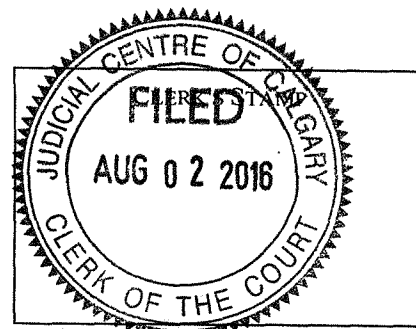


I hereby certify this to be a true copy of
the original ORDER

Dated this 02 day of August 2016

[Signature]
for Clerk of the Court



COURT FILE NUMBER 1601-06765
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, as amended

AND IN THE MATTER OF ENDURANCE
ENERGY LTD.

DOCUMENT **KERP AND KEIP AND STAY EXTENSION
ORDER**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Thornton Grout Finnigan LLP
100 Wellington Street West, Suite 3200
Toronto, Ontario M5K 1K7
CANADA

Phone: (416) 304-1616
Fax: (416) 304-1313

**Attention: Robert I. Thornton /
Leanne Williams / Rachel Bengino**

Client File No: 1751-001

DATE ON WHICH ORDER WAS PRONOUNCED: August 2, 2016

LOCATION OF HEARING OR TRIAL: Calgary Courts Centre

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

UPON THE APPLICATION of Endurance Energy Ltd. ("Endurance"); AND UPON
reading the pleadings and proceedings filed herein; AND UPON hearing the submissions of
counsel for Endurance, and the other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:**Service**

1. Service of the Notice of Application for this Order is hereby validated and deemed good and sufficient, this application is properly returnable today, and no person other than those persons served is entitled to service of the Notice of Application.

KERP and KEIP Order

2. The key employee retention plan (“**KERP**”) and key employee incentive plan (“**KEIP**”), each of which are attached to the affidavit of Steven VanSickle, sworn July 27, 2016, as Confidential Exhibit “**A**” and to the Fourth Report of the Monitor dated July 28, 2016 as Confidential Appendix “**B**”, are hereby authorized and approved and the Applicant (and any other person that may be appointed to act on behalf of the Applicant including without limitation, any trustee, liquidator, receiver, interim receiver, receiver and manager or other person acting on behalf of any such person) are authorized and directed to perform the obligations under the KERP and KEIP, including making all payments to the beneficiaries of the KERP and KEIP of amounts due and owing under the KERP and KEIP at the time specified and in accordance with the terms of the KERP and KEIP.

KERP and KEIP Charge

3. The beneficiaries of the KERP and KEIP are hereby granted a charge (the “**KERP and KEIP Charge**”) on the Property (as defined in the Initial Order, granted May 30, 2016, as amended and restated; the “**Initial Order**”), which charge shall not exceed \$386,304, plus any amounts that become payable under the KEIP, to secure all obligations under the KERP and KEIP. The KERP and KEIP Charge shall have the priority set out in paragraph 4 hereof.
4. The priorities of the Administration Charge, Interim Lender’s Charge, Directors’ Charge (each as defined in the Initial Order) and KERP and KEIP Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1,500,000);

Second – Interim Lender’s Charge (to the maximum amount of USD\$20,000,000);

Third – Directors’ Charge (to the maximum amount of \$1,000,000); and

Fourth – KERP and KEIP Charge (\$386,304, plus any amounts that become payable under the KEIP).

5. The filing, registration or perfection of the KERP and KEIP Charge shall not be required, and that both the KERP and KEIP Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to both the KERP and KEIP Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

Sealing Order

6. The KERP and KEIP attached to the affidavit of Steven VanSickle, sworn July 27, 2016, as Confidential Exhibit “A” and to the Fourth Report of the Monitor dated July 28, 2016 as Confidential Appendix “B”, shall be sealed on the Court file and not form part of the public record.
7. The Clerk of this Honourable Court shall file the KERP and KEIP 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
ENDURANCE ENERGY LTD.; and

THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO THE SEALING
ORDER ISSUED BY THE HONOURABLE MR. JUSTICE C.M. JONES ON AUGUST
2, 2016.

Stay Extension

8. The Stay Period as ordered and defined in paragraph 13 of the Initial Order, is hereby extended until and including August 31, 2016.

A handwritten signature in black ink, appearing to read "C. Jones", is written above a horizontal line.

J.C.Q.B.A. or Clerk of the Court