AS DESIGNATED IN DRRZD 00018
KEY WELL: 00/02-17-088-08W5/00
INTERVAL: 4,196.00 - 4,336.00 Feet
LOG TYPE: GAMMA RAY-ACOUSTIC

Continued To: INDEFINITE Section of Act/Regulation: 15

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506040287 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 16 34 086 10W5 00	LOCATED ON AGREEMENT (0)	CRUDE OIL SUSPENDED	
Total: 1			

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2011/04/06	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		256.0000				
Total: 1							

Origin Data

Creation Date:	2006/04/06	Original Expiry Date:	2011/04/06
Sale Or O/C Date:	2006/04/05	Original Area:	256.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$26,022.40
Security Deposit:	PNG CONT-ACCEPTANCE FEE		
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506040287 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

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End of Agreement

Alberta Mineral Information Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090681 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2013/03/27
Term Date:	2006/09/21	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/09/21	Current Expiry Date:	INDEFINITE
Continuation Date:	2011/09/21		
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:	PNG CONT-ACCEPTANCE FEE	Security Deposit Amount:	\$1,600.00
Well Count:	1	Encumbrance Count:	1
Offset Compensation:	No	Last Update Date:	2016/08/15

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/08/11 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090681 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/09/21
Default Notice Issued: Current Rental Amount: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description:
5-11-088: 4SE
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE SLAVE POINT FM
AS DESIGNATED IN DRRZD 00018
KEY WELL: 00/02-17-088-08W5/00
INTERVAL: 4,196.00 - 4,336.00 Feet
LOG TYPE: GAMMA RAY-ACOUSTIC

Continued To: INDEFINITE Section of Act/Regulation: 15

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090681 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	
Phone No:	(780) 422-9395	Title: DIRECTOR
Client ID:	8000322	Status: NONREG
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	

Land/Rights Description

Land Description:	4SE
5-11-088:	
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090681 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY

IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ALBERTA ENERGY AND UTILITIES BOARD (AEUB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE AEUB OR OTHERWISE, ON THE GROUND THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE AEUB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT. FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Well Events Data

Well Event ID	Well Event Status	Offset
100 01 04 088 11W5 00	CRUDE OIL PUMPING	
LOCATED ON AGREEMENT (0)		Total: 1

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2012/09/21	CONTINUATION-AMENDMENT (ZONES ONLY)		64.0000				
2011/09/21	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		64.0000				
Total: 2							

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090681 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Origin Data

Creation Date:	2006/09/21	Original Expiry Date:	2011/09/21
Sale Or O/C Date:	2006/09/20	Original Area:	64.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$22,570.24
Security Deposit:	PNG CONT-ACCEPTANCE FEE		
Order in Council:			
Issuance Fee:	\$625.00		

Encumbrance Data

Encumbrance ID	Encumbrance Type	Status	Registration Date	Partial Discharge Type
1501300	SECURITY NOTICE	ACTIVE	2015/04/16	
Total Number of Records: 1				

Encumbrance Details

Registration Type/Number: SN 1501300 SECURITY NOTICE

Interest Of

DOE Client ID	Name
8079472	DOLOMITE ENERGY INC.

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090681 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Secured Party

DOE Client ID	Name
8014904	ALBERTA TREASURY BRANCHES

Address For Service

DOE Client ID	Name
8014904	ALBERTA TREASURY BRANCHES 444 7 AVE SW SUITE 600 CALGARY AB T2P 0X8

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

Disclaimer

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End of Agreement

Alberta Mineral Information Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090682 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/01/13
Term Date:	2006/09/21	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/09/21	Current Expiry Date:	INDEFINITE
Continuation Date:	2011/09/21		
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/08/15

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/08/11 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090682 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/09/21
Default Notice Issued: Current Rental Amount: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description: 4SW
5-11-088:
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE GRANITE WASH
AS DESIGNATED IN DRRZD 00041
KEY WELL: 00/14-22-087-08W5/00
INTERVAL: 4,782.00 - 4,904.00 Feet
LOG TYPE: ACOUSTILOG

Continued To: INDEFINITE Section of Act/Regulation: 15

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090682 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name: PEACE RIVER OIL SANDS DESIGNATED AREA(S)
Access Level: SURFACE ACCESS IS NOT AFFECTED
Security Level: PUBLIC INFORMATION
Activity Type: PNG DRILLING
Effective Date: 1996/11/29
Expiry Date: INDEFINITE

Contact Client

Contact ID/Name: EN28 GRACE MATIAS
Phone No: (780) 422-9395
Client ID: 8000322
Client Address: ALBERTA DEPARTMENT OF ENERGY
9945 108 ST
EDMONTON AB T5K 2G6
Title: DIRECTOR
Status: NONREG

Land/Rights Description

Land Description:
5-11-088: 4SW
NATURAL GAS

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090682 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY

IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ALBERTA ENERGY AND UTILITIES BOARD (AEUB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE AEUB OR OTHERWISE, ON THE GROUND THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE AEUB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2011/09/21	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		64.0000				
Total: 1							

Origin Data

Creation Date:	2006/09/21	Original Expiry Date:	2011/09/21
Sale Or O/C Date:	2006/09/20	Original Area:	64.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$22,570.24
Security Deposit:			
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090682 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090683 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/01/13
Term Date:	2006/09/21	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/09/21	Current Expiry Date:	INDEFINITE
Continuation Date:	2011/09/21		
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/08/15

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/08/11 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090683 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/09/21
Default Notice Issued: Current Rental Amount: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description: 4NE
5-11-088:
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE GRANITE WASH
AS DESIGNATED IN DRRZD 00041
KEY WELL: 00/14-22-087-08W5/00
INTERVAL: 4,782.00 - 4,904.00 Feet
LOG TYPE: ACOUSTILOG

Continued To: INDEFINITE Section of Act/Regulation: 15

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090683 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	Expiry Date: INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	
Phone No:	(780) 422-9395	Title: DIRECTOR
Client ID:	8000322	Status: NONREG
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	

Land/Rights Description

Land Description:	4NE
5-11-088:	
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090683 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY

IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ALBERTA ENERGY AND UTILITIES BOARD (AEUB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE AEUB OR OTHERWISE, ON THE GROUND THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE AEUB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT. FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2011/09/21	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		64.0000				
Total: 1							

Origin Data

Creation Date:	2006/09/21	Original Expiry Date:	2011/09/21
Sale Or O/C Date:	2006/09/20	Original Area:	64.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$22,570.24
Security Deposit:			
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090683 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090684 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/03/09
Term Date:	2006/09/21	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/09/21	Current Expiry Date:	INDEFINITE
Continuation Date:	2011/09/21		
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/08/15

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/08/11 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090684 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/09/21
Default Notice Issued: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description: 9SE
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE GRANITE WASH
AS DESIGNATED IN DRRZD 00041
KEY WELL: 00/14-22-087-08W5/00
INTERVAL: 4,782.00 - 4,904.00 Feet
LOG TYPE: ACOUSTILOG

Continued To: INDEFINITE Section of Act/Regulation: 15

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090684 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	Expiry Date: INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	Title: DIRECTOR
Phone No:	(780) 422-9395	Status: NONREG
Client ID:	8000322	
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	

Land/Rights Description

Land Description:	9SE
5-11-088:	
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Agreement Type/Number: 005 0506090684 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY

IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ALBERTA ENERGY AND UTILITIES BOARD (AEUB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE AEUB OR OTHERWISE, ON THE GROUND THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE AEUB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT. FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2011/09/21	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		64.0000				
Total: 1							

Origin Data

Creation Date:	2006/09/21	Original Expiry Date:	2011/09/21
Sale Or O/C Date:	2006/09/20	Original Area:	64.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$22,570.24
Security Deposit:			
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090684 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090685 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/01/13
Term Date:	2006/09/21	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2011/09/21	Current Expiry Date:	INDEFINITE
Continuation Date:	2011/09/21		
Original Area(Ha):	64.0000	Current Area(Ha):	64.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/08/15

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/08/11 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 05060900685 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$224.00
Rental Paid To Date: 2017/09/21
Default Notice Issued: \$224.00
Monthly Invoice: Yes

Land/Rights Description

Land Description:
5-11-088:
9NE
PETROLEUM AND NATURAL GAS
TO THE BASE OF THE GRANITE WASH
AS DESIGNATED IN DRRZD 00041
KEY WELL: 00/14-22-087-08W5/00
INTERVAL: 4,782.00 - 4,904.00 Feet
LOG TYPE: ACOUSTILOG

Continued To: INDEFINITE Section of Act/Regulation: 15

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090685 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	Expiry Date: INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	Title: DIRECTOR
Phone No:	(780) 422-9395	Status: NONREG
Client ID:	8000322	
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	

Land/Rights Description

Land Description:	9NE
5-11-088:	
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090685 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY

IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ALBERTA ENERGY AND UTILITIES BOARD (AEUB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE AEUB OR OTHERWISE, ON THE GROUND THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE AEUB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT. FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2011/09/21	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		64.0000				
Total: 1							

Origin Data

Creation Date:	2006/09/21	Original Expiry Date:	2011/09/21
Sale Or O/C Date:	2006/09/20	Original Area:	64.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$22,570.24
Security Deposit:			
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0506090685 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

Disclaimer

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End of Agreement

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2016/07/11
Term Date:	2011/06/30	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2016/06/30	Current Expiry Date:	INDEFINITE
Continuation Date:	2016/06/30		
Original Area(Ha):	384.0000	Current Area(Ha):	384.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	CONTINUED TERM	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	1	Encumbrance Count:	2
Offset Compensation:	No	Last Update Date:	2016/07/20

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: 2016/07/18 Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$1,344.00
Rental Paid To Date: 2017/06/30
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$1,344.00

Land/Rights Description

Land Description: 15;22S
PETROLEUM AND NATURAL GAS IN THE SLAVE POINT FM
AS DESIGNATED IN DRRZD 00018
KEY WELL: 00/02-17-088-08W5/00
INTERVAL: 4,196.00 - 4,336.00 Feet
LOG TYPE: GAMMA RAY-ACOUSTIC

Continued To: INDEFINITE Section of Act/Regulation: 15

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name: PEACE RIVER OIL SANDS DESIGNATED AREA(S)
Access Level: SURFACE ACCESS IS NOT AFFECTED
Security Level: PUBLIC INFORMATION
Activity Type: PNG DRILLING
Effective Date: 1996/11/29
Expiry Date: INDEFINITE

Contact Client

Contact ID/Name: EN28 GRACE MATIAS
Phone No: (780) 422-9395
Client ID: 8000322
Client Address: ALBERTA DEPARTMENT OF ENERGY
9945 108 ST
EDMONTON AB T5K 2G6
Title: DIRECTOR
Status: NONREG

Land/Rights Description

Land Description:
5-11-088: 15, 22S
NATURAL GAS

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY
IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ENERGY RESOURCES
CONSERVATION BOARD (ERCB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE
PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN
RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S)
IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE ERCB OR
OTHERWISE, ON THE GROUNDS THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE
RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT
FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/
LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS
FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE ERCB OR OTHERWISE BE
PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF
ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN
RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY
OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS
FROM THE LANDS IN THIS AGREEMENT.
FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE
REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS
PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS,
PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Well Events Data

Well Event ID	Delimiter	Well Event Status	Offset
100 11 15 088 11W5 00	LOCATED ON AGREEMENT (0)	CRUDE OIL PUMPING	
Total: 1			

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Related Agreements / Amendments

Reason Date	Reason Description	Agreement ID	Area (HA)	Renewal Count	Status	Cancellation Date	Cancellation Reason
2016/06/30	PRIMARY CONTINUATION-AMENDMENT (ZONES ONLY)		384.0000				
Total: 1							

Origin Data

Creation Date: 2011/05/03
Sale Or O/C Date: 2011/06/29
Acquisition Origin: PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
Security Deposit:
Order in Council:
Issuance Fee: \$625.00
Original Expiry Date: 2016/06/30
Original Area: 384.0000
Payment Amount: \$5,828,221.44

Encumbrance Data

Encumbrance ID	Encumbrance Type	Status	Registration Date	Partial Discharge Type
1501300	SECURITY NOTICE	ACTIVE	2015/04/16	
1502129	BUILDERS LIEN	ACTIVE	2015/07/23	
Total Number of Records: 2				

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Encumbrance Details

Registration Type/Number: SN 1501300 SECURITY NOTICE

Interest Of

DOE Client ID	Name
8079472	DOLOMITE ENERGY INC.

Secured Party

DOE Client ID	Name
8014904	ALBERTA TREASURY BRANCHES

Address For Service

DOE Client ID	Name
8014904	ALBERTA TREASURY BRANCHES 444 7 AVE SW SUITE 600 CALGARY AB T2P 0X8

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Registration Type/Number: BL 1502129 BUILDERS LIEN

Land Key(s):

5-11-088: 15NW

Lienholder(s)

DOE Client ID	Name
1014472	735225 ALBERTA LTD. O/A RABBIT'S OILFIELD SERVICE

Address For Service

DOE Client ID	Name
1014469	LIDDELL LAW OFFICE 11808 ST ALBERT TRAIL NW SUITE 100 EDMONTON AB T5L 4G4

Encumbrance Amendments

Old Registration Number	New Registration Number	Amendment Date	Amendment Type	Partial Discharge Type
BL1502129	LP1503729	2015/12/16	LIS PENDENS	
				Total Line Items: 1

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511060781 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Land/Rights Description

Land Description:

Agreement Number:
5-11-088: 15NW

005 0511060781

PETROLEUM AND NATURAL GAS

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

Disclaimer

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511080129 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2016/11/10
Term Date:	2011/08/11	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2016/08/11	Current Expiry Date:	2016/08/11
Continuation Date:			
Original Area(Ha):	768.0000	Current Area(Ha):	768.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/11/10

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2016/08/11

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511080129 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2016/07/18 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
Total Interest: 100.00000000			

Rental Information

Required Rental Amount: \$2,688.00
Rental Paid To Date: Current Rental Amount: \$2,688.00
Default Notice Issued: Monthly Invoice: Yes

Land/Rights Description

Land Description: 24-26
5-11-090:
PETROLEUM AND NATURAL GAS

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511080129 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	Expiry Date:
		INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	
Phone No:	(780) 422-9395	Title:
Client ID:	8000322	Status:
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	DIRECTOR NONREG

Land/Rights Description

Land Description:	24-26
5-11-090:	
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511080129 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY
IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ENERGY RESOURCES CONSERVATION BOARD (ERCB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S) IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE ERCB OR OTHERWISE, ON THE GROUNDS THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE ERCB OR OTHERWISE BE PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS FROM THE LANDS IN THIS AGREEMENT.
FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS, PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Origin Data

Creation Date:	2011/06/14	Original Expiry Date:	2016/08/11
Sale Or O/C Date:	2011/08/10	Original Area:	768.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$80,471.04
Security Deposit:			
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511080129 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

Disclaimer

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End of Agreement

Alberta Mineral Information

Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511090160 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	CANCELLED	Status Effective Date:	2016/11/17
Term Date:	2011/09/08	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2016/09/08	Current Expiry Date:	2016/09/08
Continuation Date:			
Original Area(Ha):	256.0000	Current Area(Ha):	256.0000
Transfer Pending:	No	Continuation Pending:	No
Vintage:	PRIMARY	Oil Sands Area:	Yes
Security Type:		Security Deposit Amount:	\$0.00
Well Count:	0	Encumbrance Count:	0
Offset Compensation:	No	Last Update Date:	2016/11/17

Cancellation / Default Notice Info

Type: EXPIRY

Cancellation Date: 2016/09/08

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511090160 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Last Transfer Date: 2016/07/18 Transfer Pending: No

Current Participant(s)

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.00000000
			Total Interest: 100.00000000

Rental Information

Required Rental Amount: \$896.00
Rental Paid To Date:
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$896.00

Land/Rights Description

Land Description: 33
5-12-089:
PETROLEUM AND NATURAL GAS

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511090160 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	Expiry Date:
		INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	
Phone No:	(780) 422-9395	Title:
Client ID:	8000322	Status:
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	DIRECTOR NONREG

Land/Rights Description

Land Description:	
5-12-089:	33
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511090160 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID:

ENR 0016 ENERGY
IS/ARE WITHIN AN OIL SANDS AREA AS DESIGNATED BY THE ENERGY RESOURCES
CONSERVATION BOARD (ERCB). SOLUTION GAS IS EXPRESSLY EXCLUDED FROM THE
PETROLEUM AND NATURAL GAS RIGHTS GRANTED UNDER CROWN AGREEMENTS ISSUED IN
RESPECT OF OIL SANDS AREAS. MOREOVER, PRODUCTION OF GAS FROM THE LAND(S)
IN THIS AGREEMENT MAY BE DISALLOWED OR PRECLUDED BY ORDER OF THE ERCB OR
OTHERWISE, ON THE GROUNDS THAT SUCH PRODUCTION MAY DETRIMENTALLY AFFECT THE
RECOVERABILITY OF OIL SANDS FROM THOSE LANDS. BY ACCEPTING THIS AGREEMENT
FOR THE PETROLEUM AND NATURAL GAS RIGHTS IN THESE LANDS, THE LESSEE/
LICENSEE HEREBY ACKNOWLEDGES ALL OF THE ABOVE, AND THAT PRODUCTION OF GAS
FROM THE LANDS IN THIS AGREEMENT MAY BY ORDER OF THE ERCB OR OTHERWISE BE
PRECLUDED OR DISALLOWED, AND HEREBY WAIVES ANY RECOURSE, ACTION, CAUSE OF
ACTION OR CLAIM THAT THE LESSEE/LICENSEE MAY HAVE AGAINST THE CROWN IN
RIGHT OF ALBERTA AS A RESULT OF OR IN RELATION TO ITS INABILITY FOR ANY
OF THE ABOVE REASONS OR FOR ANY OTHER REASON WHATSOEVER TO PRODUCE GAS
FROM THE LANDS IN THIS AGREEMENT.
FOR THE DEFINITION OF SOLUTION GAS AND OTHER RELEVANT INFORMATION, PLEASE
REFER TO INFORMATION LETTER 99-38. FOR CURRENT POLICY ON NATURAL GAS
PRODUCTION IN THE OIL SANDS ZONES IDENTIFIED WITHIN OIL SANDS AREAS,
PLEASE REFER TO AEUB INTERIM DIRECTIVE 99-01.

Origin Data

Creation Date:	2011/07/12	Original Expiry Date:	2016/09/08
Sale Or O/C Date:	2011/09/07	Original Area:	256.0000
Acquisition Origin:	PETROLEUM AND NATURAL GAS LEASE SALE - BONUS	Payment Amount:	\$85,473.28
Security Deposit:			
Order in Council:			
Issuance Fee:	\$625.00		

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0511090160 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

Disclaimer

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End of Agreement

Alberta Mineral Information Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0512080381 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Current Status

Status:	ACTIVE	Status Effective Date:	2012/08/23
Term Date:	2012/08/23	Term:	5 Years 0 Months 0 Days
Original Expiry Date:	2017/08/23	Current Expiry Date:	2017/08/23
Continuation Date:	192.0000	Current Area(Ha):	192.0000
Original Area(Ha):	No	Continuation Pending:	No
Transfer Pending:	PRIMARY	Oil Sands Area:	Yes
Vintage:		Security Deposit Amount:	\$0.00
Security Type:	0	Encumbrance Count:	0
Well Count:	No	Last Update Date:	2012/08/23
Offset Compensation:			

Designated Representative

Client ID	Client Name/Address	Corporate Status
8079472	DOLOMITE ENERGY INC. 202 6 AVE SW SUITE 1500 CALGARY AB T2P 2R9	ACTIVE

Current Participant(s)

Last Transfer Date: Transfer Pending: No

Client ID	Client Name	Corporate Status	Interest
8079472	DOLOMITE ENERGY INC.	ACTIVE	100.0000000
			Total Interest: 100.0000000

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0512080381 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Rental Information

Required Rental Amount: \$672.00
Rental Paid To Date: 2017/08/23
Default Notice Issued: Monthly Invoice: Yes
Current Rental Amount: \$672.00

Land/Rights Description

Land Description: 22S,NW
5-09-088:
PETROLEUM AND NATURAL GAS

Addenda

Addendum ID	Type Description	Name	Access Level	Security Level	Effective Date	Expiry Date
ADM 0019 02	ADMINISTRATIVE RESERVATION	PEACE RIVER OIL SANDS DESIGNATED AREA #1	SURFACE ACCESS IS NOT AFFECTED	PUBLIC INFORMATION	1996/11/29	INDEFINITE
CRG 0004 01	CARIBOU RANGE	Caribou Range	SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS	PUBLIC INFORMATION	2010/12/03	INDEFINITE

Addendum Number: ADM 0019 02

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0512080381 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Detail

Name:	PEACE RIVER OIL SANDS DESIGNATED AREA(S)	
Access Level:	SURFACE ACCESS IS NOT AFFECTED	
Security Level:	PUBLIC INFORMATION	
Activity Type:	PNG DRILLING	
Effective Date:	1996/11/29	Expiry Date: INDEFINITE

Contact Client

Contact ID/Name:	EN28 GRACE MATIAS	
Phone No:	(780) 422-9395	Title: DIRECTOR
Client ID:	8000322	Status: NONREG
Client Address:	ALBERTA DEPARTMENT OF ENERGY 9945 108 ST EDMONTON AB T5K 2G6	

Land/Rights Description

Land Description:	22S,NW
5-09-088:	
NATURAL GAS	

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0512080381 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Addendum Text

Text ID: ENR 0016 ENERGY

Addendum Number: CRG 0004 01

Addendum Detail

Name: Caribou Range
Access Level: SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS
Security Level: PUBLIC INFORMATION
Activity Type: ALL MINERAL ACTIVITIES
Effective Date: 2010/12/03 INDEFINITE

Contact Client

Contact ID/Name: F057 THERESE YACYSHYN
Phone No: (780) 523-6524
Client ID: 8059654
Client Address: HIGH PRAIRIE OFFICE - LAND USE AREA -LANDS DIVISION DEPT. OF SUSTAINABLE RESOURCE DEV
PO BOX 149
HIGH PRAIRIE AB T0G 1E0
Title: OPERATIONS SECTION HEAD
Status:

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0512080381 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Land/Rights Description

Land Description:

5-09-088: 22S,NW

ALL MINERALS

Addendum Text

Text ID:

WLF 0016 FISH AND WILDLIFE SERVICES

Origin Data

Creation Date:
Sale Or O/C Date:
Acquisition Origin:
Security Deposit:
Order in Council:
Issuance Fee:

2012/06/26
2012/08/22
PETROLEUM AND NATURAL GAS LEASE
SALE - BONUS
\$625.00

2017/08/23
192.0000
\$5,331.84

Original Expiry Date:
Original Area:
Payment Amount:

Alberta Mineral Information
Agreement Report By Client ID

Created On: 2017/02/08 4:40:08 PM
Energy External Search
Request No.: R3592011
AMI100012

Agreement Type/Number: 005 0512080381 5 YEAR NORTHERN PETROLEUM AND NATURAL GAS LEASE

Oil Sands Area

OIL SANDS AREA 2A - PEACE RIVER AREA 2 - PETROLEUM IS DEEMED TO BE OIL SANDS BETWEEN THE TOP OF THE PEACE RIVER FORMATION AND THE BASE OF THE RUNDLE GROUP.

Disclaimer

THIS SEARCH IS PROVIDED ON THE CONDITION AND UNDERSTANDING THAT HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA IS IN NO WAY RESPONSIBLE FOR LOSS OR DAMAGE ARISING FROM ANY ERRORS OR OMISSIONS IN THIS SEARCH AND ANY PERSON MAKING USE OF RELYING IN ANY WAY ON THIS SEARCH HEREBY RELEASES HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA FROM ANY LIABILITY FOR SUCH LOSS OR DAMAGE.

End of Agreement

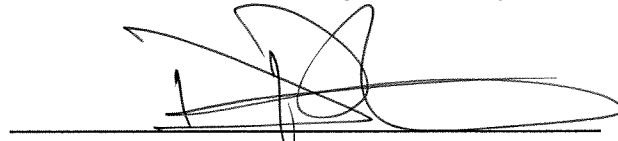
End Of Report

THIS IS EXHIBIT "H"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor



VIRGINIA HILLS OIL CORP. ANNOUNCES CREDIT FACILITY MATURITY

CALGARY, ALBERTA, January 31, 2017. Virginia Hills Oil Corp. ("**Virginia Hills**" or the "**Company**") (TSXV: VHO) announces that its syndicated credit facility (the "**Credit Facility**") has matured and remains unpaid as of January 31, 2017. The failure to repay the approximate \$95.6 million principal amount owing under the Credit Facility on January 31, 2017 constitutes an event of default under the Credit Facility and entitles the lenders to, among other things, enforce their security and appoint a receiver to manage the affairs of the Company. An event of default under the Credit Facility is also an event of default under the credit facility of Dolomite Energy Inc., the Company's wholly-owned subsidiary. Virginia Hills has previously disclosed certain financial and non-financial covenant breaches under the Credit Facility in its year end 2015 and interim 2016 financial statements. Although the lenders have not enacted any of the remedies in relation to the current event of default and past covenant breaches, they have reserved their available rights and remedies in respect thereof. The Company is currently in negotiations with the lenders of the Credit Facility for an extension to allow Virginia Hills to continue its strategic review process, however, there is no certainty as to whether an extension will be obtained from the lenders and if so, on what terms.

As previously announced on August 26, 2016, Virginia Hills initiated a process to review strategic alternatives with a view of maximizing the value of the Company's significant Slave Point light oil resource base. The Company does not have any further update at this time as it continues to evaluate different alternatives in light of its current financial position. Any strategy, if taken, is subject to material uncertainty and could have a material impact on the Company's financial position and results of operations. Virginia Hills does not intend to disclose developments with respect to this process unless and until the board of directors of the Company has approved a definitive transaction or other course of action or otherwise deems that disclosure of developments is appropriate or otherwise required by law. There are no guarantees that the process will result in a transaction or, if a transaction is entered into, as to its terms or timing.

About Virginia Hills

The Company is a Calgary based oil and gas company with operations in the Red Earth area of Alberta. Virginia Hills' shares are listed on the TSX Venture Exchange under the symbol "VHO".

Further Information

For more information, please contact:

Colin Witwer, President and Chief Executive Officer
Adeline Martin, Vice President, Finance and Chief Financial Officer

Telephone: (403) 817-2550

Forward-Looking Statement Advisory

Certain information set forth in this press release, including information and statements which may contain words such as "could", "plans", "should", "anticipates", "expects", "believes", "will" and similar expressions and statements relating to matters that are not historical facts, contain forward-looking statements, including but not limited to statements regarding: actions the lenders may take under the Credit Facility, whether an extension will be granted in respect of the Credit Facility and the results of the strategic alternatives process. These statements involve known or unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking statements. Undue reliance should not be placed on these forward looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

Management has included forward-looking information in this press release in order to provide security holders with a more complete perspective on the Company's future operations and such information may not be appropriate for other purposes. These forward-looking statements are based on certain assumptions and are subject to a number of risks including the risk that the Company's lenders demand repayment of all indebtedness owing under the Credit Facility or seek to realize on its security, no extension will be granted in respect of the Credit Facility and that the Company is unable to successfully complete its strategic alternatives process. Investors are cautioned that such information, although considered reasonable by the Company, may prove to be incorrect.

Virginia Hills' actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICE PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

THIS IS EXHIBIT "I"

Referred to in the Affidavit of

Richard Miller

Sworn before me this 10th day of February A.D. 2017

A handwritten signature in black ink, appearing to be 'Derek Pontin', is written over a horizontal line.

**A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA**

Derek Pontin
Barrister and Solicitor

COURT FILE NO. 1601-
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT ALBERTA TREASURY BRANCHES
RESPONDENT DOLOMITE ENERGY INC.
DOCUMENT **CONSENT TO ACT AS RECEIVER AND MANAGER**
ADDRESS FOR
SERVICE AND **DENTONS CANADA LLP**
CONTACT Bankers Court
INFORMATION 15th Floor, 850-2nd Avenue SW
OF PARTY Calgary, AB T2R 0R8
FILING THIS Phone: 403.268-6301
DOCUMENT Fax: 403.531.4720
Attention: Derek Pontin
Derek.Pontin@dentons.com
File No. []

CONSENT TO ACT AS RECEIVER AND MANAGER

Alvarez & Marsal Canada Inc. hereby consents to act as Receiver and Manager over the property, assets and undertakings of the Respondent, Dolomite Energy Inc.

Dated this 9th day of February, 2017

ALVAREZ & MARSAL CANADA INC

Per:

A handwritten signature in black ink, appearing to be 'Tim Reid', written over a horizontal line.

Tim Reid
Authorized Signatory