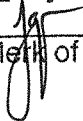
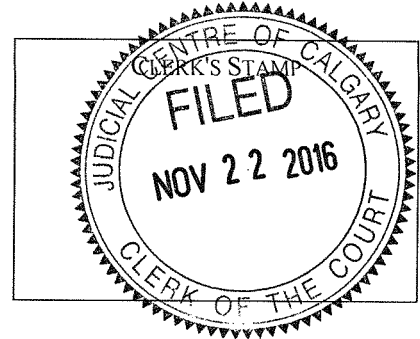


I hereby certify this to be a true copy of  
the original Order  
dated this 22 day of Nov. 2016  
  
for Clerk of the Court



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 **INTERIM DISTRIBUTION 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: November 21, 2016**

**LOCATION OF HEARING OR TRIAL: Calgary Courts Centre**

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

**UPON THE APPLICATION** of Endurance Energy Ltd. ("**Endurance**") filed November 14, 2016 (the "**Application**"); **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.

**DEFINITIONS AND INTERPRETATION**

2. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall be as defined in the Affidavit of Steven VanSickle, sworn November 14 2016, and that the following terms shall have the following meanings for the purpose of this Order:

- (a) **“Approval and Vesting Order”** means the Order of the Honourable Mr. Justice Macleod dated September 27, 2016;
- (b) **“Credit Facility”** means the senior secured credit facility pursuant to a credit facility agreement dated June 27, 2013 between Canadian Imperial Bank of Commerce, as Administrative Agent to the Lenders and Endurance, as amended from time to time;
- (c) **“Initial Order”** means the Initial Order of the Honourable Madam Justice Horner made May 30, 2016 in these CCAA Proceedings, as amended and restated from time to time;
- (d) **“Lenders”** means the syndicate of lenders that granted the Credit Facility;
- (e) **“Monitor”** means FTI Consulting Canada Inc. in its capacity as Court-appointed Monitor of Endurance; and
- (f) **“Sale Transactions”** means collectively the Alta/SK Transaction and BC Transaction; and

**DISTRIBUTION**

3. **THIS COURT ORDERS** that as a result of the closing of the sale transactions approved pursuant to the Approval and Vesting Order, the Applicant is authorized, directed and empowered to make a distribution from the proceeds thereof in the amount of \$100,000,000 in partial satisfaction of the amounts owing to the Lenders under the Credit Facility (the “**Lenders Distribution**”).

4. **THIS COURT ORDERS** that the Applicant is hereby authorized, directed and empowered to take any further steps that it deems necessary or desirable to complete the Lenders Distribution described in paragraph 3, above.

5. **THIS COURT ORDERS** that, 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 Applicant and any bankruptcy order issued pursuant to any such application; and
- (c) any assignment in bankruptcy made in respect of the Applicant,

the Lenders Distribution shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall they constitute nor be deemed to be fraudulent preferences, assignments, fraudulent conveyances, transfers at undervalue, or other reviewable transactions under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation, and shall, upon the receipt thereof by the Lenders be free of all claims, liens, security interests, charges or other encumbrances granted by or relating to the Applicant.

**EXTINGUISHMENT/AMENDMENT OF CHARGES**

6. **THIS COURT ORDERS** that the Interim Lender’s Charge (as defined in the Initial Order) is hereby discharged and extinguished.

7. **THIS COURT ORDERS** that the KERP and KEIP Charge (as defined in the Order dated August 2, 2016) is hereby discharged and extinguished.

8. **THIS COURT ORDERS** that the Administration Charge (as defined in the Initial Order) is hereby reduced to \$500,000.

#### **STAY EXTENSION**

9. **THIS COURT ORDERS** that the Stay Period as ordered and defined in paragraph 13 of the Initial Order, as amended, is hereby extended until and including January 31, 2016.

#### **MISCELLANEOUS**

10. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

11. **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, or abroad, to give effect to this Order and to assist the Applicant, the Monitor and their respective 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

"C.M. JONES"

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