

COURT FILE NUMBER 1701-~~02503~~ 13578
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT STREAM ASSET FINANCIAL SPARK LP
RESPONDENTS BLAZE ENERGY LTD. and WILD ROSE ENERGY LTD.
DOCUMENT **REPORT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS PROPOSED COURT APPOINTED RECEIVER AND MANAGER OF BLAZE ENERGY LTD. AND WILD ROSE ENERGY LTD.**

October 10, 2017

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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INTRODUCTION

1. FTI Consulting Canada Inc. ("**FTI Consulting**", the "**Proposed Receiver**" or the "**Receiver**", if the Receivership Order, as defined below, is granted) has prepared this report ("**Report**") in its capacity as the Proposed Receiver of certain current and future assets, undertakings and properties of Wild Rose Energy Ltd. ("**Wild Rose**"), namely, the "Assets" set out in the Tidewater PSA (as defined below and attached as Appendix "A") (the "**Purchased Assets**") and the Excluded Contracts (as defined below) (collectively the "**Wild Rose Property**") and of certain current and future assets, undertakings and properties of Blaze Energy Ltd. ("**Blaze**"), namely, certain interests that, as a condition precedent in the Tidewater PSA, must be assigned to Tidewater (as defined below) (the "**Blaze Property**"). The Wild Rose Property and the Blaze Property shall be collectively referred to as the "**Combined Property**" and Wild Rose and Blaze shall be collectively referred to as the "**Debtors**".
2. FTI Consulting was originally contacted by Stream Asset Financial Spark and Maxam Opportunities Fund II Limited Partnership (collectively the "**Lenders**") in August 2017 to discuss certain restructuring alternatives that were being considered by the Debtors. In consultation with the Lenders, FTI Consulting was subsequently retained by the Debtors on October 2, 2017 in order to prepare for these proposed proceedings.
3. FTI Consulting's retention focused on reviewing the Debtors restructuring efforts to date and considering various restructuring alternatives that primarily included a transaction that was in the process of being negotiated and finalized between the Debtors, the Lenders and a third party known as Tidewater Brazeau Gas Storage LP ("**Tidewater**" and collectively with the foregoing, (the "**Tidewater Transaction**"). Further details with respect the Debtors' restructuring efforts and the Tidewater Transaction are presented in detail below.

4. This Report has been prepared in connection with an application that is to be made to the Court of Queen's Bench of Alberta (the "**Court**") by the Lenders seeking the following (the "**Application**"):
- (a) an order (the "**Receivership Order**") (substantially in the form of the Receivership Order filed in connection with the Application), appointing the Proposed Receiver as receiver over the Property of Debtors pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**");
 - (b) if the Receivership Order is granted, an order (the "**Approval and Vesting Order**") (substantially in the form of the Approval and Vesting Order filed in connection with the Application) (i) authorizing and directing the Receiver to enter into the Tidewater PSA (as defined and discussed below), (ii) approving the sale of the Purchased Assets to Tidewater, (iii) vesting the Purchased Assets in and to Tidewater free and clear of all claims and encumbrances except those set out in the Vesting Order, (iv) directing and authorizing the Receiver to disclaim the Excluded Contracts as defined below, (v) authorizing and directing the Receiver to perform the condition precedent in the Tidewater PSA respecting the Blaze Property, and (vi) authorizing and directing the Receiver to distribute the net proceeds collected from closing the Tidewater PSA to the Lenders, less certain holdback amounts. The funds proposed to be held back are described in further detail below.
5. FTI Consulting is a trustee within the meaning of section 2 of the BIA and has provided its consent to act as receiver in these proceedings in the event that the Court grants the Receivership Order.

TERMS OF REFERENCE

6. In preparing this Report, the Proposed Receiver has relied upon audited and unaudited financial and publically available information along with:
 - (a) discussions with the Debtors, the Lenders (in their capacity as the holder of the Secured Debt, as defined below) and Tidewater, and each of these parties respective legal counsel;
 - (b) information provided by the Debtors' management with respect to the various marketing processes completed by FirstEnergy Capital Corp., Societe Generale Capital Canada Inc., SG Americas Securities, LLC, and Tudor, Pickering, Holt & Co. Securities – Canada ULC (in their former roles as financial advisor to the Debtors); and
 - (c) various other information provided by the Debtors (collectively the “**Information**”).

7. Except as described in this Report:
 - (a) the Proposed Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook; and
 - (b) the Proposed Receiver has not examined or reviewed financial forecasts and projections referred to in this Report in a manner that would comply with the procedures described in the Canadian Institute of Chartered Accountants Handbook.

8. Future oriented financial information reported or relied on in preparing this Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.

9. The Proposed Receiver has prepared this Report in connection with the Application to be heard October 12, 2017. This Report should not be relied on for other purposes.
10. Information and advice described in this Report that has been provided to the Proposed Receiver by its legal counsel, Fasken Martineau DuMoulin LLP (the “**Proposed Receiver’s Counsel**”), was provided to assist the Proposed Receiver in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.
11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

BACKGROUND TO THE DEBTORS

Corporate, Operational, and Administrative Activity

12. The Debtors are private entities incorporated under the laws of the Province of Alberta, having registered offices in Calgary, Alberta. Blaze is the parent company of Wild Rose and owns 25% of the issued common shares of Wild Rose (the remaining 75% of Wild Rose is owned by 24 separate investors) and 100% of the issued preferred shares of Wild Rose.
13. Currently, Blaze has 13 employees, two of which are officers (the Chief Financial Officer and the Chief Executive Officer). Wild Rose does not have any employees as its operations are managed by Blaze who has contracted field operations to Tidewater Midstream.
14. Wild Rose has a separate board of directors from Blaze and is comprised of 5 directors, including the Chief Executive Officer and Chief Financial Officer of Blaze).

15. Additional details with respect to the Debtors' business are presented in the Affidavit of Texas Howard IV sworn October 6, 2017 (the "**Howard Affidavit**").
16. The Debtors' principal lines of business are as set below:

Blaze

17. Blaze is involved in the acquisition of, exploration for, and development and production of petroleum and natural gas reserves in Western Canadian Sedimentary Basin. In December 2016, Blaze completed the sale of the majority of its upstream operating assets to Tidewater Midstream and Infrastructure Ltd. ("**Tidewater Midstream**") (as discussed in further detail below).
18. The majority of Blaze's remaining assets comprise:
 - (a) 117 wells comprising:
 - i. 36 wells located in Medicine Hat, AB, which are currently shut-in with no production. The Proposed Receiver has been advised that a \$1.2 million deposit is held by the Alberta Energy Regulator (the "**AER**") which should approximate the abandonment liability ;
 - ii. 76 wells are located in Kaybob South, AB, with Blaze holding a minority working interest (38%); and
 - iii. the remaining 5 wells are operated by third party joint venture partners and produce immaterial revenue.
 - (b) Certain deep mineral rights held in the Brazeau area of Alberta, referred to as the "**Blaze Deep Rights**";

- (c) A \$900,000 deposit held by the Debtors' counsel relating to amounts owed by Blaze to Tidewater Midstream relating to 2015 Brazeau River Complex's equalization payment (the "**Tidewater Midstream Retained Amounts**");
 - (d) carbon tax credits associated with the Brazeau River Complex ("**Carbon Tax Credits**");
 - (e) miscellaneous receivables and other assets ("**Other Assets**"); and
 - (f) An inter-company receivable owing by Wild Rose in the amount of approximately \$80.9 million as at August 31, 2017.
 - (g) The Blaze Deep Rights, Tidewater Midstream Retained Amounts and Carbon Tax Credits shall be referred collectively as the Blaze Property.
19. The Proposed Receiver understands that the depressed oil and gas prices experienced since the fourth quarter of 2014 have had a significant negative affect on the Debtors business and caused the Debtors to be in financial distress for the past three years. The Debtors Q1/2017 financial statements and discussions with the Debtors management demonstrate that they continue to be in a position of significant financial distress with negative net income, negative cash flow and an inability to service their high debt levels.
20. Debtor's financial results for the three months ended March 31, 2017 are summarized below:
- (a) produced 183 barrels of oil equivalent per day (52% natural gas weighted);
 - (b) incurred negative cash flow of approximately \$2.2 million and a net loss of \$5.0 million;

- (c) had a working capital deficiency of \$12.6 million, excluding the Senior Secured Debt; and
- (a) owed \$25.6 million of Senior Secured Debt to the Lenders, certain cash repayments were made since March 31, 2017 and per the Dunfield Affidavit this amount was \$22.8 million as at May 1, 2017 and has been accruing additional interest since then.

Wild Rose

- 21. Wild Rose owns a working interest, as described in the Tidewater PSA, in an enhanced oil recovery operation (“**EOR Operation**”) and a natural gas storage facility (“**Storage Facility**”) and various other miscellaneous midstream assets used to produce, gather, transport, process and store oil and natural gas substances located near the Brazeau River Complex, outside of Drayton Valley, Alberta.
- 22. The Storage Facility stores natural gas owned by third parties (“**Third Party Gas**”) under the following five master storage agreements (the “**MSAs**”):
 - (a) Master Natural Gas Storage Agreement between Wild Rose and Tidal Energy Marketing Inc. dated January 22, 2013;
 - (b) Master Natural Gas Storage Agreement between Wild Rose and J.P. Morgan Commodities Canada Corporation dated March 4, 2013;
 - (c) Master Natural Gas Storage Agreement between Wild Rose and NBC Commodities (2015) Inc. dated October 28, 2014;
 - (d) Master Natural Gas Storage Agreement between Wild Rose and PetroChina International (Canada) Trading Inc. dated April 2, 2015; and

- (e) Master Natural Gas Storage Agreement between Wild Rose and Tidewater Midstream dated August 1, 2017.
23. For the three months ended March 31, 2017, Wild Rose:
- (a) generated \$0.3 million in revenue and incurred a net loss of \$1.7 million;
 - (b) had a working capital deficiency of \$107.6 million, including the \$78.4 million related party debt owed to Blaze (currently \$80.9 million outstanding); and
 - (c) had a shareholder deficiency of \$64.6 million.
24. Wild Rose is a guarantor respecting the repayment of the Senior Secured Debt and has pledged all of its assets as security for the Senior Secured Debt.

Financial Distress

25. The Proposed Receiver understands that over the past two years, the Debtors have made various attempts to solve or improve their financial situation by initiating strategic alternatives processes aimed at accessing additional capital to refinance the business or selling all or part of their assets/business (the “**Strategic Alternative Processes**”).
26. The Strategic Alternative Processes, which are discussed in detail below, resulted in various asset sales which allowed the Debtors to reduce their outstanding debt and provide liquidity to fund ongoing operations/working capital needs.

27. The Proposed Receiver understands that the Lenders provided the Debtors certain bridge financing in August of 2016 (the “**Senior Secured Debt**”) that was largely used by the Debtors to repay its syndicated secured credit facility owing at that time, along with providing some working capital for operations. The Debtors owed the Lenders approximately \$22.8 million as at May 1, 2017 plus accrued interest pursuant to various loan agreements as outlined in the affidavit sworn by Mr. Ryan Dunfield on October 6, 2017 (the “**Dunfield Affidavit**”).
28. The Proposed Receiver understands that it was the Debtors intention at that time to continue its efforts to either raise additional capital or sell the remaining assets (primarily comprising Wild Rose’s EOR Operation and Storage Facility) and repay the outstanding Senior Secured Debt.
29. The Strategic Alternative Process ultimately concluded with the Tidewater Transaction (as defined and discussed below) which contemplates the sale of substantially all the Debtors’ remaining assets that have any material value. Following the completion of the Tidewater Transaction, the Debtors will have no ongoing operations or any remaining material assets.
30. Currently the Proposed Receiver understands that the Debtors have exhausted options with respect to miscellaneous non-core asset sales and have collected any remaining receivables (outside of those in dispute or litigation) and therefore are essentially out of cash. The Lenders have been providing small amounts of additional funding to the Debtors in order to maintain operations over the last 30 days in an effort to finalize the negotiation of the Tidewater Transaction. The Debtors currently have insufficient cash to fund on going payrolls, rent along with other operating costs without continued advances from the Lenders.

STRATEGIC ALTERNATIVES PROCESSES

29. The following provides a summary of the strategic alternatives processes undertaken by the Debtors to date.

First Energy Capital Corp.

30. On August 13, 2015, Blaze engaged First Energy Capital Corp. (“**FirstEnergy**”). Pursuant to the terms of the First Energy engagement (“**First Energy Process**”), First Energy was engaged to seek a buyer for Blaze’s upstream oil and gas assets with the proceeds intended to be used to repay Blaze’s secured debt.
31. The initial term of the First Energy engagement was approximately 10.5 months commencing on August 11, 2015 and ending June 30, 2016.
32. The following provides a summary of the First Energy Process:
 - (a) First Energy drafted a marketing teaser (“**FirstEnergy Teaser**”) and prepared an electronic data room;
 - (b) First Energy created a potential purchaser list and distributed to the First Energy Teaser to the 11 potential purchasers on the list;
 - (c) eight potential purchasers signed non-disclosure agreements (“**NDA**”), all of the parties who signed an NDA accessed the virtual data room to complete further due diligence;
 - (d) four potential purchasers requested management presentations; and
 - (e) two potential purchasers submitted non-binding letters of intent (“**FirstEnergy Process NOIs**”).
33. After significant due diligence and negotiations by the parties who submitted the FirstEnergy Process NOIs, a definitive agreement was reached with one of the parties, Predator Oil Ltd. which later changed to its affiliated company Tidewater

Midstream. A portion of Blaze's upstream assets were ultimately sold pursuant to this definitive agreement to Tidewater Midstream (the "Upstream Sale").

34. The assets sold in the Upstream Sale represented approximately 31% of the fair market value of Blaze's production and reserve value, as well as its investment in Wild Rose. The Upstream Sale closed in December 2016 and generated gross proceeds of approximately \$15 million with 50% of the sales proceeds being used to reduce the outstanding Senior Secured Debt and the remaining 50% used to reduce outstanding liabilities.
35. After the completion of the Upstream Sale, Blaze's remaining assets comprised:
 - (a) The 117 wells discussed above;
 - (b) The Carbon Tax Credits;
 - (c) The Blaze Deep Rights;
 - (d) The Tidewater Midstream Retained Amounts;
 - (e) Other Assets and the intercompany receivable from Wild Rose.

SG Americas Securities, LLC and Societe Generale Capital Canada Inc.

36. On October 19, 2015, Wild Rose engaged SG Americas Securities, LLC and Societe Generale Capital Canada Inc. (collectively "SG Capital") to seek additional financing to recapitalize Wild Rose and provide growth capital (the "SG Capital Process"). The SG Capital Process was to last approximately nine months commencing on October 19, 2015 and could be extended upon mutual agreement by both parties.
37. The following provides a summary of the SG Capital Process:

- (a) SG Capital drafted a marketing teaser (“**SG Capital Teaser**”) and prepared a confidential information memorandum and an electronic data room;
 - (b) SG Capital identified and contacted 81 potential investors of which 56 requested the SG Capital Teaser;
 - (c) 18 potential investors signed NDAs and were provided access to the virtual data room to complete further due diligence;
 - (d) 12 potential investors requested management presentations; and
 - (e) 3 potential investors submitted non-binding letters of intent (“**SC Capital Process NOIs**”).
38. None of the SG Capital Process NOIs materialized into a completed transaction. Per discussions the Receiver had with Wild Rose’s management, it is believed that the primary reason for its inability to complete a transaction was its high level of secured debt and working capital deficiency of the Debtors.

Tudor, Pickering, Holt & Co. Securities – Canada ULC

39. After the failed recapitalization efforts undertaken through the SG Capital Process, Wild Rose determined it was necessary to pursue the sale of all or substantially all its assets, which was not in the scope of the SC Capital Engagement. On September 22, 2016, the Wild Rose engaged Tudor, Pickering, Holt & Co. Securities – Canada ULC (“**TPH**”) to sell all of its assets.
40. The following provides a summary of the TPH process (“**TPH Process**”):
- (a) TPH drafted a marketing teaser (“**TPH Teaser**”) and populated an electronic data room;

- (b) TPH distributed the TPH Teaser to a list of 24 potential purchasers. The potential purchasers were determined by TPH and the Debtors' management to be the most logical buyers of the Wild Rose assets;
 - (c) nine potential purchasers signed NDAs and were provided access to the virtual data room to complete further due diligence;
 - (d) seven potential purchasers requested management presentations; and
 - (e) two potential purchasers submitted non-binding letters of intent ("**TPH NOIs**").
41. Debtor's management considered the TPH NOIs and determined that the NOI submitted by Tidewater Midstream on February 8, 2017 ("**Initial Tidewater LOI**") was the superior bid as it would provide the maximum potential return to the Debtors stakeholders.
42. The Initial Tidewater LOI was revised and re-submitted on May 25, 2017 after Tidewater Midstream completed additional due diligence.
43. Subsequently, a series of additional negotiations and further diligence occurred which ultimately concluded with an agreement to complete the Tidewater Transaction (as defined below).

THE PROPOSED TIDEWATER TRANSACTION

44. The proposed Tidewater Transaction has two components:
- (a) a Purchase and Sale Agreement ("**Tidewater PSA**") dated October 12, 2017 between FTI Consulting, as the receiver and manager of the Debtors and Tidewater. The Tidewater PSA is intended to be signed by the counterparties upon the granting of the Receivership Order; and

- (b) the formation of a limited partnership known as Tidewater pursuant the limited partnership agreement dated October 10, 2017 (“**LP Agreement**”) among Tidewater Brazeau Gas Storage Corp. (“**Tidewater Corp**”), Tidewater Midstream and Stream Asset Financial Tribus LP (“**Stream Tribus**”), Tidewater, Tidewater Corp., and Tidewater Midstream are all related entities and shall collectively be referred to as the “**Tidewater Group**”. Stream Tribus is a related party to the Lenders.

The Tidewater PSA

45. The major commercial terms of the Tidewater PSA are as follows:

- (a) the Purchased Assets include all of Wild Rose’s assets and working interests (comprising the EOR Facility, Gas Storage Facility and Misc Midstream Assets) with the exception of the Excluded Assets as defined in the Tidewater PSA (referred above as the Purchased Assets);
- (b) the Excluded Assets comprise:
 - i. Excluded Gas – all petroleum and natural gas injected into or contained within the Purchased Assets, as applicable, currently under the custody and control of Wild Rose but for which title thereto remains with third parties under the MSAs between Wild Rose and such third parties; and
 - ii. Excluded Contracts – as a condition precedent, the Tidewater PSA requires that the MSAs, and related agreements, be disclaimed by the Receiver (as outlined in Schedule “E” of the Tidewater PSA) wherein Tidewater will not incur any liability for obligations under the Excluded Contracts;

- (c) purchase price of \$10 million, plus sales taxes, plus or minus the adjustments as outlined in Article 7 of the Tidewater PSA (“**Statement of Adjustments**”);
 - (d) purchase price to be paid in cash;
 - (e) the Statement of Adjustments includes all revenues and expenses related to the Purchased Assets as of the closing date. The Statement of Adjustments is to be prepared on an interim basis three business days prior to closing and then on a final basis 90 days after closing;
46. The major remaining terms and conditions precedent to the Tidewater PSA are as follows:
- (a) closing date is 5 business days following the granting of the Approval and Vesting Order;
 - (b) major conditions precedent include:
 - i. Vendor obtaining the Approval and Vesting Order;
 - ii. Excluded Contracts being disclaimed by the Receiver, with such disclaimer being authorized by the Court;
 - iii. The assignment of the Blaze Property to Tidewater Midstream.

- iv. Tidewater Midstream has various outstanding accounts receivables (collectively “**Outstanding Receivable**”) owing to it from the Debtors. The Outstanding Receivables relate to prior business dealings and a statement of adjustments related to the Upstream Sale. The Outstanding Receivables and amounts to be settled are still being finalized and will need to be agreed upon prior to closing the Tidewater PSA and the assignment of the Blaze property. The Outstanding Receivables owing by the Debtors to Tidewater Midstream are to be settled against the Blaze Property comprising Carbon Tax Credits valued by the Debtors at approximately \$1.2 million, assignment of the Blaze Deep Rights valued by the Debtors at approximately \$1.5 million and the Tidewater Midstream Retained Amounts (of \$900,000);

- v. Payment of any outstanding royalties owing from Blaze to Alberta Energy related to the Upstream Sale shall be paid in full with satisfactory evidence of payment provided to Tidewater Midstream prior to closing. The Proposed Receiver understands this amount to be nil; and

- vi. the Tidewater PSA will close in escrow pending approval from the AER (the “**Escrow Period**”) and that the Approval and Vesting Order has not been varied, vacated or amended. Given the Debtors’ financial position, Tidewater Midstream will operate the Purchased Assets through the Escrow Period which is expected to take between 30 and 90 days from October 12, 2017.

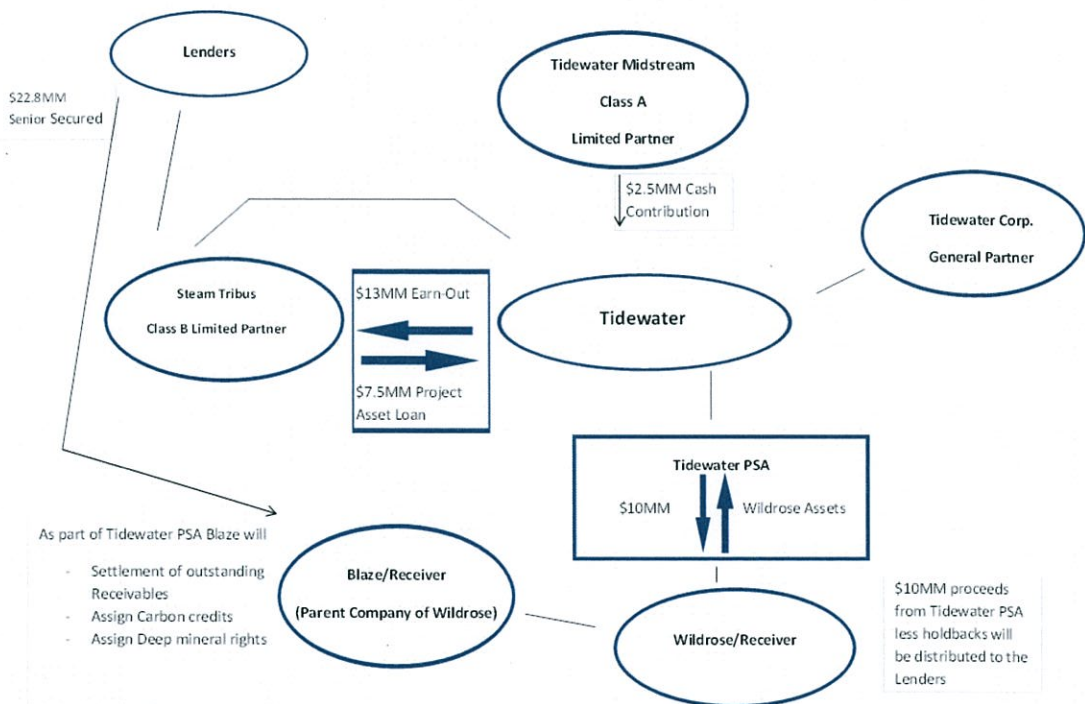
47. In the event that any of the various conditions precedents (discussed above) cannot be completed or the escrow provisions not completed (i.e. transfer of the licenses), the Tidewater PSA will be terminated. The Tidewater PSA provides that Tidewater Midstream be reimbursed for any costs of operating the Purchased Assets during the Escrow Period. The proposed Receivership Order provides the Receiver will the ability to borrow \$250,000 from the Lenders in order to fund any cash needs of the Receiver during these receivership proceedings, which will include certain funding of payrolls and also the amount owed, if any, to Tidewater Midstream if the Tidewater PSA does not close out of escrow. The Proposed Receiver has reviewed these potential costs with the Debtors' management, who agree the limits are reasonable in the circumstances.

Excluded Contracts

48. A condition precedent in the Tidewater PSA requires certain gas storage agreements and outstanding gas storage trades (as outlined in Schedule "E" of the Tidewater PSA) ("**Excluded Contracts**") to be disclaimed by the Receiver. The Proposed Receiver understands that Tidewater will not purchase the Purchased Assets without the Excluded Contracts being disclaimed prior to closing.
49. Paragraph 3(c) of the Receiver Order allows the Receiver to cease performance of contracts and therefore the Receiver is of the view that disclaiming the Excluded Contracts would be within its powers once appointed. All of the Excluded Contract counterparties were served with the motion materials related to this Receivership application.

LP Agreement forming the Tidewater

50. From a commercial perspective, the LP Agreement is in essence a mechanism to allow for the Earn-out (defined below) to be implemented. The Receiver is not party to this LP Agreement. However, the LP Agreement is relevant to the Tidewater PSA and the overall Tidewater Transaction as the Earn-out affects the overall purchase proceeds and recoveries that will be received by the Lenders or related parties to the Lenders (ie. Stream Tribus).
51. For illustrative purposes the diagram below demonstrates the various entities involved in the Tidewater Transaction.



52. The Proposed Receiver has reviewed the LP Agreement and notes the following major commercial terms relevant to the Debtors estate are as follows:

Initial Contributions and use of funds

- (a) initial contributions provided by the limited partners of \$10 million to Tidewater funded as follows:
 - i. \$2.5 million cash contributed by Tidewater Midstream in exchange for 1 Class A Partnership Units; and
 - ii. \$7.5 million loan (“**Project Asset Loan**”) from Stream Tribus, in exchange for 1 Class B Partnership Unit and a \$13 million earn-out (“**Earn-out**”) and repayment of the Project Asset Loan; and
- (b) Tidewater will utilize the initial contribution to fund the purchase of the Purchased Assets pursuant to the terms of the Tidewater PSA as described above.

Earn-out

- (c) the Earn-out will be paid by Tidewater to Stream Tribus in quarterly installment payments (“**Net Profits Consideration**”). The quarterly Net Profits Consideration payments are not set amounts; they are calculated based on the profitability of the Tidewater. The Net Profits Consideration payments are to be calculated initially as percentage of the net profits as shown on the Tidewater’s quarterly unaudited financial statements;
- (d) the Net Profits Consideration payments will continue to be paid until they reach \$13 million in aggregate and then the Earn-out will be considered fully satisfied;

- (e) given the Net Profits Consideration payments are based on a percentage of the Tidewater's profitability, Stream Tribus has operational risk and credit risk associated with collecting the Earn-out. As well the time period that it will take for the full Earn-out to be satisfied is unknown;
- (f) the Proposed Receiver notes that \$5 million of the Earn-Out is guaranteed (the "**Guaranteed Earn-out**"); however the remaining \$8 million is dependent on future profits being generated. If after 5 years the Net Profits Consideration payments in aggregate are less than \$5 million, then Tidewater must make a lump sum payment to Stream Tribus to bring the aggregate Net Profits Consideration payments up to \$5 million. Tidewater Midstream has guaranteed the payment of the \$5 million Guaranteed Earn-out and the \$7.5 million Project Asset Loan.

Summary of return to the Lenders

53. Pursuant to the Dunfield Affidavit, the Lenders are owed \$22.8 million plus interest that has accrued since May 21, 2017 totaling approximately \$24.1 million (calculated as \$304,510 accrued interest per month). The Tidewater Transaction provides for a two types of return to the Lenders.
- (a) Cash - A distribution of the \$10 million cash proceeds from the Tidewater PSA, less amounts required to be held back to for post-closing transitional items and receivership costs; and
 - (b) Earn-out – A \$13 million Earn-out, of which \$5 million has been guaranteed by Tidewater Midstream to be paid within 5 years.

54. The maximum possible return to the Lenders and their related parties is \$23 million less any required holdbacks. However the Proposed Receiver notes that there are credit/operational risk associated with the Earn-out as well as an unknown time period for the Earn-out to be paid, therefore once the time value of money is considered the return to the Lenders and their related parties will be less than \$23 million. Accordingly, the Tidewater Transaction will not fully satisfy the Senior Secured Debt and there will be no return for subordinate creditors.
55. Furthermore, the Proposed Receiver is advised that the \$7.5 million loan contemplated in the LP Agreement is at market rates.
56. Given the circumstances, the Lenders, with the support of the Debtors, have elected to bring a receivership application against the Debtors in order to conclude the Tidewater Transaction. The Proposed Receiver understands that the Tidewater Group is not prepared to complete the Tidewater Transaction without the benefit of an Approval and Vesting Order from this Honourable Court.

THE PROPOSED RECEIVER'S ANALYSIS OF THE PROPOSED TIDEWATER TRANSACTION

Tidewater Transaction

57. While the Court is being asked to approve the Proposed Transaction without the Proposed Receiver having conducted a formal marketing process during the receivership proceedings, in the Proposed Receiver's view, it is reasonable for the Court to do so given the following:
- (a) the Debtors have completed exhaustive pre-filing sales and marketing efforts over the past two years. In the Proposed Receiver's view the First Energy Process, the SG Capital Process, and the TPH Process explored both sales and investment possibilities and fully canvassed the market of potential buyers/investors of the Debtors' assets. The proposed Tidewater Transaction is the superior offer that resulted from these efforts;
 - (b) the Tidewater Transaction will only provide a recovery to the Lenders and the Lenders will only fully recover the amounts owed based on future profits, and even if successful, the Lenders will only recover the outstanding loan (and less than the amount currently owed if discounted for the time value of money). While no recoveries are expected for the unsecured creditors and equity, the Proposed Receiver believes the Tidewater Transaction is reasonable in the circumstance and allows for the orderly sale and transfer of the Debtors' remaining assets;
 - (c) the Proposed Receiver does not believe running an additional post-receivership sales process will result in a higher offer being received given its review of the pre-filing sales and marketing efforts;
 - (d) the Debtors are in significant financial distress and do not have the cash available to continue to operate or maintain their respective businesses; and

- (e) As described in the Howard Affidavit, management believes the Tidewater Transaction is the best available option and therefore provides the maximum return to the stakeholders in the circumstances.

Excluded Assets and Employees of the Debtors

- 58. All 13 employees of Blaze are expected to be terminated on the date the Receivership Order is granted. As part of the terminations the Lenders have provided funding (through the ability to borrow \$250,000 under receiver's certificates) that will pay employees for all accrued wages up to and including the date of receivership, October 12, 2017, plus accrued and unpaid vacation pay up to a maximum of \$7,500 per employee. This payment is expected to be approximately \$50,000 in aggregate.
- 59. There are certain assets of Blaze that have not been included in the receivership including:
 - (a) Approximately 117 wells. As discussed above, these wells have mostly been shut in or are not operated by Blaze. Furthermore, the AER currently holds a \$1.2 million deposit for abandonment liabilities associated with these wells located in Medicine Hat area. The AER has been provided notice of this receivership application;
 - (b) Miscellaneous old receivables related to various lawsuits and disputed items related to prior dealings with various business partners;
 - (c) A wholly owned subsidiary of Blaze known as Alberta County Spring Inc. that has no operations however holds a water license, which the Proposed Receiver has been advised has immaterial value.

SECURITY REVIEW

60. The Receiver's counsel has completed an independent review of the Lenders' security and has determined that the Lenders' security is valid and enforceable against the Debtors. Furthermore, based upon its review of relevant searches with the Alberta Department of Energy and with the Alberta Personal Property Registry, as well as its review of the Howard Affidavit and additional correspondence with Mr. Howard, the Receiver's counsel has advised that it appears the Lenders' security constitutes a first priority charge against the Property.

61. All parties who have made registrations against the Alberta Department of Energy and the Alberta Personal Property Registry have been served with the Application.

DISTRIBUTION TO LENDERS

62. The Tidewater PSA includes various post-closing matters to be completed including but not limited to the transfer of title documents, a statement of adjustments and coordinating the transfer of licenses with the AER. Accordingly there will be post-closing work required to be completed by professionals involved in these receivership proceedings and employees/consultants of the Debtor.

63. Accordingly the Proposed Receiver recommends holding back approximately \$250,000 (“**Post-Closing Holdback**”). Based upon the security review conducted by the Receiver’s counsel, the Receiver recommends making an initial distribution to the Lenders equal to the net proceeds received from the Tidewater PSA less the Post-Closing Holdback (“**Initial Distribution**”). Such distribution would only be made upon removal of the escrow provision. The Proposed Receiver proposed to update the estimates of the Post-Closing Holdback and Initial Distribution as further information is made available during the Escrow Period. Any funds remaining from the Post-Closing Holdback at the time the the Receiver files its Receiver’s discharge certificate (as discussed below) will be distributed to the Lenders.

TERMINATION OF RECEIVERSHIP PROCEEDINGS

64. After closing the Tidewater Transaction, the receivership proceedings will be substantially complete with the exception of coordinating post-closing matters and completing certain minor administrative tasks. In order to avoid the additional costs associated with subsequent Court appearances, and with the support of the Lenders and the Debtors, the Proposed Receiver seeks an Order terminating the receivership proceedings and discharging the Receiver from its duties and obligations conditional upon the filing of the Receiver’s discharge certificate (“**Receiver’s Discharge Certificate**”) with this Honourable Court.

CONCLUSION AND RECOMMENDATIONS

65. The Receiver is of the view that the proposed Tidewater Transaction is commercially reasonable and represents the best offer available in the circumstances.
66. Based on the foregoing, the Proposed Receiver respectfully recommends that this Honourable Court:
- (a) grant the Receivership Order;
 - (b) grant the Approval and Vesting Order with respect to the Proposed Tidewater Transaction in substantially the form attached to the Application, including the direction and authorization to disclaim the Excluded Contracts; and
 - (c) grant the Discharge Order conditional upon the filing of the Receiver's Discharge Certificate with this Honourable Court.

All of which is respectfully submitted this 10th day of October, 2017.

FTI Consulting Canada Inc.,
in its capacity as proposed receiver and manager
of the assets, undertakings and properties of
Blaze Energy Ltd. and Wild Rose Energy Ltd.



Deryck Helkaa
Senior Managing Director



Dustin Olver
Managing Director

Appendix A

Tidewater PSA

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of the 12th day of October, 2017.

BETWEEN:

FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of **WILD ROSE ENERGY LTD.**, and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

TIDEWATER BRAZEAU GAS STORAGE LP, a partnership formed pursuant to the laws of Alberta (hereinafter referred to as "**Purchaser**")

WHEREAS FTI Consulting Canada Inc. (the "**Receiver**") was appointed as receiver and manager of the property of Wild Rose Energy Ltd. ("**Wild Rose**") pursuant to the terms of the Receivership Order (the "**Appointment Order**") granted by the Alberta Court of Queen's Bench (the "**Court**") on October 12, 2017 (the "**Date of Appointment**");

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

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

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

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

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

- (b) **"AER"** means the Alberta Energy Regulator;
- (c) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise;
- (d) **"Applicable Law"** means, in relation to any Person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, and includes the provisions and conditions of any permit, license or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such Person, property or circumstance;
- (e) **"Appointment Order"** has the meaning set forth in the recitals to this Agreement;
- (f) **"Approval Order"** means an order to be granted by the Court which authorizes, approves and confirms this Agreement and the sale of the Assets by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests beneficial title to the Assets in Purchaser free and clear of all encumbrances, liens, security interests or claims, other than Permitted Encumbrances, which order is substantially in the form attached hereto as Schedule "D";
- (g) **"Assets"** means the Petroleum and Natural Gas Rights, the Storage Facility, the EOR Operation, the Tangibles and the Miscellaneous Interests, but excludes in all cases the Excluded Assets;
- (h) **"Business Day"** means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (i) **"Closing"** means the transfer of possession, beneficial ownership and risks of the Assets from Vendor to Purchaser, the exchange of Specific Conveyances and payment of the Purchase Price by Purchaser to Vendor, and all other items and considerations required to be delivered on the Closing Date pursuant hereto;
- (j) **"Closing Date"** means the day that is five (5) Business Days after receipt of Approval Order or such other time and date as may be agreed upon in writing by the Parties;
- (k) **"Closing Escrow Agreement"** means the closing escrow agreement to be mutually agreed upon among Vendor, Purchaser and the Escrow Agent, and entered into at Closing, pending satisfaction of the Escrow Condition;
- (l) **"Closing Joint Instruction"** means the joint instruction to be delivered by Vendor and Purchaser following satisfaction of the Escrow Condition prior to the Escrow Deadline, instructing the Escrow Agent to release documents and funds held in escrow to the applicable Parties;
- (m) **"Closing Place"** means the office of the Receiver, or such other place as may be agreed upon in writing by the Parties;
- (n) **"Court"** has the meaning set forth in the recitals to this Agreement;
- (o) **"Date of Appointment"** has the meaning set forth in the recitals to this Agreement;

- (p) **"Effective Date"** means the Closing Date;
- (q) **"Environmental Liabilities"** means all liabilities in respect of the environment which relate to the Assets or which arise in connection with the ownership thereof or operations pertaining thereto, including without limitation, such liabilities related to or arising from:
- (i) transportation, storage, use or disposal of toxic or hazardous substances;
 - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
 - (iii) pollution or contamination of or damage to the environment;
- including, without limitation, liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including, without limitation, damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the environment and, for purposes of this Agreement, "the environment" includes, without limitation, the air, the surface and subsurface of the earth, bodies of water (including, without limitation, rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (r) **"EOR Operation"** means the enhanced oil recovery capability of Vendor in the Nisku A pool, the Nisku D unit and the Nisku E unit located at or around the 11-31-048-12W5 A Pool EOR Injection Plant near the Brazeau River Complex outside of Drayton Valley, Alberta, operating pursuant to regulatory codes AB06850696850 (Nisku A), 01760 (Nisku D) and 01695 (Nisku E), to the extent that such capability is included in, derived from or held pursuant to, the Petroleum and Natural Gas Rights;
- (s) **"Escrow Agent"** means DLA Piper (Canada) LLP;
- (t) **"Escrow Condition"** means that both (i) the AER has approved the transfer of the Assets and License Transfers related to the Assets from Vendor to Purchase over which the AER has jurisdiction; and (ii) no Third Party has applied to the Court for a further order vacating, substituting, modifying or varying the terms of the Approval Order;
- (u) **"Escrow Deadline"** means 5:00 p.m. on the ninetieth (90th) day following the Closing Date, or such other time and date as may be mutually agreed upon in writing by the Parties;
- (v) **"Excluded Assets"** means the Excluded Gas and the Excluded Contracts;
- (w) **"Excluded Contracts"** means those contracts, agreements or instruments outlined in Schedule "E" hereto;
- (x) **"Excluded Gas"** means all Petroleum Substances injected into or contained within the Assets, as applicable, currently under the custody and control of Vendor but for which title thereto remains with Third Parties under storage agreements between Wild Rose and such Third Parties or otherwise;
- (y) **"Facilities"** means Vendor's entire interest in and to the gas processing facility located at or around the 11-31-048-12W5 A Pool EOR Injection Plant near the Brazeau River Complex outside of Drayton Valley, Alberta and all other field facilities located within, upon, or under the Lands, whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting Petroleum Substances, including any applicable battery, separator, compressor station, gathering system,

pipeline, production storage facility or warehouse, including, without limitation, those field facilities specifically identified in Schedule "B";

- (z) **"General Conveyance"** means the form of general conveyance attached hereto as Schedule "C";
- (aa) **"Governmental Authority"** means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction;
- (bb) **"GST"** means the goods and services tax payable pursuant to the GST Legislation;
- (cc) **"GST Legislation"** means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder;
- (dd) **"Lands"** means all lands set out and described in Schedule "A", and any lands pooled or unitized therewith, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in Schedule "A" and in the Title Documents as to Petroleum Substances and geological formations);
- (ee) **"Leases"** means, collectively, the petroleum and natural gas leases, licences, permits, reservations and other agreements related to the Lands, including those described in Schedule "A" by virtue of which Vendor is entitled to explore for, recover, remove or dispose of Petroleum Substances within, upon or under the Lands related to the Petroleum and Natural Gas Rights;
- (ff) **"Licence Transfers"** means, in relation to the Assets, the transfer of any permits, approvals, licences and authorizations granted by any applicable Governmental Authority from Vendor to Purchaser;
- (gg) **"Losses"** means all losses, costs, claims, damages, expenses and liabilities which a Party suffers, sustains, pays or incurs, including reasonable legal fees on a solicitor and his own client basis but notwithstanding the foregoing shall not include any liability for indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities (other than as it relates to such immediately forgoing liabilities suffered, sustained, paid or incurred by Third Parties);
- (hh) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, Vendor's entire interest in and to all property, assets, interests and rights pertaining to the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles (other than the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles), or any of them, but only to the extent that such property, assets, interests and rights pertain to the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles, or any of them, including without limitation any and all of the following:
 - (i) all contracts and agreements relating to the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles, or any of them (including the Title Documents);
 - (ii) all subsisting rights to carry out operations relating to the Storage Facility, the EOR Operation, the Lands or the Tangibles, and without limitation, all easements and other permits, the Leases and authorizations pertaining to the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles, or either of them;

- (iii) all Surface Rights;
- (iv) all records, books, documents, licences, reports and data which relate to the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles, or any of them including any of the foregoing that pertain to geological or geophysical matters;
- (v) all permits, authorizations, licenses and approvals that relate to the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights and the Tangibles; and
- (vi) the Wells, including the wellbores and any and all casing;

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

- (ii) **"Officer's Certificate"** means the form of officer's certificate attached hereto as Schedule "F";
- (jj) **"Party"** means a party to this Agreement;
- (kk) **"Permitted Encumbrances"** means:
 - (i) all encumbrances, overriding royalties, net profits interests and other burdens identified in Schedule "A";
 - (ii) the terms and conditions of the Title Documents, including, without limitation, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents, provided that any encumbrances, overriding royalties, net profits interests, penalties and other burdens must be disclosed in Schedule "A" to qualify as a permitted encumbrance under this section 1.1(kk)(ii);
 - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Law to terminate any Title Document;
 - (iv) easements, right 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 highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
 - (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
 - (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than thirty-one (31) days' notice (without an early termination penalty or other cost);

- (vii) any obligation of Wild Rose or Vendor to hold any portion of its interest in and to any of the Assets in trust for Third Parties, provided that the interest held in trust is not all or any portion of the interest attributed to Vendor in Schedule "A";
 - (viii) the rights reserved to or vested in any Governmental Authority by the terms of any lease, license, franchise, grant, permit or authorization or by any Applicable Law, to terminate any such lease, license, franchise, grant, permit or authorization or to require annual or other periodic payments as a condition of the continuance thereof;
 - (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards Vendor's or Wild Rose's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by Vendor;
 - (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
 - (xi) agreements respecting the operation of the Storage Facility, the EOR Operation, the Facilities or the Wells by contract operators; and
 - (xii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets;
- (II) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (mm) "**Petroleum and Natural Gas Rights**" means Vendor's entire interest in and to all rights to and in respect of Petroleum Substances granted pursuant to the Title Documents (but only to the extent that the Title Documents pertain to the Lands) and any interest of Vendor in the Lands, including, without limitation, rights:
- (i) to inject and store Petroleum Substances;
 - (ii) in, or rights to drill for and to produce, save and market, Petroleum Substances;
 - (iii) to a share of production of Petroleum Substances therefrom;
 - (iv) in fee simple interests and other estates in Petroleum Substances *in situ*;
 - (v) in royalty interests, net profit interests and similar interests in Petroleum Substances or the proceeds of the sale of Petroleum Substances or to payments calculated by reference thereto; and
 - (vi) rights to acquire any of the foregoing in paragraphs (i), (ii) and (iii);
- and the interests set out and described in Schedule "A"; but solely to the extent of Vendor's interests in the Title Documents as they pertain to the Lands;
- (nn) "**Petroleum Substances**" means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all

other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including without limitation, sulphur;

- (oo) **"Prime Rate"** means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary of the National Bank of Canada as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate the "Prime Rate" shall correspondingly change effective on the date the change in such reference rate is effective;
- (pp) **"Receiver"** has the meaning set forth in the recitals to this Agreement;
- (qq) **"Representative"** means, with respect to any Party, its Affiliates, and its and their respective directors, officers, servants, agents, advisors, employees and consultants;
- (rr) **"Rights of First Refusal"** means a preferential, pre-emptive or first purchase right that becomes operative by virtue of this Agreement or the Transaction;
- (ss) **"Sales Taxes"** means all transfer, sales, excise, stamp, license, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind, and includes, but is not limited to, additions by way of penalties, interest and other amounts with respect thereto, but excludes GST;
- (tt) **"Specific Conveyances"** means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of Vendor in and to the Assets to Purchaser and to novate Purchaser in the place and stead of Vendor with respect to the Assets;
- (uu) **"Storage Facility"** means the general gas storage capability of Vendor located at or around 04-31-048-12W5 with a licensed name of "A Pool EOR Injection" near the Brazeau River Complex outside of Drayton Valley, Alberta, operating pursuant to license number F36305, government code ABIF0113788, to the extent that such capability is included in, derived from or held pursuant to, the Petroleum and Natural Gas Rights;
- (vv) **"Surface Rights"** means all rights of Vendor to enter upon, use, occupy and enjoy the surface of any lands for purposes related to the use, ownership or operation of the Storage Facility, the EOR Operation, the Petroleum and Natural Gas Rights, the Tangibles or the Wells, or in order to gain access thereto, whether the same are held by lease, right-of-way or otherwise;
- (ww) **"Tangibles"** means Vendor's entire interest in and to the Facilities and any tangible depreciable assets, equipment or materials used or useful in connection with the production, gathering, treatment, processing, measurement, storage, transportation or transmission of Petroleum Substances (including all pipelines, flow lines, gathering systems, batteries and plants) in respect of the Assets or purchased or ordered for the purpose of the assembly, fabrication, construction, commissioning, operation or maintenance of the Assets, that are owned or attributable to Vendor and, without limiting the generality of the foregoing, including all gathering systems, pipelines and other infrastructure associated with the Storage Facility and the EOR Operation, including all gas gathering systems, gas processing plants and pipelines, that are owned or attributable to Vendor for the gathering, processing, measurement, treatment, compression, transportation and storage of Petroleum Substances, including those further described in Schedule "A" hereto;
- (xx) **"Termination Joint Instruction"** means the joint instruction to be delivered by Vendor and Purchaser to the Escrow Agent, if the Escrow Condition has not been satisfied prior

to the Escrow Deadline, instructing the Escrow Agent to destroy the documents held in escrow and return the funds held in escrow and any interest earned thereon to Purchaser;

- (yy) **"Third Parties"** means any individual or entity other than the Receiver, Vendor, Wild Rose and Purchaser, including without limitation any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (zz) **"this Agreement"**, **"herein"**, **"hereto"**, **"hereof"** and similar expressions mean and refer to this Agreement;
- (aaa) **"Tidewater Retained Amount"** means an amount of \$900,000 currently being held by Blake, Cassels & Graydon, LLP pursuant to an escrow agreement dated November 15th, 2016 among Tidewater Midstream & Infrastructure Ltd., Blaze Energy Ltd. and Blake, Cassels & Graydon LLP in respect of the 2015 Brazeau River Complex equalization payment, together with any interest accrued thereon as applicable under said escrow agreement;
- (bbb) **"Title Documents"** means, to the extent directly related to the Petroleum and Natural Gas Rights, the Storage Facility, the EOR Operation or the Tangibles, all agreements and documents that relate to the ownership, operation or exploitation of the Petroleum and Natural Gas Rights, the Storage Facility, the EOR Operation or the Tangibles, including:
 - (i) any and all certificates of title, the Leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements and pooling agreements;
 - (ii) agreements whereby Vendor derives any interest in, or affecting Vendor's interests and obligations in, the Petroleum and Natural Gas Rights, the Storage Facility, the EOR Operation or the Tangibles, including operating agreements, option agreements, participation agreements, sale and purchase agreements, trust agreements (whether Vendor is trustee or beneficiary) and asset exchange agreements, agreements for the construction, ownership and operation of the Storage Facility, the EOR Operation or the Tangibles and agreements providing for the injection, gathering, measuring, processing, compression, storage or transportation of Petroleum Substances;
 - (iii) agreements pertaining to the Surface Rights; and
 - (iv) service agreements for the operation of the Storage Facility, the EOR Operation or the Tangibles by a Third Party;
- (ccc) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement;
- (ddd) **"Wells"** means Vendor's entire interest in and to all producing, shut-in, suspended, abandoned, capped, injection and disposal wells listed in Schedule "B"; and
- (eee) **"Wild Rose"** has the meaning set forth in the recitals to this Agreement.

1.2 Headings

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

1.3 Interpretation Not Affected by Headings

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

1.4 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

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

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

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

1.6 Damages

All losses, costs, claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement include, without limitation, reasonable legal fees and disbursements on a solicitor and client basis.

1.7 Derivatives

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

1.8 Interpretation if Closing Does Not Occur

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

1.9 Conflicts

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

1.10 Currency

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

ARTICLE 2 PURCHASE AND SALE AND CLOSING

2.1 Purchase and Sale

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

2.2 Purchase Price

The aggregate consideration to be paid by Purchaser to Vendor for Vendor's interest in and to the Assets shall be a cash payment of Ten Million Canadian Dollars (\$10,000,000) (the "**Purchase Price**") plus applicable GST and/or Sales Taxes, plus or minus (as applicable) the net amount of the adjustments made pursuant to Article 7, payable to Vendor at Closing.

2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price as follows:

| | |
|----------------------------------|------------------------|
| Petroleum and Natural Gas Rights | \$999,999.00 |
| Tangibles | \$9,000,000.00 |
| Miscellaneous Interests | \$1.00 |
| Total | \$10,000,000.00 |

2.4 Assumption of Abandonment and Reclamation Obligations and Environmental Liabilities

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

2.5 Closing

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

- (a) On the Closing Date, Vendor shall deliver to Purchaser:
 - (i) the General Conveyance in the form attached as Schedule "C", duly executed by Vendor;
 - (ii) the Officer's Certificate substantially in the form attached as Schedule "F", duly executed by Vendor;
 - (iii) a receipt for the Purchase Price as adjusted herein plus applicable GST and/or Sales Taxes;
 - (iv) a certified copy of the Approval Order; and
 - (v) such other items as may be specifically required hereunder.
- (b) On the Closing Date, Purchaser shall deliver to Vendor:
 - (i) the General Conveyance in the form attached as Schedule "C", duly executed by Purchaser;
 - (ii) the Officer's Certificate substantially in the form attached as Schedule "F", duly executed by Purchaser;
 - (iii) the Purchase Price, as adjusted herein, plus applicable GST and/or Sales Taxes; and
 - (iv) such other items as may be specifically required hereunder.

2.6 Specific Conveyances

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

2.7 Title Documents and Miscellaneous Interests

As soon as practicable following Closing and in any event within five (5) Business Days from Closing, Vendor shall deliver to Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession of Vendor or of which Vendor gains possession of prior to Closing.

3.2 Mutual Conditions

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

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

Unless otherwise agreed to by the Parties, if the conditions contained in this section 3.2 have not been performed or satisfied on or before the Closing Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate (except as provided in section 11.13) without any further action on the part of either Vendor or Purchaser.

3.3 Purchaser's Conditions

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

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) the Excluded Contracts shall have been disclaimed by the Receiver and shall not be required to be assumed by Purchaser as part of the Transaction and Purchaser shall not have incurred any liability for any obligations arising under such Excluded Contracts as a result of any termination thereof or otherwise;
- (c) the Tidewater Retained Amount shall have been released and paid in full to Tidewater Midstream and Infrastructure Ltd.;
- (d) the outstanding accounts receivable owing by Blaze Energy Ltd. to Tidewater Midstream and Infrastructure Ltd. shall have been settled by way of (i) the assignment to Tidewater Midstream and Infrastructure Ltd. of the carbon credits associated with the Brazeau River Complex and (ii) the assignment to Tidewater Midstream and Infrastructure Ltd. of Blaze Energy Ltd.'s deep mineral rights in the Brazeau area of Alberta, all as more particularly described and set forth in Schedule "G" hereto;
- (e) the unpaid royalties owing by Blaze Energy Ltd. to Alberta Energy that accrued up to and including the date of the final statement of adjustments under the November 15, 2016 transaction between Blaze Energy Ltd. and Tidewater Midstream and Infrastructure Ltd. shall have been paid in full with satisfactory evidence thereof being provided to Tidewater Midstream and Infrastructure Ltd. prior to Closing;
- (f) from the Effective Date until the Closing Date, in Purchaser's reasonable opinion, the Assets shall have suffered no material, adverse damage or change; and
- (g) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written

notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in section 11.13.

3.4 Vendor's Conditions

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

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts to be paid by Purchaser to Vendor at Closing, including, without limitation, the Purchase Price, shall have been paid to Vendor in the form stipulated in this Agreement.

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

3.5 Efforts to Fulfil Conditions Precedent

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

3.6 Closing into Escrow:

The Parties confirm, acknowledge and agree that:

- (a) The sale of the Assets by Vendor to Purchaser in accordance with the terms of this Agreement shall be closed in escrow, whereby fully executed copies of all documents reasonably necessary to convey the Assets to Purchaser and the funds to be paid by Purchaser on account of the Purchase Price shall on the Closing Date, be delivered or paid, as the case may be, to the Escrow Agent, to be held in trust in accordance with the Closing Escrow Agreement, and Vendor shall, electronically submit an application for approval of the License Transfers to Purchaser of all permits, licenses, approvals and authorizations pertaining to the Assets required to be submitted to the AER and Purchaser shall electronically ratify and sign such application, all in accordance with section 8.5.
- (b) If the Escrow Condition is satisfied or waived in writing by Purchaser on or before the Escrow Deadline, then each Party shall, no later than two (2) Business Days after the AER approved the transfer of the Assets unconditionally, sign and deliver a Closing Joint Instruction to the Escrow Agent, in which event Closing shall be deemed to have thereupon occurred as of the Closing Date and the Escrow Agent shall release to the Parties the documents and funds held in accordance with the Closing Escrow Agreement and the Closing Joint Instruction.
- (c) If the Escrow Condition is not satisfied or waived in writing by Purchaser on or before the Escrow Deadline, Closing shall be deemed not to have been completed, each Party shall immediately thereafter sign and deliver a Termination Joint Instruction to the Escrow Agent, in which event:

- (i) this Agreement shall terminate (other than the obligations in section 11.13);
- (ii) Vendor and Purchaser shall jointly cancel the pending AER License Transfers;
- (iii) each Party will bear its respective costs incurred by it prior to such termination; and
- (iv) the Escrow Agent shall destroy the documents held in escrow delivered to the Escrow Agent pursuant to the Closing Escrow Agreement and shall return the Purchase Price and any interest earned thereon to Purchaser.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Vendor and Receiver

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

- (a) Receiver has been appointed by the Court as receiver and manager of Wild Rose and such appointment is valid and subsisting;
- (b) subject to obtaining the Approval Order, Vendor has the right to enter into this Agreement and to complete the Transaction; and
- (c) provided the Approval Order is obtained, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Vendor, enforceable against Vendor in accordance with their terms.

4.2 Representations and Warranties of Purchaser

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

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

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

4.3 Limitation of Representations by Vendor

- (a) Subject to section 4.1, Vendor expressly negates any representations or warranties, whether written or verbal, made by Vendor or its Representatives, or Wild Rose or its Representatives or secured creditor, and in particular, without limiting the generality of the foregoing, Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to Purchaser or any of its Representatives. Vendor's interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets, and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:
 - (i) any engineering, geological or other interpretation or economic evaluations respecting the Assets;
 - (ii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
 - (iii) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
 - (iv) the rates of production of Petroleum Substances from the Lands;
 - (v) the quality, condition, fitness or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);
 - (vi) the accuracy or completeness of data or information supplied by Vendor or any of its Representatives in connection with the Assets;

- (vii) the environmental state or condition of the Lands;
 - (viii) the suitability of the Assets for any purpose;
 - (ix) compliance with Applicable Laws; or
 - (x) the title and interest of Vendor in and to the Assets.
- (b) Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of Vendor's interests in the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets.
- (c) Any documents, materials and information provided by or on behalf of the Receiver to Purchaser with respect to the Purchased Assets (including any confidential information memoranda, management presentations, or materials made available in an electronic data room) have been provided to Purchaser solely to assist Purchaser in undertaking its own due diligence, and the Receiver has not made and is not making any representations and warranties, implied or otherwise, to or for the benefit of Purchaser as to the accuracy and completeness of any such documents, materials or information or the achievability of any valuations, estimates or projections. Purchaser acknowledges that it has not and will not rely upon any such documents, materials or information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections or evaluations. The Receiver and its respective affiliates, directors, officers, employees, agents and advisors shall not be liable for any inaccuracy, incompleteness or subsequent changes to any such documents, materials or information.
- (d) Except with respect to the representations and warranties in section 4.1 or in the event of fraud, Purchaser forever releases and discharges Vendor and its Representatives from any claims and all liability to Purchaser or Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to Purchaser by Vendor or its Representatives, or Wild Rose or its Representatives or secured creditor, prior to or pursuant to this Agreement, including, without limitation, any evaluations, projections, reports and interpretive or non-factual materials prepared by or for Vendor or Wild Rose, or otherwise in Vendor's possession.

ARTICLE 5 INDEMNITIES FOR REPRESENTATIONS AND WARRANTIES

5.1 Vendor's Indemnities for Representations and Warranties

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

5.2 Purchaser's Indemnities for Representations and Warranties

Purchaser shall be liable to Vendor for and shall, in addition, indemnify Vendor from and against, all Losses suffered, sustained, paid or incurred by Vendor which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.2 been accurate and truthful; provided, that nothing in this section 5.2 shall be construed so as to cause

Purchaser to be liable to or indemnify Vendor in connection with any representation or warranty contained in section 4.2 if and to the extent that Vendor did not rely upon such representation or warranty.

5.3 Survival of Representations and Warranties

Each Party acknowledges that the other may rely on the representations and warranties made by such party pursuant to section 4.1 or 4.2, as the case may be. The representations and warranties in sections 4.1 and 4.2 shall be true as of the date hereof and on the Closing Date, and such representations and warranties shall continue in full force and effect and shall survive the Closing Date for a period of six (6) months, for the benefit of the Party to which such representations and warranties were made. In the absence of fraud, however, no claim or action shall be commenced with respect to a breach of any such representation and warranty, unless, within such period, written notice specifying such breach in reasonable details has been provided to the Party which made such representation or warranty.

ARTICLE 6 INDEMNITIES

6.1 Post-Closing Date Indemnity

Provided that Closing has occurred, Purchaser shall:

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

as a result of any matter or thing resulting from, attributable to or connected with the Assets and that arise or accrue from or relate to acts, omissions, events or circumstances occurring after the Closing Date.

6.2 Environmental Matters and Abandonment and Reclamation Obligations

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

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

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

Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including, without limitation, whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Facilities.

6.3 Third Party Claims

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

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

ARTICLE 7 ADJUSTMENTS

7.1 Costs and Revenues to be Apportioned

- (a) Subject to paragraph 7.1(b) below and except as otherwise provided in this Agreement, all costs and expenses relating to the Assets (including, without limitation, maintenance, development, capital and operating costs) and all revenues relating to the Assets (including, without limitation, proceeds from the sale of production and fees from processing, treating or transporting Petroleum Substances on behalf of Third Parties)

shall be apportioned as of the Effective Date between Vendor and Purchaser on an accrual basis in accordance with generally accepted accounting principles, provided that:

- (i) advances made by Vendor in respect of the costs of operations on Lands or lands pooled or unitized therewith or facilities interests included in the Assets which have not been applied to the payment of costs prior to the Closing Date and stand to the credit of Wild Rose or Vendor will be transferred to Purchaser and an adjustment will be made in favour of Vendor equal to the amount of the advance transferred;
 - (ii) deposits made by Wild Rose or Vendor relative to operations on the Lands, including any security deposits made with the AER, shall be returned to Vendor;
 - (iii) costs and expenses of work done, services provided and goods supplied shall be deemed to accrue for the purposes of this Article when the work is done or the goods or services are provided, regardless of when such costs and expenses become payable;
 - (iv) no adjustments shall be made in respect of Wild Rose's or Vendor's income taxes; and
 - (v) all rentals and similar payments in respect of Petroleum Substances or Surface Rights comprised in the Assets and all taxes (other than income taxes) levied with respect to the Assets or operations in respect thereof shall be apportioned between Vendor and Purchaser on a per diem basis as of the Closing Date.
- (b) Vendor and its Representatives shall not be liable to make any adjustment in favour of, or make any payment to, Purchaser pursuant hereto in respect of any liability which relates to the period which arose prior to the Date of Appointment and which will not constitute a liability to Purchaser.

7.2 Adjustments to Account

- (a) An interim accounting of the adjustments pursuant to section 7.1 shall be made at Closing, based on Vendor's and Purchaser's good faith estimate of the costs and expenses paid by Vendor prior to Closing and the revenues received by Vendor prior to Closing. Vendor and Purchaser shall cooperate in preparing such interim accounting and Vendor shall provide a statement setting forth the adjustments to be made at Closing (the "**Interim Statement of Adjustments**") not later than three (3) Business Days prior to Closing and shall assist Purchaser in verifying the amounts set forth in such statement. A final accounting of the adjustments pursuant to section 7.1 shall be conducted within ninety (90) days following the Closing Date (the "**Final Statement of Adjustments**"), and no further or other adjustments whatsoever will be made thereafter. Vendor and Purchaser shall cooperate in preparing such Final Statement of Adjustments and if the Parties are unable to agree to the amount of any adjustments, such matter shall be referred to arbitration pursuant to the *Arbitration Act (Alberta)*. All adjustments after Closing shall be settled by payment by the Party required to make payment to the other Party hereunder within fifteen (15) Business Days of being notified of the determination of the amount owing.
- (b) All adjustments provided for in this Article shall be adjustments to the Purchase Price. An adjustment payable by a Party after Closing pursuant to this section 7.2 which is not paid within fifteen (15) Business Days of a written request for payment from the other Party, shall bear interest at the Prime Rate plus three percent (3%) per annum payable by the paying Party to the other Party from the end of such fifteen (15) Business Day period until the adjustment is paid.

- (c) Subject to section 7.2(a), Vendor and Purchaser will each bear their own fees and expenses, including the fees and expenses of their respective accountants and auditors, in preparing or reviewing, as the case may be, the Interim Statement of Adjustments and the Final Statement of Adjustments.

ARTICLE 8 MAINTENANCE OF ASSETS

8.1 Maintenance of Assets

From the date hereof until the Closing Date, Vendor shall, to the extent that the nature of its interest permits, and subject to the Title Documents and any other agreements and documents to which the Assets are subject:

- (a) maintain the Assets in a proper and prudent manner in accordance with going oilfield practices and in material compliance with all Applicable Laws and directions of Governmental Authorities;
- (b) maintain in place such insurance policies, if any, which Vendor has in place in respect of the Assets on the date hereof;
- (c) perform and comply, in all material respects, with all of its obligations under the Title Documents; and
- (d) pay or cause to be paid all costs and expenses relating to the Assets which become due from the date hereof to the Closing Date.

8.2 Consent of Purchaser

Notwithstanding section 8.1 and to the extent that the nature of Vendor's interest permits, Vendor shall not, from the date hereof to the Closing Date, without the written consent of Purchaser, which consent shall not be unreasonably withheld by Purchaser and which, if provided, shall be provided in a timely manner:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets of which Vendor's share is in excess of \$15,000.00, except in case of an emergency or in respect of amounts which Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and Purchaser does not provide same in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) amend or terminate any Title Document or enter into any new agreement or commitment relating to the Assets; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting sales of Petroleum Substances in the normal course of business.

8.3 Proposed Actions

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

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

8.4 Post-Closing Transition

Following Closing and to the extent to which Purchaser must be novated into operating agreements and other agreements or documents to which the Assets are subject, until the novation has been effected, Vendor shall:

- (a) not initiate any operation with respect to the Assets, except upon receiving Purchaser's written instructions, or if Vendor reasonably determines that such operation is required for the protection of life or property, in which case Vendor may take such actions as it reasonably determines are required, without Purchaser's written instructions, and shall promptly notify Purchaser of such intention or actions and of Vendor's estimate of the costs and expenses therewith associated;
- (b) forthwith deliver to Purchaser all revenues, proceeds and other benefits received by Vendor with respect to the Assets, provided that Vendor shall not be permitted to deduct from such revenues, proceeds and other benefits, any other costs and expenses which it incurs as a result of such delivery to Purchaser;
- (c) in a timely manner, deliver to Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and Vendor shall respond to such notices pursuant to Purchaser's written instructions, if received on a timely basis, provided that Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude Vendor from taking such actions as Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (d) in a timely manner, deliver to Third Parties all such notices and communications which Purchaser may reasonably request and all such monies and other items as Purchaser

may reasonably provide in respect of the Assets, provided that Vendor may (but shall not be obligated to) refuse to follow instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract.

8.5 Licence Transfers

- (a) To the extent applicable, Vendor shall prepare and, where applicable, electronically submit on the Closing Date, an application to the applicable Governmental Authorities for Licence Transfers and Purchaser or its nominee shall, where applicable, electronically ratify and/or sign such application.
- (b) If a Governmental Authority denies a Licence Transfer because of misdescription or other minor deficiencies in the application, Vendor shall, within two (2) Business Days of such denial, correct the application and amend and re-submit the application for the Licence Transfer and Purchaser or its nominee shall, where applicable, electronically ratify and sign such application.
- (c) If, for any reason, a Governmental Authority requires a Party or its nominee to make a deposit or furnish any other form of security to approve a License Transfer, Purchaser shall make such deposit or furnish such other form of security as is required.

8.6 Vendor Deemed Purchaser's Agent

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

8.7 Operatorship

- (a) Subject to the other provisions in this Article 8, from the Closing Date (i) until such time as the Escrow Condition has been satisfied and/or waived by Purchaser and the Parties have delivered the Closing Joint Instruction, or (ii) until such time as the Parties have delivered a Termination Joint Instruction, whichever occurs first, Purchaser shall assist Vendor with the operation of the Assets, as the Parties may agree, acting reasonably.
- (b) In the event a Closing Joint Instruction is delivered to the Escrow Agent by the Parties, all costs and expenses incurred by Purchaser in respect of the operation of the Assets in accordance with section 8.7(a) shall be included in the Final Statement of Adjustments and settled in accordance with Section 7.1. In the event a Termination Joint Instruction is

delivered to the Escrow Agent by the Parties, all costs and expenses reasonably incurred by Purchaser in respect of the operation of the Assets in accordance with section 8.7(a) shall be borne by Vendor and Purchaser shall invoice Vendor for such costs and expenses promptly upon termination of this Agreement. Vendor shall pay the amount of such invoice within fifteen (15) Business Days of receipt thereof. If such amount is not paid by Vendor within fifteen (15) Business Days of receipt of an invoice therefore from Purchaser, the amount payable shall bear interest at the Prime Rate plus three percent (3%) per annum from the end of such fifteen (15) Business Day period until such amount is paid in full.

- (c) In connection with any assistance Purchaser provides in connection with the operation of the Assets pursuant to this Section 8.7, Purchaser agrees to act in a proper and prudent manner in accordance with going oilfield practices and in material compliance with all Applicable Laws and directions of Governmental Authorities. While Purchaser is assisting with the operation of the Asset pursuant to this Section 8.7, Purchaser agrees that it will not incur any expenditure in connection with the Assets in excess of \$5,000 without the prior approval of Vendor.

ARTICLE 9 RIGHTS OF FIRST REFUSAL

9.1 Rights of First Refusal

Vendor and Purchaser acknowledge and agree that none of the Assets are subject to Rights of First Refusal.

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

10.1 Vendor to Provide Access

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

10.2 Access to Information

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, Purchaser shall, on request from Vendor, provide reasonable access to Vendor at Purchaser's offices, during its normal business hours, to the agreements and documents to which the Assets are subject and the contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests and the Title Documents which are then in the possession or control of Purchaser and to make copies thereof, as Vendor may reasonably require, including, but not limited to, for purposes relating to:

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

10.3 Maintenance of Information

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

ARTICLE 11 GENERAL

11.1 Further Assurances

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

11.2 No Merger

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

11.3 Receiver

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

11.4 Entire Agreement

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement supersedes all other agreements, documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the subject matter hereof.

11.5 Governing Law

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

11.6 Signs and Notifications

Within thirty (30) days following delivery of the Closing Joint Instruction, Purchaser shall remove any signage which indicates Wild Rose's ownership or operation (as applicable) of the Assets. It shall be the responsibility of Purchaser to erect or install any signage required by applicable Governmental Authorities indicating Purchaser to be the owner or operator of the Assets.

11.7 Assignment and Enurement

This Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld; provided however, Purchaser shall be entitled to assign its rights and obligation hereunder to its nominee for purpose of receiving the conveyance of the Assets contemplated hereunder. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

11.8 Time of Essence

Time shall be of the essence in this Agreement.

11.9 Notices

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

Vendor - **FTI Consulting Canada Inc.**
720, 440 – 2nd Avenue S.W.
Calgary, AB T2P 5E9

Attention: Deryck Helkaa
Fax: 403-232-6116
Email: derych.helkaa@FTIConsulting.com

with a copy to: **Fasken Martineau LLP**
350 – 7h Avenue SW, Suite 3400
Calgary, AB T2P 3N9

Attention: Travis P. Lysak
Fax: 403-261-5350
Email : tlysak@fasken.com

Purchaser - **Tidewater Brazeau Gas Storage LP**
c/o Tidewater Brazeau Gas Storage Corp.
1500, 250 – 2nd Street S.W.
Calgary, AB T2P 0C1

Attention: Reed McDonnell, VP Acquisition & Divestitures
Fax: 587-475-0211
Email: rmcdonnell@tidewatermidstream.com

with a copy to: **DLA Piper (Canada) LLP**
1000, 250 – 2nd Street S.W.
Calgary, AB T2P 0C1

Attention: Carole Hunter
Fax: 403-296-4474
Email: carole.hunter@dlapiper.com

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

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

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

11.10 Invalidity of Provisions

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

11.11 Waiver

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

11.12 Amendment

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

11.13 Confidentiality and Public Announcements

Until Closing has occurred (and if Closing does not occur, for a period of one (1) year from the date hereof), each Party shall keep confidential all information obtained from the other Party in connection with the Assets and shall not release any information concerning this Agreement and the Transaction without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information (i) to any Governmental Authority or regulatory authority or to the public if required by Applicable Law; or (ii) in connection with obtaining the Approval Order; or (iii) as required to Wild Rose's secured creditors.

[Remainder of page intentionally left blank. Signature page follows.]

11.14 Counterpart Execution

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

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

FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of **WILD ROSE ENERGY LTD.**, and not in its personal or corporate capacity

TIDEWATER BRAZEAU GAS STORAGE LP, by its general partner, **TIDEWATER BRAZEAU GAS STORAGE CORP.**

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

Lands and Petroleum and Natural Gas Rights

The following 2 pages comprise Schedule "A".

WILDROSE PROPERTY REPORT

| AREA NAME | Unit | Contract File | Mineral File | Title Document | Comments | Reel/ Month | Expiry | Rental Payer Registered Owner | QRT | SEC TWP | RGE | W_M | Rights | Working Interest Parties | Working Interest (%) | Royalties | Well UWI | |
|-----------|-----------------------------------|---------------|------------------|----------------|--|-------------|------------|-------------------------------|-----|---------|-----|-----|--------|--------------------------|-----------------------|-----------|----------------------|--|
| BRAZEAU | | n/a | M00046 (2049544) | 57708A131 | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | AUGUST | INDEFINITE | Blaze Energy Ltd. | SW | 34 | 46 | 12 | 15 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | |
| BRAZEAU | U0008-Nisku "D" Pool - Terminated | n/a | M00046 (2049544) | 57708A131 | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | AUGUST | INDEFINITE | Blaze Energy Ltd. | SW | 34 | 46 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 05 34 048 12 W5 00 |
| BRAZEAU | | C00026 (401) | M00048 (959803) | 105538A | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | MAY | INDEFINITE | Blaze 50% TWN 50% | NE | 28 | 48 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | |
| BRAZEAU | U0008-Nisku "D" Pool - Terminated | C00026 (401) | M00048 (959803) | 105538A | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | MAY | INDEFINITE | Blaze 50% TWN 50% | NE | 28 | 48 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 15 28 048 12 W5 00 |
| BRAZEAU | | C00026 (401) | M00048 (959803) | 105538A | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | MAY | INDEFINITE | Blaze 50% TWN 50% | E | 31 | 48 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | |
| BRAZEAU | U0007 Nisku "A" Pool | C00035 (401) | M00048 (959803) | 105538A | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | MAY | INDEFINITE | Blaze 50% TWN 50% | E | 31 | 48 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 11 31 048 12 W5 00 100 11 31 048 12 W5 02 100 07 31 048 12 W5 00 100 07 31 048 12 W5 02 100 06 31 048 12 W5 03 100 06 31 048 12 W5 03 102 11 31 048 12 W5 04 102 11 31 048 12 W5 05 100 07 31 048 12 W5 06 100 15 31 048 12 W5 00 |
| BRAZEAU | | C00026 (401) | M00048 (959803) | 105538A | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | MAY | INDEFINITE | Blaze 50% TWN 50% | E | 33 | 48 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | |
| BRAZEAU | U0008-Nisku "D" Pool - Terminated | C00026 (401) | M00048 (959803) | 105538A | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | MAY | INDEFINITE | Blaze 50% TWN 50% | E | 33 | 48 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 07 33 048 12 W5 00 107 07 33 048 12 W5 02 100 10 33 048 12 W5 00 |
| BRAZEAU | | C00026 (401) | M00051 (1921400) | 590080105 | Blaze assigned its entire interest to Wild Rose Jan 1/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | AUGUST | INDEFINITE | Blaze 55.75% Conoco 40.25% | W | 33 | 48 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | |

WILDROSE PROPERTY REPORT

| AREA NAME | UNIT | Contract File | Mitral File | Title Document | Comments | Rental Month | Empty | Address for Service Registered Owner | QRT | SEC | TWP | RGE | W | M | Rights | Working Interest Parties | Working Interest (%) | Royalties | Well UWI |
|-----------|------------------------------------|---------------|------------------|----------------|---|--------------|------------|--------------------------------------|------|-----|-----|-----|---|--------------|-----------------------|--------------------------|----------------------|--|----------|
| BRAZEAU | U00008-Nisku "D" Pool - Terminated | C00026 (401) | M00051 (1921400) | 590080105 | Blaze assigned its entire interest to Wild Rose Jan 31/11 (C00072) No governing contract for these lands Brazeau River Nisku "D" Pool Unit terminated March 31, 2017 Lease remains active | AUGUST | INDEFINITE | Blaze 55.75% Conoco 40.25% | W | 33 | 48 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 03 33 048 12 W5 02 | |
| BRAZEAU | | C00026 (401) | M00060 (860403) | 109255 | Blaze assigns its entire interest to Wild Rose Jan 4/11 (C00060) | MAY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | S+NW | 26 | 48 | 13 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00026 (401) | M00060 (860403) | 109255 | Blaze assigns its entire interest to Wild Rose Jan 4/11 (C00060) | MAY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | S+NW | 26 | 48 | 13 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 02 26 048 13 W5 00 100 05 26 048 13 W5 00 | |
| BRAZEAU | | C00026 (401) | M00060 (860403) | 109255 | Blaze assigns its entire interest to Wild Rose Jan 4/11 (C00060) | MAY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | SE | 27 | 48 | 13 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00026 (401) | M00060 (860403) | 109255 | Blaze assigns its entire interest to Wild Rose Jan 4/11 (C00060) | MAY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | SE | 27 | 48 | 13 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00023 (358) | M00071 (872308) | 578070036 | Blaze assigns its entire interest to Wildrose Jan 31/11 (C00060) | JULY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | NE | 22 | 48 | 13 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00023 (358) | M00071 (872308) | 578070036 | Blaze assigns its entire interest to Wildrose Jan 31/11 (C00060) | JULY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | NE | 22 | 48 | 13 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00023 (358) | M00073 (872408) | 578070037 | Blaze assigns its entire interest to Wildrose Jan 31/11 (C00060) | JULY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | N | 23 | 48 | 13 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00023 (358) | M00073 (872408) | 578070037 | Blaze assigns its entire interest to Wildrose Jan 31/11 (C00072) | JULY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | N | 23 | 48 | 13 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 15 23 048 13 W5 00 | |
| BRAZEAU | | C00023 (358) | M00250 (872501) | 578070038 | Blaze assigned its entire interest to Wildrose Jan 31, 2011 (C00060) | JULY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | NW | 24 | 48 | 13 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00023 (358) | M00250 (872501) | 578070038 | Blaze assigned its entire interest to Wildrose Jan 31, 2011 (C00072) | JULY | INDEFINITE | Blaze 66.66667% Conoco 33.33333% | NW | 24 | 48 | 13 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00025 (361) | M00251 (354980) | 178110022 | Blaze assigned its entire interest to Wild Rose Jan 4, 2011 PNG base Mississippiplan to top Nisku remain. Blaze 50%, Questfire 50% | NOVEMBER | INDEFINITE | Questfire Energy Corp. 100% | | 6 | 49 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00025 (361) | M00251 (354980) | 178110022 | Blaze assigned its entire interest to Wild Rose Jan 4, 2011 PNG base Mississippiplan to top Nisku remain. Blaze 50%, Questfire 50% | NOVEMBER | INDEFINITE | Questfire Energy Corp. 100% | | 6 | 49 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | 100 05 06 049 12 W5 00 | |
| BRAZEAU | | C00025 (361) | M00251 (354980) | 178110022 | Blaze assigned its entire interest to Wild Rose Jan 4, 2011 PNG base Mississippiplan to top Nisku remain. Blaze 50%, Questfire 50% | NOVEMBER | INDEFINITE | Questfire Energy Corp. 100% | | 6 | 49 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00025 (361) | M00251 (354980) | 178110022 | Blaze assigned its entire interest to Wild Rose Jan 4, 2011 PNG base Mississippiplan to top Nisku remain. Blaze 50%, Questfire 50% | NOVEMBER | INDEFINITE | Questfire Energy Corp. 100% | | 6 | 49 | 12 | 5 | PET IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |
| BRAZEAU | | C00025 (361) | M00251 (354980) | 178110022 | Blaze assigned its entire interest to Wild Rose Jan 4, 2011 PNG base Mississippiplan to top Nisku remain. Blaze 50%, Questfire 50% | NOVEMBER | INDEFINITE | Questfire Energy Corp. 100% | | 6 | 49 | 12 | 5 | NG IN NISKU | WILD ROSE ENERGY LTD. | 100 | CROWN LESSOR ROYALTY | | |

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

Wells and Facilities

Wells

The following 1 page comprises the Wells for this Schedule "B".

Facilities

The following 6 pages comprise the Facilities for this Schedule "B".

WILD ROSE WELL LIST

| CFA Format Well ID | Soft Function | | | | | | Blaze Wt (%) | Well Status Text | Pool Name | Area | Gross TYD (m) | Net TYD (m) | Net Escal TYD (m) | Net Non Escal TYD (m) | Gross Wells | Net Wells | Gross Producing Wells | Net Producing Wells | Critical Start Years/Is | Equipment |
|--------------------|---------------|------|----|-----|-------|----|--------------|------------------|----------------------|-------------------|---------------|-------------|-------------------|-----------------------|-------------|-----------|-----------------------|---------------------|--|-----------|
| | SEC | TRYP | RS | MR | FRONT | | | | | | | | | | | | | | | |
| | 100 | 15 | 28 | 048 | 12 | W5 | | | | | | | | | | | | | | |
| 1001528-048-12W500 | 100 | 15 | 28 | 048 | 12 | W5 | 00 | 100.000% | ASD Whiplack Oil | Brzrau Neku - BIC | 3092.4 | 3092 | 0 | 3092 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001533-048-12W502 | 100 | 03 | 33 | 048 | 12 | W5 | 02 | 100.000% | Sump Oil | Brzrau Neku - BIC | 3169.8 | 3170 | 0 | 3170 | 1 | 1,0000 | 1 | 1,0000 | Rental Compressor (Unit 8092) 220 HP-3386 CAT1160 VLRD-222 MYCDM | |
| 1001533-048-12W500 | 100 | 07 | 33 | 048 | 12 | W5 | 00 | 100.000% | ASD Whiplack Oil | Brzrau Neku - BIC | 3082.6 | 3088 | 0 | 3088 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001533-048-12W502 | 102 | 07 | 33 | 048 | 12 | W5 | 02 | 100.000% | Sump Oil | Brzrau Neku - BIC | 3169.0 | 3168 | 0 | 3168 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001533-048-12W500 | 100 | 10 | 33 | 048 | 12 | W5 | 00 | 100.000% | Sump Oil - BLE Stack | Brzrau Neku - BIC | 3177.5 | 3178 | 0 | 3178 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001533-048-12W500 | 100 | 06 | 34 | 048 | 12 | W5 | 00 | 100.000% | Sump Oil | Brzrau Neku - BIC | 3168.4 | 3168 | 0 | 3168 | 1 | 1,0000 | 1 | 1,0000 | Rental Compressor (Unit 80192X) 220 HP-3386 CAT1160 VLRD-222 MYCDM | |
| 1001131-048-12W502 | 100 | 11 | 31 | 048 | 12 | W5 | 02 | 100.000% | Cycle Oil | Brzrau Neku - BIC | 3148.9 | 3149 | 0 | 3149 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001131-048-12W502 | 102 | 11 | 31 | 048 | 12 | W5 | 05 | 100.000% | ABD Oil Zone | Brzrau Neku - BIC | 3174.9 | 3175 | 0 | 3175 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1000731-048-12W506 | 100 | 07 | 31 | 048 | 12 | W5 | 00 | 100.000% | Cycle Oil - Injector | Brzrau Neku - BIC | 3208.0 | 3208 | 3208 | 0 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001531-048-12W500 | 100 | 16 | 31 | 048 | 12 | W5 | 00 | 100.000% | Flowing Oil | Brzrau Neku - BIC | 3205.5 | 3207 | 3207 | 0 | 1 | 1,0000 | 1 | 1,0000 | Multistage Temp/Pump/Secondary Containment Wellhead Assy | |
| 1001531-048-12W500 | 100 | 06 | 31 | 048 | 12 | W5 | 00 | 100.000% | Cycle Oil | Brzrau Neku - BIC | 3210.0 | 3219 | 3219 | 0 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001531-048-12W500 | 100 | 16 | 31 | 048 | 12 | W5 | 00 | 100.000% | Flowing Oil | Brzrau Neku - BIC | 3308.2 | 3308 | 3308 | 0 | 1 | 1,0000 | 1 | 1,0000 | Rental Compressor (Unit 80108X) 220 HP-3386 CAT1160 VLRD-222 MYCDM | |
| 1001531-048-12W500 | 100 | 02 | 26 | 048 | 13 | W5 | 00 | 100.000% | Flowing Oil | Brzrau Neku - BIC | 3311.0 | 3311 | 3311 | 0 | 1 | 1,0000 | 1 | 1,0000 | Wellhead Assy. | |
| 1001531-048-12W500 | 100 | 06 | 26 | 048 | 13 | W5 | 00 | 100.000% | Flowing Oil | Brzrau Non Unit | 3148.9 | | | | 1 | 1,0000 | 1 | 1,0000 | | |
| 1000731-048-12W503 | 100 | 06 | 31 | 048 | 12 | W5 | 00 | 100.000% | ABD Whiplack | Brzrau Non Unit | 3215.0 | | | | 1 | 1,0000 | 1 | 1,0000 | | |
| 1000731-048-12W500 | 100 | 07 | 31 | 048 | 12 | W5 | 00 | 100.000% | ABD Whiplack | Brzrau Non Unit | 3125.6 | | | | 1 | 1,0000 | 1 | 1,0000 | | |
| 1000731-048-12W502 | 100 | 07 | 31 | 048 | 12 | W5 | 02 | 100.000% | ABD Whiplack | Brzrau Non Unit | 3075.7 | | | | 1 | 1,0000 | 1 | 1,0000 | | |
| 1001531-048-12W500 | 100 | 11 | 31 | 048 | 12 | W5 | 00 | 100.000% | ABD Whiplack | Brzrau Non Unit | 3148.9 | | | | 1 | 1,0000 | 1 | 1,0000 | | |
| 1001531-048-12W504 | 102 | 11 | 31 | 048 | 12 | W5 | 04 | 100.000% | ABD Whiplack | Brzrau Non Unit | | | | | 1 | 1,0000 | 1 | 1,0000 | | |

Wild Rose Well List

CONFIDENTIAL

WILD ROSE PIPELINES

| Operator Code | Operator Name | License Num | Segment ID # | From Location | To Location | From Facility | To Facility | Length (km) | Status | Diam (mm) | MOP (kPa) | Wall (mm) | Material |
|---------------|-------------------|-------------|--------------|----------------|----------------|----------------------|----------------------|-------------|--------------|-----------|-----------|-----------|----------|
| ASTP | Wild Rose Eng Ltd | A000025204 | 1 | 04-31-048-12W5 | 07-31-048-12W5 | Gas-Processing Plant | Batteries | 0.83 | Operating | 60.3 | 7000 | 3.2 | Steel |
| ASTP | Wild Rose Eng Ltd | A000030606 | 1 | 09-33-048-12W5 | 05-34-048-12W5 | Batteries | Pipeline | 3.2 | Operating | 168.3 | 9930 | 6.35 | Steel |
| ASTP | Wild Rose Eng Ltd | A000038445 | 2 | 07-33-048-12W5 | 07-33-048-12W5 | Pipeline | Pipeline | 0.15 | Operating | 60.3 | 9930 | 3.9 | Steel |
| ASTP | Wild Rose Eng Ltd | A000038445 | 3 | 06-33-048-12W5 | 07-33-048-12W5 | Pipeline | Well | 0.4 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000038445 | 4 | 09-30-048-12W5 | 06-33-048-12W5 | Pipeline | Pipeline | 2.82 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000038445 | 5 | 04-31-048-12W5 | 09-30-048-12W5 | Batteries | Pipeline | 1.93 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000051438 | 1 | 02-26-048-13W5 | 02-26-048-13W5 | Batteries | Well | 0.2 | Operating | 60.3 | 9930 | 3.2 | Steel |
| ASTP | Wild Rose Eng Ltd | A000051440 | 1 | 02-26-048-13W5 | 02-26-048-13W5 | Well | Batteries | 0.2 | Operating | 114.3 | 9930 | 4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 1 | 11-31-048-12W5 | 11-31-048-12W5 | Well | Pipeline | 0.24 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 2 | 11-31-048-12W5 | 04-31-048-12W5 | Pipeline | Batteries | 0.89 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 3 | 15-31-048-12W5 | 11-31-048-12W5 | Well | Pipeline | 0.4 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 4 | 02-26-048-13W5 | 04-31-048-12W5 | Pipeline | Batteries | 3.04 | Operating | 114.3 | 31030 | 6 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 5 | 02-26-048-13W5 | 02-26-048-13W5 | Well | Pipeline | 0.97 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 6 | 02-26-048-13W5 | 02-26-048-13W5 | Well | Pipeline | 0.02 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 7 | 15-23-048-13W5 | 02-26-048-13W5 | Well | Pipeline | 0.53 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 8 | 11-31-048-12W5 | 11-31-048-12W5 | Pipeline | Satellite | 0.13 | Operating | 88.9 | 21000 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 9 | 11-31-048-12W5 | 11-31-048-12W5 | Satellite | Pipeline | 0.24 | Operating | 114.3 | 21000 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 10 | 11-31-048-12W5 | 04-31-048-12W5 | Pipeline | Batteries | 0.9 | Operating | 114.3 | 21000 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 11 | 15-23-048-13W5 | 07-33-048-12W5 | Well | Pipeline | 0.6 | Operating | 88.9 | 31030 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 12 | 07-31-048-12W5 | 04-31-048-12W5 | Well | Batteries | 0.83 | Operating | 114.3 | 31000 | 11.1 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 13 | 02-26-048-13W5 | 04-31-048-12W5 | Well | Batteries | 3.04 | Operating | 114.3 | 31030 | 6 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 14 | 05-06-049-12W5 | 11-31-048-12W5 | Well | Pipeline | 1.01 | Operating | 114.3 | 31000 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053076 | 15 | 16-25-048-13W5 | 04-31-048-12W5 | Batteries | Gas-Processing Plant | 1.92 | Operating | 114.3 | 9930 | 4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053077 | 1 | 05-34-048-12W5 | 13-34-048-12W5 | Well | Pipeline | 1.08 | Operating | 168.3 | 9650 | 5.6 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 1 | 04-31-048-12W5 | 11-31-048-12W5 | Well | Compressor Station | 1.22 | Operating | 114.3 | 31000 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 2 | 04-31-048-12W5 | 01-36-048-13W5 | Compressor Station | Pipeline | 0.46 | Operating | 114.3 | 41910 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 3 | 01-36-048-13W5 | 02-26-048-13W5 | Pipeline | Well | 2.49 | Operating | 114.3 | 41910 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 4 | 07-33-048-12W5 | 10-33-048-12W5 | Pipeline | Well | 0.47 | Operating | 114.3 | 41600 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 5 | 05-34-048-12W5 | 07-33-048-12W5 | Well | Pipeline | 0.69 | Operating | 168.3 | 9930 | 4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 6 | 16-25-048-13W5 | 11-31-048-12W5 | Batteries | Pipeline | 0.15 | Operating | 114.3 | 9930 | 3.2 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 7 | 16-25-048-13W5 | 07-31-048-12W5 | Batteries | Well | 2.62 | Operating | 323.89 | 22750 | 12.7 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 8 | 16-25-048-13W5 | 11-31-048-12W5 | Batteries | Well | 2.62 | Operating | 323.89 | 22750 | 12.7 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 9 | 04-31-048-12W5 | 16-25-048-13W5 | Compressor Station | Batteries | 1.92 | Operating | 273.1 | 9930 | 6.4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 10 | 16-25-048-13W5 | 13-30-048-12W5 | Batteries | Gas-Processing Plant | 0.74 | Operating | 273.1 | 9930 | 6.4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000053078 | 17 | 16-25-048-13W5 | 07-33-048-12W5 | Batteries | Pipeline | 5.18 | Operating | 114.3 | 41600 | 8.56 | Steel |
| ASTP | Wild Rose Eng Ltd | A000054428 | 1 | 16-25-048-13W5 | 04-31-048-12W5 | Batteries | Compressor Station | 1.92 | Operating | 114.3 | 9930 | 4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000054428 | 2 | 16-25-048-13W5 | 04-31-048-12W5 | Blind End | Blind End | 1.34 | Discontinued | 114.3 | | 4 | Steel |
| ASTP | Wild Rose Eng Ltd | A000054930 | 1 | 11-23-048-12W5 | 09-30-048-12W5 | Well | Pipeline | 0.69 | Operating | 88.9 | 9930 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000054930 | 2 | 09-30-048-12W5 | 04-31-048-12W5 | Pipeline | Batteries | 1.69 | Operating | 88.9 | 9930 | 7.62 | Steel |
| ASTP | Wild Rose Eng Ltd | A000054944 | 1 | 07-33-048-12W5 | 11-23-048-12W5 | Well | Pipeline | 2.9 | Operating | 88.9 | 9930 | 5.5 | Steel |
| ASTP | Wild Rose Eng Ltd | A000057536 | 1 | 07-31-048-12W5 | 04-31-048-12W5 | Well | Gas-Processing Plant | 0.9 | Operating | 114.3 | 31000 | 8.6 | Steel |
| ASTP | Wild Rose Eng Ltd | A000057536 | 2 | 05-06-049-12W5 | 11-31-048-12W5 | Well | Satellite | 1.16 | Operating | 114.3 | 31000 | 8.6 | Steel |
| ASTP | Wild Rose Eng Ltd | A000057536 | 3 | 07-31-048-12W5 | 11-31-048-12W5 | Well | Satellite | 0.63 | Operating | 114.3 | 31000 | 8.6 | Steel |
| ASTP | Wild Rose Eng Ltd | A000057537 | 1 | 04-31-048-12W5 | 11-31-048-12W5 | Gas-Processing Plant | Pipeline | 0.99 | Operating | 33.4 | 7000 | 3.38 | Steel |

WILD ROSE SURFACE LEASE SUMMARY

| File Number CS LAND | Area | Admin Company | Rental Month | Rental Amount | Document Type | Lessor Type | Lessor/ Disposition Number | Land Description | Notes |
|------------------------|---------|---------------|--------------|---------------|---------------|-------------|--------------------------------------|--|---|
| S00022 | BRAZEAU | WILD ROSE | SEPTEMBER | \$ 50.00 | LOC | CR | LOC 820412 | TWP 048 RGE 12 W5M NE 28 | |
| S00026 | BRAZEAU | WILD ROSE | SEPTEMBER | \$ 375.54 | MSL | CR | MSL 771225 | TWP 048 RGE 12 W5M SE 33 | |
| S00027 | BRAZEAU | WILD ROSE | SEPTEMBER | \$ 385.83 | MSL | CR | MSL 781419 | TWP 048 RGE 13 W5M SW 26 | |
| S00028 | BRAZEAU | WILD ROSE | SEPTEMBER | \$ 360.00 | MSL | CR | MSL 820542 | TWP 048 RGE 12 W5M NE 28 | |
| S00036 | PEMBINA | WILD ROSE | OCTOBER | \$ 360.00 | MSL | CR | MSL 900993 | TWP 048 RGE 12 W5M SE 31 | |
| S00037 | PEMBINA | WILD ROSE | OCTOBER | \$ 50.00 | LOC | CR | LOC 900807 | TWP 048 RGE 31 W5M SE 31 | |
| S00054 | BRAZEAU | WILD ROSE | | | PLA | CR | LINE 53078-10 (WITHIN P.L.A. 830691) | TWP 048 RGE 13 W5M NE 25 TWP 048 RGE 12 W5M NW 30 | |
| S00058 | BRAZEAU | WILD ROSE | JUL | \$ 200.03 | LOC | CR | LOC 140552 | TWP 048 RGE 12 W5M NW 29 | |
| S00076 | BRAZEAU | WILD ROSE | FEBRUARY | \$ 360.00 | MSL | CR | MSL 770150 | TWP 048 RGE 12 W5M SW 30 | |
| S00084 | BRAZEAU | WILD ROSE | FEBRUARY | \$ 360.00 | MSL | CR | MSL 790205 | TWP 048 RGE 12 W5M NW 31 | |
| S00085 | BRAZEAU | WILD ROSE | JANUARY | \$ 914.90 | MILL | CR | MILL 110177 | TWP 048 RGE 13 W5M NE 25 | |
| S00110 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 121321 | TWP 048 RGE 12 W5M NW 31 | |
| S00110-A | BRAZEAU | WILD ROSE | | | PLA | CR | P.L.L.I.C.E.N.C.E. 53078 - 8 | TWP 048 RGE 12 W5M SE 31 TWP 048 RGE 12 W5M SW 31 TWP 048 RGE 13 W5M NE 25 TWP 048 RGE 13 W5M SE 36 | |
| S00182 | BRAZEAU | WILD ROSE | NOVEMBER | \$ 537.45 | MSL | CR | MSL 771505 | TWP 049 RGE 12 W5M SE 06 | |
| S00183 | BRAZEAU | WILD ROSE | NOVEMBER | \$ 411.45 | MSL | CR | MSL 771470 | TWP 48 RGE 13 W5M NE/4 23 | |
| S00184 | BRAZEAU | WILD ROSE | JULY | \$ 387.72 | MSL | CR | MSL 781165 | TWP 48 RGE 13 W5M NE/4 23 | |
| S00185 | BRAZEAU | WILD ROSE | DECEMBER | \$ 360.00 | PIL | CR | PIL 020253 | TWP 48 RGE 12 W5M NE/4 35 | |
| S00186 | BRAZEAU | WILD ROSE | DECEMBER | \$ 360.00 | PIL | CR | PIL 020248 | TWP 48 RGE 12 W5M NW/4 34 | |
| S00187 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 100845 | TWP 48 RGE 12 W5M SE/4 31 | |
| S00188 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 100852 | TWP 48 RGE 12 W5M NW/4 31 | |
| S00189 | BRAZEAU | WILD ROSE | JULY | \$ (232.00) | SHARED | CR | MSL 781627 | TWP 48 RGE 12 W5M SW/4 06 | ANNUAL COMPENSATION PAID TO WILD ROSE BY TIDEWATER |
| S00190 | BRAZEAU | WILD ROSE | NOVEMBER | \$ 463.95 | MSL | CR | MSL 781627 | TWP 48 RGE 12 W5M NE/4 33 | |
| S00191 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 100844 | TWP 48 RGE 15 W5M SE/4 31 | |
| S00192 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 021094 | TWP 48 RGE 12 W5M SW/4 34 | |
| S00193 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 930277 | TWP 48 RGE 12 W5M NE/4 29 | |
| S00194 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 900964 | TWP 48 RGE 12 W5M SE/4 32 | |
| S00195 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 830127 | TWP 48 RGE 12 W5M SW/4 31 | |
| S00196 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 790459 | TWP 48 RGE 12 W5M NW/4 31 | |
| S00197 | PEMBINA | WILD ROSE | AUGUST | \$ 360.00 | MSL | CR | MSL 791206 | TWP 48 RGE 12 W5M SW/4 06 | |
| S00198 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 022356 | TWP 48 RGE 12 W5M NW/4 34 | |
| S00199 | BRAZEAU | WILD ROSE | APRIL | \$ 50.00 | LOC | CR | LOC 970235 | TWP 48 RGE 12 W5M NW/4 30 TWP 48 RGE 12 W5M SW/4 30 TWP 48 RGE 13 W5M NE/4 25 | |

WILD ROSE SURFACE LEASE SUMMARY

| File Number CS LAND | Area | Admin Company | Rental Month | Rental Amount | Document Type | Lessors Type | Lessors/ Disposition Number | Land Description | Notes |
|------------------------|---------|---------------|--------------|---------------|---------------|--------------|-----------------------------|---|-------|
| S00200 | BRAZEAU | WILD ROSE | MARCH | \$ 50.00 | LOC | CR | LOC 780251 | TWP 48 RGE 12 W5M NE/4 29 TWP 48 RGE 12 W5M NW/4 29 TWP 48 RGE 12 W5M SE/4 32 TWP 48 RGE 12 W5M SW/4 32 TWP 48 RGE 12 W5M SE/4 33 TWP 48 RGE 12 W5M SW/4 33 TWP 48 RGE 12 W5M SE/4 34 TWP 48 RGE 12 W5M SW/4 34 TWP 48 RGE 12 W5M NE/4 35 TWP 48 RGE 12 W5M SE/4 35 TWP 48 RGE 12 W5M SW/4 35 TWP 48 RGE 12 W5M NW/4 31 | |
| S00201 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 800251 | TWP 48 RGE 12 W5M NW/4 19 TWP 48 RGE 12 W5M NW/4 29 TWP 48 RGE 12 W5M NE/4 30 TWP 48 RGE 12 W5M NW/4 30 TWP 48 RGE 12 W5M SE/4 30 TWP 48 RGE 12 W5M NW/4 31 TWP 48 RGE 12 W5M SW/4 31 TWP 48 RGE 12 W5M SE/4 32 TWP 48 RGE 12 W5M SW/4 32 TWP 48 RGE 12 W5M SE/4 33 TWP 48 RGE 12 W5M SW/4 33 TWP 48 RGE 13 W5M NE/4 23 TWP 48 RGE 13 W5M SEC 25 TWP 48 RGE 13 W5M SE/4 26 TWP 48 RGE 13 W5M SW/4 26 TWP 48 RGE 13 W5M SE/4 36 | |
| S00202 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 800504 | TWP 48 RGE 12 W5M NW/4 19 TWP 48 RGE 12 W5M NW/4 29 TWP 48 RGE 12 W5M NE/4 30 TWP 48 RGE 12 W5M NW/4 30 TWP 48 RGE 12 W5M SE/4 30 TWP 48 RGE 12 W5M NW/4 31 TWP 48 RGE 12 W5M SW/4 31 TWP 48 RGE 12 W5M SE/4 32 TWP 48 RGE 12 W5M SW/4 32 TWP 48 RGE 12 W5M SE/4 33 TWP 48 RGE 12 W5M SW/4 33 TWP 48 RGE 13 W5M NE/4 23 TWP 48 RGE 13 W5M SEC 25 TWP 48 RGE 13 W5M SE/4 26 TWP 48 RGE 13 W5M SW/4 26 TWP 48 RGE 13 W5M SE/4 36 | |
| S00203 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 780416 | TWP 48 RGE 12 W5M NW/4 29 TWP 48 RGE 12 W5M SE/4 30 TWP 48 RGE 12 W5M SW/4 31 TWP 48 RGE 12 W5M SE/4 32 TWP 48 RGE 12 W5M SW/4 32 TWP 48 RGE 12 W5M NE/4 32 TWP 48 RGE 12 W5M SE/4 33 TWP 48 RGE 12 W5M SW/4 33 TWP 48 RGE 12 W5M SE/4 36 TWP 48 RGE 13 W5M NE/4 25 TWP 48 RGE 13 W5M NW/4 25 TWP 48 RGE 13 W5M SW/4 25 TWP 48 RGE 13 W5M SE/4 26 | |
| S00204 | BRAZEAU | WILD ROSE | | | PLA | CR | PLA 800197 | TWP 48 RGE 12 W5M NW/4 29 TWP 48 RGE 12 W5M SE/4 30 TWP 48 RGE 12 W5M SW/4 31 TWP 48 RGE 12 W5M SE/4 32 TWP 48 RGE 12 W5M SW/4 32 TWP 48 RGE 12 W5M NE/4 32 TWP 48 RGE 12 W5M SE/4 33 TWP 48 RGE 12 W5M SW/4 33 TWP 48 RGE 12 W5M SE/4 36 TWP 48 RGE 13 W5M NE/4 25 TWP 48 RGE 13 W5M NW/4 25 TWP 48 RGE 13 W5M SW/4 25 TWP 48 RGE 13 W5M SE/4 26 | |

WILD ROSE THIRD PARTY AGREEMENTS

| CS file number | admin company | description | document type | lessor type | lessor number | land description |
|----------------|---------------|-------------|---------------|-------------|----------------------------|--|
| TP0071 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. 560 | (CONOCOPHILLIPS CANADA BRC LTD., CONOCOPHILLIPS CANADA RESOURCES CORP., CONOCOPHILLIPS CANADA OPERATIONS LTD. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) (WEYERHAEUSER COMPANY LIMITED - WILD ROSE ENERGY LTD. MASTER AGREEMENT FOR CONSENT TO THE WITHDRAWAL OF LANDS DATED OCTOBER 31, 2011) |
| TP0072 | WILD ROSE | ACTIVE | MASTERWITH | CR | FMA 09000248 | (TELUS COMMUNICATIONS INC. - BLAZE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0075 | WILD ROSE | ACTIVE | CROSSING | CR | | (FORTIS ALBERTA INC. - WILD ROSE FACILITY CROSSING AGREEMENT) |
| TP0078 | WILD ROSE | ACTIVE | CROSSING | CR | | (LIGHTSTREAM RESOURCES LTD. - WILD ROSE ENERGY MASTER FACILITY PROXIMITY ENCROACHMENT AGREEMENT) |
| TP0130 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. 050001737 | (PRIMBA PIPELINE CORPORATION - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0131 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING AGREEMENT | (ADVANTAGE OIL & GAS LTD. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0166 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING AGREEMENT | (IGTERA ENERGY LTD. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0187 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. L04680 | (PENNY WEST PETROLEUM LTD. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0188 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. X134197 | (INEXEN ENERGY ULC. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0199 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. A46235 | (VERMILION RESOURCES LTD. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0180 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. X00153 | (QUEST FIRE ENERGY CORP. - WILD ROSE ENERGY MASTER FACILITY CROSSING AGREEMENT) |
| TP0181 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. X00020 | (SECURE ENERGY SERVICES INC. - WILD ROSE ENERGY MASTER CROSSING AGREEMENT) |
| TP0183 | WILD ROSE | ACTIVE | CROSSING | CR | MASTER X-ING NO. X00031 | (SECURE ENERGY SERVICES INC. - WILD ROSE ENERGY MASTER CROSSING AGREEMENT) |

THE FOLLOWING COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

GENERAL CONVEYANCE

THIS GENERAL CONVEYANCE made as of this ____ day of _____, 2017.

BETWEEN:

FTI CONSULTING CANADA INC., in its capacity as receiver and manager of **WILD ROSE ENERGY LTD.**, and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

TIDEWATER BRAZEAU GAS STORAGE LP, a partnership formed pursuant to the laws of Alberta (hereinafter referred to as "**Purchaser**")

WHEREAS FTI Consulting Canada Inc. (the "**Receiver**") was appointed as receiver and manager of the property of Wild Rose Energy Ltd. ("**Wild Rose**") pursuant to the terms of the Receivership Order (the "**Appointment Order**") grated October 12, 2017 (the "**Date of Appointment**");

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

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

1. Definitions

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

"**Purchase Agreement**" means that Purchase and Sale Agreement between Vendor and Purchaser dated October 12th, 2017.

2. Conveyance

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

3. Subordinate Document

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

4. No Merger

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

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

5. Governing Law

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

6. Enurement

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

7. Further Assurances

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

8. Counterpart Execution

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

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

FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of **WILD ROSE ENERGY LTD.**, and not in its personal or corporate capacity

TIDEWATER BRAZEAU GAS STORAGE LP, by its general partner, **TIDEWATER BRAZEAU GAS STORAGE CORP.**

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

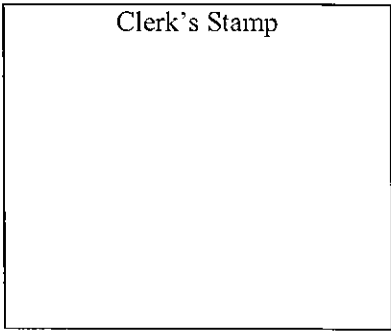
Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

THE FOLLOWING COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

APPROVAL ORDER

COURT FILE NO. 1701-
COURT Court of Queen's Bench of Alberta
JUDICIAL CENTRE Calgary
APPLICANTS: Stream Asset Financial Spark LP
RESPONDENT(S) Blaze Energy Ltd. and Wild Rose Energy Ltd.
DOCUMENT APPROVAL AND VESTING ORDER



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT FASKEN MARTINEAU DUMOULIN LLP
3400, 350 7 Avenue S.W.
Calgary, AB T2P 3N9
Solicitor: Travis Lysak
Telephone: 403 261 5501
Facsimile: 403 261 5351
Email: tlysak@fasken.com
File Number: 1

DATE ON WHICH ORDER WAS PRONOUNCED: October 12, 2017

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: The Honourable Mr. C. M. Jones

APPROVAL AND VESTING ORDER

UPON THE APPLICATION of Stream Asset Financial Spark LP ("**Stream**"), as agent for a syndicate of lenders including Stream and Maxam Opportunities Fund II Limited Partnership (together, the "**Lenders**"), for an order approving the sale transaction (the "**Transaction**") which is the subject of the agreement of purchase and sale between FTI Consulting Canada Inc., in its capacity as court-appointed receiver (the "**Receiver**") of certain of the property, assets and undertaking of Blaze Energy Ltd. and Wild Rose Energy Ltd. (collectively, the "**Debtor**") and Tidewater Brazeau Gas Storage LP (the "**Purchaser**") made as of October [1], 2017 (the "**Sale Agreement**") and appended as a Confidential Appendix (the "**Confidential Appendix**") to the First Report of the Receiver dated October [1], 2017 (the "**First Report**"), and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON READING the Receivership Order dated October 12, 2017 (the “**Receivership Order**”), the First Report, the Affidavits of Ryan Dunfield and Texas Howard IV, and on hearing the submissions of counsel for Stream, the Receiver and for various other interested persons.

IT IS ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF TRANSACTIONS

2. The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Debtor’s right, title and interest in and to the Purchased Assets to the Purchaser (or its nominee).

3. The Receiver is hereby authorized and directed to disclaim the Excluded Contracts (as that term is defined in the Sale Agreement) and as set out in **Schedule “A”** hereto.

VESTING OF THE PURCHASED ASSETS

4. Upon the delivery of a Receiver’s certificate to the Purchaser (or its nominee) substantially in the form attached as **Schedule “B”** hereto (the “**Receiver's Certificate**”), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule “C”** hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing:

- (i) any encumbrances or charges created by the Receivership Order;

(ii) all charges, security interests or claims evidenced by registrations pursuant to (a) the *Personal Property Security Act* (Alberta); (b) the *Land Titles Act* (Alberta); or (c) any other personal property, mineral or real property registry system;

(iii) all claims relating to or arising from the disclaimer of the Excluded Contracts (as that term is defined in the Sale Agreement), including, without limitation, as a result of a performance default, the calculation of early termination damages and the close out and netting of any amounts owing under the Excluded Contracts; and

(iv) those Claims listed on **Schedule "D"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the "Permitted Encumbrances" as such term is defined in the Sale Agreement) and,

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

5. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, subject only to approval of the transfer of applicable licences, permits and approvals by the Alberta Energy Regulator (the "AER") pursuant to legislation administered by the AER, the Registrar or Registrars under the *Land Titles Act* (Alberta), the Department of Energy and the Minister of Energy of Alberta and all other government ministries and authorities in Alberta, respectively, exercising jurisdiction with respect to or over the Assets (collectively, the "**Governmental Authorities**"), as applicable, are hereby authorized, requested and directed to (in each case as applicable):

(i) enter the Purchaser (or its nominee) as the owner, lessee and/or licensee of the Assets;

(ii) cancel the existing Certificates of Title to the Assets and issue new Certificates of Title for the Assets, in the name of the Purchaser (or its nominee);

(iii) delete and expunge from the existing title documents concerning the Assets all applicable Claims including encumbrances; and

(iv) register such transfers, discharges, discharge statements or conveyances, as may be required to convey clear title to the Assets to the Purchaser (or its nominee), subject only to the Permitted Encumbrances.

6. This Order shall be registered by the applicable Registrar and/or Governmental Authorities notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c. L-7 (the

“LTA”) and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

7. As applicable, the Registrar is hereby directed in accordance with section 162 of the of the LTA to accept all of the Affidavits of Corporate Signing Authority submitted by the Receiver, in its capacity as Receiver of the property, assets and undertaking of the Debtor and to register the transfers, assignments and conveyances contemplated by the Sale Agreement.

8. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any of the Claims against the Debtor, other than the Permitted Encumbrances.

9. The Debtor and all persons who claim by, through or under the Debtor in respect of the Assets save and except for the persons entitled to the benefit of the Permitted Encumbrances shall stand absolutely barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets or any certificates, instruments, or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

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

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

CLOSING OF THE SALE TRANSACTION

12. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

14. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

15. Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtor; and
- (d) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

DISTRIBUTION

17. The security interest granted by the Debtor to Stream over the Purchased Assets is valid and enforceable and, subject to the charges created in the Receivership Order, holds priority over any and all claims, estates, rights, title, interests, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, writs of execution, trusts or deemed

trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, encumbrances, or other rights, limitations or restrictions of any nature whatsoever, or any other contractual, financial or monetary claims of any nature whatsoever, whether or not any of the foregoing have attached or been perfected, registered or filed, and whether secured, unsecured or otherwise.

18. The Receiver shall, immediately upon the filing of the Receiver's Certificate, distribute from the net sale proceeds from the Transaction as follows (the "**Net Proceeds**"):

- (a) the Receiver shall retain \$250,000 from the Net Proceeds (the "**Holdback**") to be held back to satisfy any claims arising during the Receivership (including any claims for which charges have been created in the Receivership Order), any unknown claims that are discovered which would have priority over the claims of Stream to the Purchased Assets, and to address any other contingencies that arise prior to the discharge of the Receiver;
- (b) all Net Proceeds, less the Holdback shall be paid to Stream; and
- (c) upon its final discharge, the Receiver shall pay any remaining portion of the Holdback to Stream.

SEALING OF CONFIDENTIAL SUPPLEMENT

19. The Clerk of the Court shall file the Confidential Appendixes to the First Report in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY FTI CONSULTING CANADA INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF THE ASSETS, PROPERTY AND UNDERTAKING OF WILD ROSE ENERGY LTD.; and

THE CONFIDENTIAL MATERIALS ARE SEALED UNTIL FURTHER ORDER PURSUANT TO THE SEALING ORDER ISSUED BY THE HONOURABLE MR. JUSTICE C. M. JONES ON OCTOBER 12, 2017

20. Leave is hereby granted to any person, entity or party affected by this Order to apply to this Court for a further Order vacating, substituting, modifying or varying the terms of this Order, with such application to be brought on notice to the Receiver and any other affected party in accordance with the *Alberta Rules of Court*.

MISCELLANEOUS MATTERS

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

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

23. Service of this Order on any party not attending this application is hereby dispensed with.

Justice of the Court of Queen's Bench of Alberta

Schedule A - Excluded Contracts

Agreements:

1. Service Agreement Rate Schedule FT-R between NOVA Gas Transmission Ltd. and Wild Rose Energy Ltd. dated May 11, 2017 and signed June 5, 2017
2. Project and Expenditure Authorization between NOVA Gas Transmission Ltd. and Wild Rose Energy Ltd. dated May 11, 2017 and signed June 5, 2017

Master Storage Agreements:

1. J.P. Morgan Commodities Canada Corporation dated March 4, 2013
2. NBC Commodities (2015) Inc. dated October 28, 2014
3. Tidal Energy Marketing Inc. dated January 22, 2013
4. Tidewater Midstream and Infrastructure Ltd. dated August 4, 2017

Other Gas Storage Agreement:

1. Special Provisions to Gas EDI Base Contract for Sale and Purchase of Natural Gas between PetroChina International (Canada) Trading Ltd. and Blaze Energy Ltd. dated April 2, 2015

Outstanding Gas Storage Trades:

1. J.P. Morgan Commodities Canada Corporation (Mercuria Energy Trading purchased physical trading book from J.P. Morgan in 2014)

| |
|----------------|
| MCCC.2016.PK01 |
| MCCC.2016.PK02 |
| MCCC.2016.PK03 |
| MCCC.2016.PK04 |
| MCCC.2016.PK05 |

2. NBC Commodities (2015) Inc.

| | | | |
|----------------|----------------|----------------|----------------|
| NBCI.2013.PK1 | NBCO.2016.PK09 | NBCO.2016.PK25 | NBCO.2016.PK41 |
| NBCI.2015.PK1 | NBCO.2016.PK10 | NBCO.2016.PK26 | NBCO.2016.PK42 |
| NBCI.2015.PK2 | NBCO.2016.PK11 | NBCO.2016.PK27 | NBCO.2016.PK43 |
| NBCI.2014.PK21 | NBCO.2016.PK12 | NBCO.2016.PK28 | NBCO.2016.PK44 |
| NBCI.2014.PK22 | NBCO.2016.PK13 | NBCO.2016.PK29 | NBCO.2016.PK45 |
| NBCI.2014.PK23 | NBCO.2016.PK14 | NBCO.2016.PK30 | NBCO.2016.PK46 |
| NBCI.2014.PK24 | NBCO.2016.PK15 | NBCO.2016.PK31 | |
| NBCI.2014.PK25 | NBCO.2016.PK16 | NBCO.2016.PK32 | |
| NBCO.2016.PK01 | NBCO.2016.PK17 | NBCO.2016.PK33 | |
| NBCO.2016.PK02 | NBCO.2016.PK18 | NBCO.2016.PK34 | |
| NBCO.2016.PK03 | NBCO.2016.PK19 | NBCO.2016.PK35 | |
| NBCO.2016.PK04 | NBCO.2016.PK20 | NBCO.2016.PK36 | |
| NBCO.2016.PK05 | NBCO.2016.PK21 | NBCO.2016.PK37 | |
| NBCO.2016.PK06 | NBCO.2016.PK22 | NBCO.2016.PK38 | |

| | | | |
|----------------|----------------|----------------|--|
| NBCO.2016.PK07 | NBCO.2016.PK23 | NBCO.2016.PK39 | |
| NBCO.2016.PK08 | NBCO.2016.PK24 | NBCO.2016.PK40 | |

3. Tidal Energy Marketing Inc.

| |
|----------------|
| TEMI.2015.PK3 |
| TEMI.2015.PK4 |
| TEMI.2015.PK5 |
| TEMI.2015.PK6 |
| TEMI.2015.PK7 |
| TEMI.2015.TC10 |
| TEMI.2015.PK9 |
| TEMI.2016.TC01 |
| TEMI.2016.TC02 |
| TEMI.2016.TC03 |
| TEMI.2016.TC04 |
| TEMI.2016.TC05 |

4. PetroChina International (Canada) Trading Ltd.

| |
|----------------|
| PCIC.2015.TC01 |
| PCIC.2015.TC02 |
| PCIC.2015.TC03 |
| PCIC.2015.PK1 |
| PCIC.2015.PK2 |
| PCIC.2015.TC04 |
| PCIC.2016.TC01 |
| PCIC.2016.TC02 |

5. Tidewater Midstream and Infrastructure Ltd.

Schedule B – Form of Receiver’s Certificate

COURT FILE NO. **1701 -**

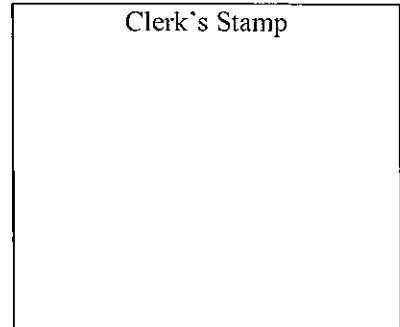
COURT **Court of Queen’s Bench of Alberta**

JUDICIAL **Calgary**
CENTRE

APPLICANTS: **Stream Asset Financial Spark LP**

RESPONDENT(S) **Blaze Energy Ltd. and Wild Rose Energy Ltd.**

DOCUMENT **RECEIVER’S CERTIFICATE**



ADDRESS FOR **FASKEN MARTINEAU DUMOULIN LLP**
SERVICE AND 3400, 350 7 Avenue S.W.
CONTACT Calgary, AB T2P 3N9
INFORMATION
OF PARTY FILING Solicitor: Travis Lysak
THIS DOCUMENT Telephone: 403 261 5501
 Facsimile: 403 261 5351
 Email: tlysak@fasken.com
 File Number: 1

A. Pursuant to an Order of the Honourable Mr. Justice C. M. Jones of the Court of Queen’s Bench of Alberta (the “Court”) dated October 12, 2017, FTI Consulting Canada Inc. was appointed as the receiver (the “Receiver”) of the undertaking, property and assets of Wild Rose Energy Ltd. (the “Debtor”).

B. Pursuant to an Order of the Court dated October 12, 2017, the Court approved the agreement of purchase and sale made as of October [1], 2017 (the "Sale Agreement") between the Receiver and Tidewater Brazeau Gas Storage LP (the “Purchaser”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section • of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

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

FTI CONSULTING CANADA INC., in its capacity as Receiver of the undertaking, property and assets of BLAZE ENERGY LTD and WILD ROSE ENERGY LTD., and not in its personal capacity

Per: _____

Name:

Title:

Schedule C -- Purchased Assets

[See Schedules A & B of the PSA]

Schedule D – Claims to be deleted and expunged from title to Real Property

| <u>Agreement Type / Number</u> | <u>Encumbrance ID</u> | <u>Encumbrance Type</u> | <u>Secured Party</u> | <u>Registration Date</u> |
|--|-----------------------|-------------------------|----------------------|--------------------------|
| 001 109255 PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 001 105538A PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 001 0178110022 PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 005 057708A131 5 Year Northern PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 005 0578070036 5 Year Northern PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 005 0578070037 5 Year Northern PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 005 0578070038 5 Year Northern PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |
| 005 0590080105 5 Year Northern PNG Lease | 1502105 | Security Notice | Societe Generale | July 20, 2015 |

THE FOLLOWING COMPRISES SCHEDULE "E" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

EXCLUDED CONTRACTS

- Service Agreement Rate Schedule FT-R between NOVA Gas Transmission Ltd. and Wild Rose Energy Ltd. dated May 11, 2017 and signed June 5, 2017
- Project and Expenditure Authorization between NOVA Gas Transmission Ltd. and Wild Rose Energy Ltd. dated May 11, 2017 and signed June 5, 2017
- Master Natural Gas Storage Agreement between Wild Rose Energy Ltd. and J.P. Morgan Commodities Canada Corporation (*Mercuria Energy Trading purchased physical trading book from J.P. Morgan in 2014*) (Contract# JPMCCC01) dated March 4, 2013, including all Transactions (as defined in such Master Natural Gas Storage Agreement) currently in effect and set out below for reference:

| |
|----------------|
| MCCC.2016.PK01 |
| MCCC.2016.PK02 |
| MCCC.2016.PK03 |
| MCCC.2016.PK04 |
| MCCC.2016.PK05 |

- Master Natural Gas Storage Agreement between Wild Rose Energy Ltd. and NBC Commodities (2015) Inc. (Contract# NBC02) dated October 28, 2014, including all Transactions (as defined in such Master Natural Gas Storage Agreement) currently in effect and set out below for reference:

| | | | |
|----------------|----------------|----------------|----------------|
| NBCI.2013.PK1 | NBCO.2016.PK09 | NBCO.2016.PK25 | NBCO.2016.PK41 |
| NBCI.2015.PK1 | NBCO.2016.PK10 | NBCO.2016.PK26 | NBCO.2016.PK42 |
| NBCI.2015.PK2 | NBCO.2016.PK11 | NBCO.2016.PK27 | NBCO.2016.PK43 |
| NBCI.2014.PK21 | NBCO.2016.PK12 | NBCO.2016.PK28 | NBCO.2016.PK44 |
| NBCI.2014.PK22 | NBCO.2016.PK13 | NBCO.2016.PK29 | NBCO.2016.PK45 |
| NBCI.2014.PK23 | NBCO.2016.PK14 | NBCO.2016.PK30 | NBCO.2016.PK46 |
| NBCI.2014.PK24 | NBCO.2016.PK15 | NBCO.2016.PK31 | |
| NBCI.2014.PK25 | NBCO.2016.PK16 | NBCO.2016.PK32 | |
| NBCO.2016.PK01 | NBCO.2016.PK17 | NBCO.2016.PK33 | |
| NBCO.2016.PK02 | NBCO.2016.PK18 | NBCO.2016.PK34 | |
| NBCO.2016.PK03 | NBCO.2016.PK19 | NBCO.2016.PK35 | |
| NBCO.2016.PK04 | NBCO.2016.PK20 | NBCO.2016.PK36 | |
| NBCO.2016.PK05 | NBCO.2016.PK21 | NBCO.2016.PK37 | |
| NBCO.2016.PK06 | NBCO.2016.PK22 | NBCO.2016.PK38 | |
| NBCO.2016.PK07 | NBCO.2016.PK23 | NBCO.2016.PK39 | |
| NBCO.2016.PK08 | NBCO.2016.PK24 | NBCO.2016.PK40 | |

- Master Natural Gas Storage Agreement between Wild Rose Energy Ltd. and Tidal Energy Marketing Inc. (Contract# TEMI01) dated January 22, 2013, including all Transactions (as defined in such Master Natural Gas Storage Agreement) currently in effect and set out below for reference:

| |
|----------------|
| TEMI.2015.PK3 |
| TEMI.2015.PK4 |
| TEMI.2015.PK5 |
| TEMI.2015.PK6 |
| TEMI.2015.PK7 |
| TEMI.2015.TC10 |
| TEMI.2015.PK9 |
| TEMI.2016.TC01 |
| TEMI.2016.TC02 |
| TEMI.2016.TC03 |
| TEMI.2016.TC04 |
| TEMI.2016.TC05 |

- Master Natural Gas Storage Agreement between Wild Rose Energy Ltd. and PetroChina International (Canada) Trading Ltd. dated April 2, 2015, including all Transactions (as defined in such Master Natural Gas Storage Agreement) currently in effect and set out below for reference:

| |
|----------------|
| PCIC.2015.TC01 |
| PCIC.2015.TC02 |
| PCIC.2015.TC03 |
| PCIC.2015.PK1 |
| PCIC.2015.PK2 |
| PCIC.2015.TC04 |
| PCIC.2016.TC01 |
| PCIC.2016.TC02 |

- Master Natural Gas Storage Agreement between Wild Rose Energy Ltd. and Tidewater Midstream and Infrastructure Ltd. (Contract# TWM01) dated August 4, 2017, including all Transactions (as defined in such Master Natural Gas Storage Agreement) currently in effect and set out below for reference:

| |
|--------------|
| TWM.2017.PK1 |
| TWM.2017.PK2 |
| TWM.2017.PK3 |
| TWM.2017.PK4 |
| TWM.2017.PK5 |
| TWM.2017.PK6 |
| TWM.2017.PK7 |
| TWM.2017.PK8 |
| TWM.2017.PK9 |

TWM.2017.PK10

- GasEDI Base Contract for the Sale and Purchase of Natural Gas between PetroChina International (Canada) Trading Ltd. and Wild Rose Energy Ltd. dated April 2, 2015, including the Special Provisions thereto and all Transactions (as defined in such GasEDI Base Contract) currently in effect.
- GasEDI Base Contract for the Sale and Purchase of Natural Gas between PetroChina International (Canada) Trading Ltd. and Blaze Energy Ltd. dated April 2, 2015, including the Special Provisions thereto and all Transactions (as defined in such GasEDI Base Contract) currently in effect.

THE FOLLOWING COMPRISES SCHEDULE "F" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

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

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

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

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

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

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

IN WITNESS WHEREOF, I have executed this Certificate this ____ day of _____, 2017.

[Name of Vendor/Purchaser]

Per _____

Name: _____

Title: _____

THE FOLLOWING COMPRISES SCHEDULE "G" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 12TH DAY OF OCTOBER, 2017 BETWEEN FTI CONSULTING CANADA INC., solely in its capacity as the receiver and manager of WILD ROSE ENERGY LTD., and not in its personal or corporate capacity, and TIDEWATER BRAZEAU GAS STORAGE LP

BLAZE DEEP RIGHTS

The following 15 pages comprise Schedule "G".

BRACEAU LANDS

| AREA NAME | Mineral File | Contract File | Lease No | EXPIRY MONTHS | RENTAL SERVICE / RENTAL FAVOR | ADDRESS FOR SERVICE / RENTAL FAVOR | GROSS NET P.A. | NET P.A. | QRT. SEC | TWP | RANGE | W. 31 | Mineral Rights | Business Arrangement | APD | Operator | Royalties | Pool UWI | Comments |
|-----------|--------------|---------------|----------|-------------------|-------------------------------|------------------------------------|------------------|----------|----------|-----|-------|-------|---|---|-------------|-----------|----------------------|----------|--|
| BRACEAU | M0002 | C0006 | 61220178 | December 12, 2017 | PARAMOUNT | On split acreage | On split acreage | 26 | 46 | 12 | NE | 42 | 9 PING BASE NISKU TO BASEMENT MANEU LALE | Blaze Energy Ltd. Partnership | 100 | Paramount | Owner Lessor Royalty | | RETAINING 100% |
| BRACEAU | M0004 | C0005 | 61208039 | August 20, 2017 | PARAMOUNT | On split acreage | On split acreage | 26 | 46 | 12 | W | 45 | 9 PING BASE NISKU TO BASEMENT MANEU LALE | Blaze Energy Ltd. Partnership | 100 | Paramount | Owner Lessor Royalty | | RETAINING 100% |
| BRACEAU | M0005 | C0007 | 61210501 | October 16, 2017 | BLAZE | On split acreage | On split acreage | 26 | 47 | 13 | SE | 47 | 9 PING BASE MANVILLE TO BASEMENT | Blaze Energy Ltd. Partnership | 100 | Blaze | Owner Lessor Royalty | | RETAINING 100% |
| BRACEAU | M0000 | C0003 | 62210188 | INDEFINITE | BLAZE | On split acreage | On split acreage | 26 | 46 | 13 | NE | 46 | 9 PING BASE MANVILLE TO TOP NISKU | BLAZE ENERGY LTD. | 100 | Blaze | Owner Lessor Royalty | | RETAINING 100% Confirmation GOBR to Apache and Conoco, is required C00002 |
| BRACEAU | M0004 | C0008 | 67710109 | November | BLAZE | On split acreage | On split acreage | 11 | 42 | 12 | E | 42 | 9 PING BASE MANVILLE TO TOP NISKU | Blaze Energy Ltd. Partnership | 75 | Blaze | Owner Lessor Royalty | | RETAINING 100% |
| BRACEAU | M0005 | C0005 | 60710045 | November | BLAZE | On split acreage | On split acreage | 34 | 47 | 13 | N | 47 | 9 PING BASE MANVILLE TO TOP SHANDA | BLAZE ENERGY LTD. | 100 | Blaze | Owner Lessor Royalty | | RETAINING 100% Confirmation GOBR |
| BRACEAU | M0005 | C0005 | 60710045 | November | BLAZE | On split acreage | On split acreage | 34 | 47 | 13 | N | 47 | 9 PING BASE SHANDA TO BASE NISKU | BLAZE ENERGY LTD. | 100 | Blaze | Owner Lessor Royalty | | RETAINING 100% Confirmation GOBR |
| BRACEAU | M0008 | C0006 | 60710082 | November | BLAZE | On split acreage | On split acreage | 3 | 46 | 13 | SE | 46 | 9 PING BASE ROCK CREEK TO TOP NISKU | BLAZE ENERGY LTD. | 100 | Blaze | Owner Lessor Royalty | | RETAINING 100% GOBR details need to be confirmed. |
| BRACEAU | M0008 | C0008 | 60710082 | April | CONOCO | On split acreage | On split acreage | 26 | 46 | 12 | SE | 46 | 9 PING BASE MANVILLE TO BASE ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILIPS CANADA (BRCC) PARTNERSHIP | 14.82/87.85 | Conoco | Owner Lessor Royalty | | RETAINING 100% ACCEPTED advance ruling offer of A Section 16 on 25-04-07 (ANESM) PNO purpose to base Rock Creek. (Borehole: Boulder) on April 11, 2016. |
| BRACEAU | M0006 | C0006 | 60770013 | August | BLAZE | On split acreage | On split acreage | 34 | 48 | 12 | SW | 48 | 9 PING BASE MANVILLE TO TOP NISKU | BLAZE ENERGY LTD. | 100 | Blaze | Owner Lessor Royalty | | RETAINING 100% |
| BRACEAU | M0006 | C0009 | 10655004 | May | BLAZE | On split acreage | On split acreage | 31 | 48 | 12 | SE | 48 | 9 PING Base Manville to top Nisku; including PING in Shanda | Blaze Energy Ltd. Partnership | 50 | Blaze | Owner Lessor Royalty | | Retaining 100% |
| BRACEAU | M0008 | C0005 | 10655004 | May | BLAZE | On split acreage | On split acreage | 31 | 48 | 12 | SE | 48 | 9 PING in SHANDA | Blaze Energy Ltd. Partnership | 50 | Blaze | Owner Lessor Royalty | | Retaining 100% (on per-clarification between Bligh-Mole and Field on November 14, 2016) |
| BRACEAU | M0004 | C0000 | 10655004 | May | BLAZE | On split acreage | On split acreage | 20 | 48 | 12 | SE | 48 | 9 PING BASE MANVILLE TO BASE NORDEGG | Blaze Energy Ltd. Partnership | 87.5 | Blaze | Owner Lessor Royalty | | RETAINING 100% C00003 |
| BRACEAU | M0006 | C0000 | 10655004 | May | BLAZE | On split acreage | On split acreage | 20 | 48 | 12 | SE | 48 | 9 PING BASE NORDEGG TO TOP NISKU; including PING in Shanda | Blaze Energy Ltd. Partnership | 50 | Blaze | Owner Lessor Royalty | | RETAINING 100% C00003 |
| BRACEAU | M0008 | C0005 | 10655004 | May | BLAZE | On split acreage | On split acreage | 20 | 48 | 12 | SE | 48 | 9 PING BASE MANVILLE TO BASE ROCK CREEK | BLAZE ENERGY LTD (OP) CONOCOPHILIPS CANADA (BRCC) PARTNERSHIP | 50 | Conoco | Owner Lessor Royalty | | RETAINING 100% WELLBORES: 100% GENERAL; 100% CONCO Rock Creek Stamped Gas Well. C00003 |

BRAZEAU LANDS

| AREA NAME | Mineral File | Contract File | Lessor Name | RENTAL MONTH | EXPIRY | ADDRESS FOR SERVICE / RENTAL PAYOR | GROSS NET/HA | NET/HA | QRT | SEC | TWP | RGE | W | M | Mineral Right | Business Associate | CURRENT Working Interest (%) | POOLED | IBPO | APO | Operator | Royalties | Well UWI | Comments | |
|-----------|---------------------------|---------------|-------------|--------------|--------------------------|------------------------------------|------------------------------|------------------------------|-----|-----|-----|-----|---------------------------------------|---|---|--------------------|------------------------------|--------|--------|--------|----------|-----------|----------|----------------|----------------|
| BRAZEAU | M0008 (formerly 950003) | C00026 | 105257 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 10 | 48 | 12 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 50 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0008 (formerly 950003) | C00026 | 105257 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | W | 11 | 48 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 50 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 950003) | C00023 | 100254 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 6 | 48 | 13 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 33.3333 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 950003) | C00023 | 100254 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 6 | 48 | 13 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 33.3333 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 950003) | C00023 | 100255 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 6 | 48 | 13 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 66.6667 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 950003) | C00023 | 100255 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 6 | 48 | 13 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 33.3333 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0005 (formerly 71712470) | C00029 | 540350270 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 6 | 48 | 14 | 5 | PNG BASE MANNVILLE to BASE ROCK CREEK | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 66.6667 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0005 (formerly 71712470) | C00029 | 540350270 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | S | W | 26 | 48 | 5 | PNG BASE MISSISSIPPIAN to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 66.6667 | | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 950003) | C00023 | 100255 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | SE | 27 | 48 | 13 | 5 | PNG BASE MANNVILLE to BASE MISSISSIPPIAN | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 66.6667 | | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 950003) | C00023 | 100255 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | SE | 27 | 48 | 13 | 5 | PNG BASE OF MISSISSIPPIAN to TOP OF NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 66.6667 | | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0005 (formerly 71712470) | C00029 | 540350270 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 6 | 48 | 14 | 5 | PNG BASE MANNVILLE to BASE ROCK CREEK | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 50 | | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0007 (formerly 972500) | C00023 | 676070030 | July | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | NE | 22 | 48 | 13 | 5 | PNG BASE MANNVILLE to TOP NSIKU, excluding NS in Shunda | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 72.050000 | | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0007 (formerly 972500) | C00016 | 684110219 | November | INDEFINITE | APACHE | On split with shallow rights | On split with shallow rights | E | 3 | 47 | 14 | 5 | PNG BASE MANNVILLE to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 6.026250 | 6.026250 | | | Conoco | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0007 (formerly 972500) | C00023 | 676070037 | July | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | N | 23 | 48 | 13 | 5 | PNG BASE MANNVILLE to BASE MISSISSIPPIAN | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 92.973750 | 92.973750 | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0007 (formerly 972500) | C00023 | 676070037 | July | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | N | 23 | 48 | 13 | 5 | PNG BASE MANNVILLE to BASE MISSISSIPPIAN | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 27.950000 | 27.950000 | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0004 (formerly 71712301) | C00089 | 100269 | May | February 1, 2017 Expires | BLAZE | On split with shallow rights | On split with shallow rights | N | 23 | 48 | 13 | 5 | PNG BASE MISSISSIPPIAN to TOP NSIKU, excluding NS in Shunda | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 75.650000 | 75.650000 | | | Blaze | Blaze | Blaze | Blaze | Blaze | RETAINING 100% |
| BRAZEAU | M0009 (formerly 71712400) | C00089 | 501110037 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | NE | 2 | 47 | 15 | 5 | PNG BASE SHUNDA to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 100 | | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 71712400) | C00089 | 100270 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | NW | 2 | 47 | 15 | 5 | PNG BASE SHUNDA to TOP NSIKU | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 100 | | | | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 71712400) | C00123 | 501110037 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | SW | 23 | 46 | 13 | 5 | NS in WINTERBURN | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 11.05 | 11.05 | | | Baytex | Blaze | Blaze | Blaze | RETAINING 100% | |
| BRAZEAU | M0009 (formerly 71712400) | C00123 | 540110057 | May | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 27 | 46 | 13 | 5 | NS in ROCK CREEK | Blaze Energy Ltd. ConocoPhillips Canada (BRC) Partnership | 10.3375 | 10.3375 | | | Baytex | Blaze | Blaze | Blaze | Blaze | RETAINING 100% | |

BRAZEAU LANDS

| AREA NAME | Mineral Title | Contract # | Lease# | RENTAL MONTH | EXPIRY | ADDRESS FOR SERVICE / RENTAL PAYOR | GROSS AREA | NET HA | SRK | BEG | TWP | R1E | IV | M | Section Right | Business Association | CURRENT Working Interest (%) | POOLED | BPO | APC | Operator | Responsible | Remarks | Comments |
|-----------|----------------------------|------------|-----------|--------------|----------------|--|----------------------------|----------------------------|-----|-----|-----|-----|----|---|--|---|----------------------------------|--------|-----|-------------------------|----------|----------------------|---|---|
| BRAZEAU | M00079 (formerly 71712457) | C00048 | 540110050 | November | INDEFINITE | TOURMALINE | On 1/4 with shallow rights | On 1/4 with shallow rights | E | 22 | 48 | 13 | | | 5 PNO BASE ROCK CREEK to BASE SHANDIA, including MS SHANDIA | BLAZE ENERGY LTD. (Op) BAYTEX ENERGY LTD. (Op) Tourmaline Oil Corp. | 34.000000 60.000000 C-GORR | | | 22.10 66.00 17.50 | Baytex | Crown Lessor Royalty | Convertible GROSS OVERRIDING ROYALTY 15.00% Fixed Rate on 50.00% Production on NS; ROYALTY MINIMUM MAX on 50.00% Production 123.8086 (6.00% - 18.00%) per net on PET; paid to 100% paid by BAYTEX ENERGY LTD. 04% BLAZE ENERGY LTD. 34% | MINERAL LEASE HAS NO IN SHANDIA EXCLUDED, BLAZE DOESN'T OWN IN SHANDIA, BUT IT IS OWNED BY SHANDIA UNDER THIS LEASE GORR details need to be confirmed. |
| BRAZEAU | M00079 (formerly 71712451) | C00049 | 540110050 | November | INDEFINITE | TOURMALINE | 250 | 81.040 | | 26 | 48 | 13 | | | 5 PNO BASE SHANDIA to TOP NANO | BLAZE ENERGY LTD. (Op) BAYTEX ENERGY LTD. (Op) Tourmaline Oil Corp. | 34.000000 60.000000 C-GORR | | | 22.10 66.00 17.50 | Baytex | Crown Lessor Royalty | Convertible GROSS OVERRIDING ROYALTY 15.00% Fixed Rate on 50.00% Production on NS; ROYALTY MINIMUM MAX on 50.00% Production 123.8086 (6.00% - 18.00%) per net on PET; paid to 100% paid by BAYTEX ENERGY LTD. 04% BLAZE ENERGY LTD. 34% | GORR details need to be confirmed. |
| BRAZEAU | M00080 (formerly 71712450) | C00123 | 501100067 | November | INDEFINITE | CANADIAN LANDMASTERS (Tourmaline Province (B&S)) | 64 | 12.3100 | SW | 23 | 46 | 13 | | | NS in WINTERBURN | BLAZE ENERGY LTD. (Op) BAYTEX ENERGY LTD. (Op) Tourmaline Oil Corp. | 11.05 53.95 35.98 | | | | Baytex | Crown Lessor Royalty | Convertible GROSS OVERRIDING ROYALTY 15.00% Fixed Rate on 50.00% Production on NS; ROYALTY MINIMUM MAX on 50.00% Production 123.8086 (6.00% - 18.00%) per net on PET; paid to 100% paid by BAYTEX ENERGY LTD. 04% BLAZE ENERGY LTD. 34% | RETAINING 100% GORR details need to be confirmed. |
| BRAZEAU | M00081 (formerly 71712410) | C00123 | 540110057 | November | INDEFINITE | WESTBROOK | 250 | 40.6000 | | 27 | 46 | 13 | | | NS in ROCK CREEK | BLAZE ENERGY LTD. (Op) BAYTEX ENERGY LTD. (Op) | 19.3375 66.0635 | | | | Baytex | Crown Lessor Royalty | Convertible GROSS OVERRIDING ROYALTY 15.00% Fixed Rate on 50.00% Production on NS; ROYALTY MINIMUM MAX on 50.00% Production 123.8086 (6.00% - 18.00%) per net on PET; paid to 100% paid by BAYTEX ENERGY LTD. 04% BLAZE ENERGY LTD. 34% | RETAINING 100% GORR details need to be confirmed. |
| BRAZEAU | M00083 (formerly 71712437) | C00023 | 578000079 | August | April 14, 2017 | BLAZE | On 1/4 with shallow rights | On 1/4 with shallow rights | | 2 | 49 | 13 | | | 5 PNO BASE NORBIELO to BASE MISSISSIPPI, including NS in SHANDIA | BLAZE ENERGY LTD. (Op) BAYTEX ENERGY LTD. (Op) PARTNERSHIP | 58.000000 33.333334 | | | | Blaze | Crown Lessor Royalty | GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 33.33% Production on NS; ROYALTY MINIMUM MAX on 100% paid by BLAZE ENERGY LTD. 100% | RETAINING 100% GORR details need to be confirmed. |
| BRAZEAU | C00083 (formerly 71712437) | C00023 | 578000079 | August | April 14, 2017 | BLAZE | On 1/4 with shallow rights | On 1/4 with shallow rights | | 2 | 49 | 13 | | | 5 PNO BASE MISSISSIPPI to BLAZE NENAU | BLAZE ENERGY LTD. (Op) CONKOPHILLIPS CANADA (BRG) PARTNERSHIP | 64.000000 33.333334 | | | | Blaze | Crown Lessor Royalty | GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 33.33% Production on NS; ROYALTY MINIMUM MAX on 100% paid by BLAZE ENERGY LTD. 100% | RETAINING 100% |
| BRAZEAU | M00084 (formerly 71712450) | C00046 | 58550200 | May | INDEFINITE | BLAZE | On 1/4 with shallow rights | 22.20 | | 38 | 48 | 14 | | | 5 PNO BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. (Op) WENTWICK | 66.75 11.25 | | | | Blaze | Crown Lessor Royalty | GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 33.33% Production on NS; ROYALTY MINIMUM MAX on 100% paid by BLAZE ENERGY LTD. 100% | RETAINING 100% |
| BRAZEAU | M00085 (formerly 71712442) | C00046 | 578000012 | July | INDEFINITE | BLAZE | On 1/4 with shallow rights | | W | 8 | 48 | 12 | | | 5 PNO BASE MISSISSIPPI to BLAZE NENAU, including NS in NENAU | BLAZE ENERGY LTD. (Op) | 100 | | | | Blaze | Crown Lessor Royalty | GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 33.33% Production on NS; ROYALTY MINIMUM MAX on 100% paid by BLAZE ENERGY LTD. 100% | RETAINING 100% |
| BRAZEAU | M00086 (formerly 71712443) | C00023 | 105530 | May | INDEFINITE | BLAZE | On 1/4 with shallow rights | | 19 | 46 | 12 | | | | 5 PNO BASE MANNVILLE to BASE MISSISSIPPI | BLAZE ENERGY LTD. (Op) APACHE CANADA LTD. (Op) CONOCO | 33.3334 33.3333 | | | | Blaze | Crown Lessor Royalty | GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 33.33% Production on NS; ROYALTY MINIMUM MAX on 100% paid by BLAZE ENERGY LTD. 100% | RETAINING 100% |

BRAZEAU LANDS

| AREA NAME | Mineral File | Contract File | Lease No | RENTAL MONTH | EXPIRY | ADDRESS FOR SERVICE / RENTAL PAYOR | GROSS MINERAL MAINTENANCE | NET MAINTENANCE | OR | SEC | TPP | AGE | W. J. Mineral Right | Subsurface Acquisition | Working Interest (WI) | POOLED | APD | Operator | Responsible | Notes | Comment |
|-----------|----------------------------|---------------|-----------|--------------|------------|------------------------------------|------------------------------|------------------------------|----|-----|-----|---|---|---|--|--|--------------------------|---|---|---|--|
| BRAZEAU | M00121 (formerly 71126241) | C00241 | 59912009 | December | INDEFINITE | DNK | On split with deeper rights | On split with deeper rights | E | 19 | 46 | 14 | 5 PING BASE OF SHUNDA IN TOP OF INSKU | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) DETECTOR EXPLORATION LTD. | 50 | 50 | 50,000,000 50,000,000 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) DETECTOR EXPLORATION LTD. (BRC) PARTNERSHIP | RETAINING 100% GORR details need to be confirmed. |
| BRAZEAU | M00122 (formerly 71126242) | C00099 | 577900190 | June | INDEFINITE | APACHE | On split with deeper rights | On split with deeper rights | S | 2 | 47 | 15 | 5 PING BASE SHUNDA IN TOP INSKU | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 12,500,000 87,000,000 | 12,500,000 87,000,000 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% GORR details need to be confirmed. | |
| BRAZEAU | M00123 (formerly 71126243) | C00098 | 581000143 | September | INDEFINITE | DETECTOR | 129 | On split with deeper rights | W | 25 | 48 | 16 | 5 PING BASE MANNVILLE IN TOP INSKU | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,130,000 24,130,000 2,413,000 2,413,000 | 14,130,000 24,130,000 2,413,000 2,413,000 | Blaze | Blaze | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% GORR details need to be confirmed. | |
| BRAZEAU | M00131 (formerly 71126244) | C00020 | 578700023 | JULY | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 17 | 48 | 12 | 5 PING BASE MANNVILLE IN TOP INSKU, excluding NG in SHUNDA | Blaze Energy Ltd. (BRC) ConocoPhillips Canada (BRC) Partnership | 53,084,000 41,915,400 | 53,084,000 41,915,400 | Blaze | Blaze | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | | |
| BRAZEAU | M00132 (formerly 71126245) | C00020 | 578700023 | JULY | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 13 | 48 | 13 | 5 PING BASE MANNVILLE IN TOP INSKU, excluding NG in SHUNDA | Blaze Energy Ltd. (BRC) ConocoPhillips Canada (BRC) Partnership | 50,066,000 41,915,400 | 50,066,000 41,915,400 | Blaze | Blaze | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | | |
| BRAZEAU | M00134 (formerly 71126246) | C00122 | 578000011 | JULY | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 7 | 46 | 12 | 6 PING BASE MANNVILLE IN TOP INSKU, excluding NG in SHUNDA, excluding NG in Waterbury | Blaze Energy Ltd. (BRC) ConocoPhillips Canada (BRC) Partnership | 100 | 100 | Blaze | Blaze | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | | |
| BRAZEAU | M00135 (formerly 71126247) | C00122 | 578000011 | JULY | INDEFINITE | BLAZE | On split with shallow rights | On split with shallow rights | 4 | 48 | 12 | 5 NG BASE MANNVILLE IN TOP INSKU, excluding NG in SHUNDA | Blaze Energy Ltd. (BRC) ConocoPhillips Canada (BRC) Partnership | 20,320,013 78,879,687 | 20,320,013 78,879,687 | Blaze | Blaze | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | | |
| BRAZEAU | M00136 (formerly 71126248) | C00124 | 278094901 | May | INDEFINITE | APACHE | On split with shallow rights | On split with shallow rights | 18 | 47 | 12 | 5 PING BASE MANNVILLE IN TOP OF INSKU | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% Suspended Shunda Gas Well, last modified June 2011. RETAINING 100% | | |
| BRAZEAU | M00137 (formerly 71126249) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00138 (formerly 71126250) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00139 (formerly 71126251) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00140 (formerly 71126252) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00141 (formerly 71126253) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00142 (formerly 71126254) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00143 (formerly 71126255) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00144 (formerly 71126256) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00145 (formerly 71126257) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |
| BRAZEAU | M00146 (formerly 71126258) | C00124 | 278094901 | May | INDEFINITE | APACHE | 129 | On split with shallow rights | W | 26 | 47 | 12 | 5 NG IN SHUNDA | BLAZE ENERGY LTD. (BRC) CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 14,821,975 85,078,125 | 14,821,975 85,078,125 | Conoco | Conoco | CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | RETAINING 100% | |

PEMBINA LANDS

| AREA NAME | Mineral File | Contract File | Lessor Name/# | QRT | SEC | TWP | RGE | W.M | Mineral Right | Business Association | CURRENT Working Interest (%) | Pooled | BPO APD | Royalties | Well Unit | Operator | RENTAL MONTH | EXPIRY |
|-----------|----------------------------|---------------------------|---------------|-----|-----|-----|-----|--|--|----------------------|------------------------------|--------|---------|--|-----------|----------|--------------|-------------------|
| PEMBINA | M00003 (formerly 71712525) | C00012 | 597080476 | 25 | 49 | 13 | 5 | PNG BASE MANNVILLE to BASE ROCK CREEK | BLAZE ENERGY LTD. VERMILLION RESOURCES | 50 | | | | Crown Lessor Royalty | Blaze | Blaze | August | INDEFINITE |
| PEMBINA | M00032 (formerly 71712439) | C00056 (13337) | 585120110 | 24 | 48 | 10 | 5 | PNG base Mannville to base Nordegg | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | December | INDEFINITE |
| PEMBINA | M00032 (formerly 71712439) | C00056 (13337) | 585120110 | 24 | 48 | 10 | 5 | PNG BASE NORDEGG to TOP NISKU | BLAZE ENERGY LTD. CNR | 50 | | | | Crown Lessor Royalty | Blaze | Blaze | December | INDEFINITE |
| PEMBINA | M00047 (formerly 2051072) | C00035 | 540110155 | E | 18 | 46 | 5 | PNG BASE MANNVILLE to BASE ROCK CREEK Excl NG ROCK CREEK | BLAZE ENERGY LTD. ENGANA CORPORATION | 50 | | | | NGCOR 15.00% Fixed Rate on 50% Production on GAS; 1/23.8365 (5% - 15%) per m3 on OIL; paid to Prairiesky Royalty Ltd. 100% paid by Blaze Energy Ltd. 50%, CNR 50% (C000038) | Blaze | Blaze | November | INDEFINITE |
| PEMBINA | M00053 (formerly 2051178) | C00038 | 502040173 | 34 | 47 | 11 | 5 | PNG BASE MANNVILLE to TOP NISKU | BLAZE ENERGY LTD. SINOPEC DAYLIGHT ENERGY LTD. | GORR 100 | | | | Production on GAS; 1/23.8365 (3% - 15%) per m3 on OIL, paid to Prairiesky Royalty Ltd. 100% paid by Blaze Energy Ltd. 50%, CNR 50% (13154) | Sinopec | Sinopec | April | INDEFINITE |
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest | 541110444 | 5 | 49 | 11 | 5 | PNG BASE PEKISKO to BASE Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | November | November 17, 2020 |
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest | 541110444 | 6 | 49 | 11 | 5 | PNG BASE ROCK CREEK to base Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | November | November 17, 2020 |
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest | 541110444 | 7 | 49 | 11 | 5 | PNG BASE PEKISKO to BASE Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | November | November 17, 2020 |
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest | 541110444 | 8 | 49 | 11 | 5 | PNG BASE PEKISKO to BASE Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | November | November 17, 2020 |
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest | 541110444 | 1 | 49 | 12 | 5 | PNG BASE ROCK CREEK to base Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | November | November 17, 2020 |
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest | 541110444 | N | 12 | 49 | 5 | PNG BASE ROCK CREEK to base Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | Blaze | Blaze | November | November 17, 2020 |

PEMBINA LANDS

| AREA NAME | Mineral File | Contract File | Lessor Name/# | QRT | SEC | TWP | RGE | W_M | Mineral Right | Business Associate | CURRENT Working Interest (%) | Pooled | BPO | APO | Royalties | Well UWI | Operator | RENTAL MONTH | EXPIRY |
|-----------|----------------------------|----------------------------------|---------------|-----|-----|-----|-----|-----|---|---|------------------------------|--------|-----|-----|---|----------|----------|--------------|-------------------|
| PEMBINA | M00068 (formerly 71712471) | No Contract 100% Interest C00229 | 5411110444 | S | 12 | 49 | 12 | | 5 PNG BASE OF SHUNDA to BASE Duvernay-Majeau Lake | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | | Blaze | November | November 17, 2020 |
| PEMBINA | M00101 (formerly 71712476) | C00229 | 118635 | SE | 34 | 49 | 11 | | 5 PNG BASE MANNVILLE to BASE ROCK CREEK | BLAZE ENERGY LTD. Whitecap Resources Inc. | 50 | | | | Crown Lessor Royalty | | Whitecap | April | INDEFINITE |
| PEMBINA | M00101 (formerly 71712476) | C00229 | 118635 | SE | 34 | 49 | 11 | | 5 PNG BASE OF ROCK CREEK to TOP NISKU | BLAZE ENERGY LTD. Whitecap Resources Inc. | 50 | | | | Crown Lessor Royalty | | Whitecap | April | INDEFINITE |
| PEMBINA | M00101 (formerly 71712476) | C00229 | 118635 | SE | 34 | 49 | 11 | | EXCL PNG IN BLUE RIDGE | BLAZE ENERGY LTD. Whitecap Resources Inc. | 22.280000 77.720000 | | | | Crown Lessor Royalty | | Whitecap | April | INDEFINITE |
| PEMBINA | M00102 (formerly 71712477) | C00086 | 118637 | S | 3 | 50 | 11 | | 5 PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP TAQA NORTH LTD. Whitecap Resources Inc. | C-GORR 50.0 50.0 | | | | Crown Lessor Royalty Convertible GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 100.00% Production on GAS; Convertible GROSS OVERRIDING ROYALTY MINIMUM MAX on 100.00% Production 1/24.0000 (5.00% - 15.00%) per m3 on OIL; paid to Whitecap 75%. BLAZE ENERGY LTD. 25% paid by CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP 50%. TAQA NORTH LTD. 50% | TAQA | April | INDEFINITE | |
| PEMBINA | M00102 (formerly 71712477) | C00086 | 118637 | S | 3 | 50 | 11 | | 5 PNG BASE ROCK CREEK to TOP NISKU | BLAZE ENERGY LTD. Whitecap Resources Inc. | 50 | | | | Crown Lessor Royalty | | Whitecap | April | INDEFINITE |
| PEMBINA | M00102 (formerly 71712477) | C00086 | 118637 | SE | 3 | 50 | 11 | | 5 PNG in NISKU | BLAZE ENERGY LTD. Whitecap Resources Inc. | 50 | | | | Crown Lessor Royalty | | Whitecap | April | INDEFINITE |
| PEMBINA | M00106 (formerly 71712481) | No Contract 100% Interest | 113080 | NE | 27 | 49 | 11 | | 5 PNG BASE OF ROCK CREEK to TOP OF NISKU | BLAZE ENERGY LTD. | 100 | | | | Crown Lessor Royalty | | Blaze | October | INDEFINITE |
| PEMBINA | M00106 (formerly 71712481) | C00084 | 113080 | NW | 26 | 49 | 11 | | 5 PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 12.500000 87.500000 | | | | Crown Lessor Royalty | | Conoco | October | INDEFINITE |
| PEMBINA | M00106 (formerly 71712481) | C00084 | 113080 | NE | 27 | 49 | 11 | | 5 PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | NC-GORR 100 | | | | Crown Lessor Royalty NON CONV OVERRIDING ROYALTY MINIMUM MAX on 75.00% Production 1/23.8365 (5.00% - 15.00%) per m3 on PNG; paid to Whitecap 66.67%. BLAZE ENERGY LTD. 33.33% paid by CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP 100% | Conoco | October | INDEFINITE | |

PEMBINA LANDS

| AREA NAME | Mineral File | Contract File | Lessor Name# | QRT | SEC | TWP | RGE | W_M | Mineral Right | Business Associate | CURRENT Working Interest (%) | Poolcd | BPC APO | Royalties | Well UNH | Operator | RENTAL MONTH | EXPIRY |
|-----------|----------------------------|---------------|--------------|-----|-----|-----|-----|-----|---|---|--|--------|---------|--|----------|----------|--------------|------------|
| PEMBINA | M00107 (formerly 71712483) | C00080 | 106282 | W | 27 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | NC-GORR 100 | | | Crown Lessor Royalty NON CONV OVERRIDING ROYALTY MINIMUM MAX on 75.00% Production 1/23.5365 (5.00% - 15.00%) per m3 on PNG; paid to Whitecap 66.67%, BLAZE ENERGY LTD. 33.33% paid by CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP 100%. | | Conoco | April | INDEFINITE |
| PEMBINA | M00107 (formerly 71712483) | C00083 | 106282 | NW | 15 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP Whitecap | 12.500000 75.000000 12.500000 | | | Crown Lessor Royalty | | Conoco | April | INDEFINITE |
| PEMBINA | M00107 (formerly 71712483) | C00083 | 106282 | NW | 15 | 49 | 11 | 5 | 5 PING BASE OF ROCK CREEK to BASE NORDEGG | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP VERMILLION RESOURCES Whitecap | 12.500000 37.500000 37.500000 12.500000 | | | Crown Lessor Royalty | | Conoco | April | INDEFINITE |
| PEMBINA | M00109 (formerly 71712486) | C00080 | 58905094 | SE | 27 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | NC-GORR 100 | | | Crown Lessor Royalty NON CONV OVERRIDING ROYALTY MINIMUM MAX on 75.00% Production 1/23.5365 (5.00% - 15.00%) per m3 on PNG; paid to Whitecap 66.67%, BLAZE ENERGY LTD. 33.33% paid by CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP 100%. | | Conoco | May | INDEFINITE |
| PEMBINA | M00111 (formerly 71712487) | C00083 | 58901025 | S | 15 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP Whitecap | 12.500000 75.000000 12.500000 | | | Crown Lessor Royalty | | Conoco | January | INDEFINITE |
| PEMBINA | M00112 (formerly 71712488) | C00083 | 113089 | NE | 15 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP Whitecap | 12.500000 75.000000 12.500000 | | | Crown Lessor Royalty | | Conoco | October | INDEFINITE |
| PEMBINA | M00112 (formerly 71712488) | C00083 | 113089 | NE | 15 | 49 | 11 | 5 | 5 PING BASE ROCK CREEK to BASE NORDEGG | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP VERMILLION RESOURCES Whitecap | 12.500000 37.500000 37.500000 12.500000 | | | Crown Lessor Royalty | | Conoco | October | INDEFINITE |
| PEMBINA | M00112 (formerly 71712488) | C00083 | 113089 | NE | 15 | 49 | 11 | 5 | 5 PING BASE NORDEGG to base NISKU | BLAZE ENERGY LTD. | 100 | | | Crown Lessor Royalty | | Blaze | October | INDEFINITE |
| PEMBINA | M00113 (formerly 71712489) | C00084 | 58905093 | SW | 26 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 12.500000 87.500000 | | | Crown Lessor Royalty | | Conoco | May | INDEFINITE |
| PEMBINA | M00114 (formerly 71712490) | C00084 | 58907091 | E | 26 | 49 | 11 | 5 | 5 PING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP | 12.500000 87.500000 | | | Crown Lessor Royalty | | Conoco | July | INDEFINITE |

PEMBINA LANDS

| AREA NAME | Mineral File | Contract File | Lease Name# | QRT | SEC | TWP | RGE | W.M. | Mineral Right | Business Associates | CURRENT Working Interest (%) | Pooled | BPO | APD | Royalties % | Well Unit | Operator | RENTAL MONTH | EXPIRY |
|-----------|----------------------------|---------------|-------------|-------|-----|-----|-----|---|--|--|------------------------------|--------|-------------|-----|--|-----------|-----------|--------------|------------|
| PEMBINA | M00118 (formerly 71712498) | C00086 | 107672 | N 3 | 50 | 11 | 5 | 5 | 5 PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP TADA NORTH LTD. Whitecap | C-GORR 50.0 50.0 | | C- GORR 100 | 100 | Crown Lessor Royalty Convertible GROSS OVERRIDING ROYALTY 10.00% Fixed Rate on 100.00% Production on GAS; Convertible GROSS OVERRIDING ROYALTY MINIMUM MAX on 100.00% Production 124.0000 (5.00% - 15.00%) per m3 on OIL; paid to Whitecap 75%. BLAZE ENERGY LTD. 25% paid by CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP 50%, TADA NORTH LTD. 50% | | TADA | November | INDEFINITE |
| PEMBINA | M00127 (formerly 71712509) | C00096 | 116636 | W 12 | 50 | 11 | 5 | 5 PNG BASE ROCK CREEK to TOP NISKU | BLAZE ENERGY LTD. Whitecap Resources Inc. | 50 50 | | | | | 102 06 17 050 11 W 5 00 | Whitecap | April | INDEFINITE | |
| PEMBINA | M00134 (formerly 71712519) | C00107 | 580100212 | SE 17 | 50 | 11 | 5 | 5 PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. TADA NORTH LTD. | GORR 100 | | | | | | | TADA | October | INDEFINITE |
| PEMBINA | M00134 (formerly 71712519) | C00107 | 580100212 | SE 17 | 50 | 11 | 5 | 5 PNG in ROCK CREEK | BLAZE ENERGY LTD. TADA NORTH LTD. | GORR 100 | | | | | 102 06 17 050 11 W 5 00 Abandon Rock Creek Zone Oil Well; last produced March 2000 | | TADA | October | INDEFINITE |
| PEMBINA | M00139 (formerly 71712526) | C00111 | 588100178 | SE 11 | 50 | 10 | 5 | 5 PNG BASE MANNVILLE to BASE ROCK CREEK | BLAZE ENERGY LTD. CLEARVIEW RESOURCES LTD. | 50 50 | | | | | 100 08 17 050 11 W 500 Rock Creek Oil; last produced December 2012 | | Clearview | October | INDEFINITE |
| PEMBINA | M00139 (formerly 71712526) | C00111 | 588100178 | SE 11 | 50 | 10 | 5 | 5 PNG BASE OF ROCK CREEK to TOP NISKU | BLAZE ENERGY LTD. PENN WEST PETROLEUM | 50 50 | | | | | | | Penn West | October | INDEFINITE |

PEMBINA LANDS

| AREA NAME | Mineral File | Contract File | Lessor Name/ID | QRT | SEC | TWP | RGE | W.M | Mineral Right | Business Associate | CURRENT Working Interest (%) | APD | Royalties | Well Uplift | Operator | RENTAL MONTH | EXPIRY |
|-----------|----------------------------|---------------|----------------|---------|-----|-----|-----|--|---|---------------------------------------|------------------------------|-----|----------------------|-------------|-----------|--------------|------------|
| PEMBINA | M00140 (formerly 71712527) | C00111 | 587040238 | NW 12 | 50 | 10 | 5 | PET BASE MANNVILLE TO BASE ROCK CREEK | BLAZE ENERGY LTD. PENN WEST PETROLEUM | 50 | | | Crown Lessor Royalty | | Penn West | April | INDEFINITE |
| PEMBINA | M00140 (formerly 71712527) | C00111 | 587040238 | NW 12 | 50 | 10 | 5 | ING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. PENN WEST PETROLEUM WHITECAP RESOURCES INC. | 27,000,000 68,000,000 5,000,000 | | | Crown Lessor Royalty | | Penn West | April | INDEFINITE |
| PEMBINA | M00140 (formerly 71712527) | C00111 | 587040238 | NW 12 | 50 | 10 | 5 | PNG BASE ROCK CREEK TO TOP NISKU | BLAZE ENERGY LTD. PENN WEST PETROLEUM | 50 | | | Crown Lessor Royalty | | Penn West | April | INDEFINITE |
| PEMBINA | M00141 (formerly 71712528) | C00112 | 592030320 | E 12 | 50 | 10 | 5 | ING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. PENN WEST PETROLEUM WHITECAP RESOURCES INC. | 27,000,000 68,000,000 5,000,000 | | | Crown Lessor Royalty | | Penn West | March | INDEFINITE |
| PEMBINA | M00141 (formerly 71712528) | C00113 | 592030320 | E 12 | 50 | 10 | 5 | ING BASE ROCK CREEK to top Nisku - this should read NG top Rock Creek to top Nisku | BLAZE ENERGY LTD. PENN WEST PETROLEUM WHITECAP RESOURCES INC. | 27,000,000 68,000,000 5,000,000 | | | Crown Lessor Royalty | | Penn West | March | INDEFINITE |
| PEMBINA | M00141 (formerly 71712528) | C00113 | 592030320 | E 12 | 50 | 10 | 5 | PET BASE MANNVILLE to TOP NISKU | BLAZE ENERGY LTD. PENN WEST PETROLEUM | 29,000,000 71,000,000 | | | Crown Lessor Royalty | | Penn West | March | INDEFINITE |
| PEMBINA | M00142 (formerly 71712529) | C00112 | 107666 | SW 12 | 50 | 10 | 5 | ING BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. PENN WEST PETROLEUM WHITECAP RESOURCES INC. | 27,000,000 68,000,000 5,000,000 | | | Crown Lessor Royalty | | Penn West | November | INDEFINITE |
| PEMBINA | M00147 (formerly 71712534) | C00116 | 500110513 | SE 13 | 50 | 12 | 5 | PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. VERMILLION RESOURCES | 30,000,000 70,000,000 | | | Crown Lessor Royalty | | Vermilion | November | INDEFINITE |
| PEMBINA | M00148 (formerly 71712535) | C00116 | 596060189 | N+SW 13 | 50 | 12 | 5 | PNG BASE MANNVILLE to TOP ROCK CREEK | BLAZE ENERGY LTD. VERMILLION RESOURCES | 30,000,000 70,000,000 | | | Crown Lessor Royalty | | Vermilion | June | INDEFINITE |
| PEMBINA | M00251 (formerly 1514900) | C00025 | 178110022 | SE 1 | 49 | 13 | 5 | PNG BASE MISSISSIPPIAN to TOP OF NISKU | BLAZE ENERGY LTD. Questair | 50 | | | Crown Lessor Royalty | | Blaze | November | INDEFINITE |