ARRANGEMENT AGREEMENT

BETWEEN

ALEXANDER ENERGY LTD.

- AND -

RENEGADE PETROLEUM LTD.

February 10, 2014

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is dated as of the 10th day of February, 2014.

BETWEEN:

> **ALEXANDER ENERGY LTD.**, a corporation amalgamated under the laws of the Province of Alberta (hereinafter referred to as "**Alexander**")

AND:

> **RENEGADE PETROLEUM LTD.**, a corporation amalgamated under the laws of the Province of Alberta (hereinafter referred to as "**Renegade**")

WHEREAS:

A. Alexander and Renegade wish to propose an arrangement involving, among other things, the business combination of Alexander and Renegade on the terms set forth in the Plan of Arrangement;

B. the Parties intend to carry out the transactions contemplated herein by way of an arrangement under the provisions of the ABCA; and

C. the Parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to such arrangement.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto do hereby covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, the following defined terms have the meanings hereinafter set forth:

(a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

(b) "**Acquisition Proposal**" means, other than the Arrangement, any inquiry or the making of any offer or proposal, whether or not in writing or subject to a due diligence or other condition, to Renegade, or Renegade's shareholders or any other securityholder of Renegade (including any take-over bid initiated by advertisement or circular) from any Person or Persons acting "**jointly or in concert**" (where such phrase has the meaning ascribed thereto in Applicable Canadian Securities Laws) prior to the termination of this Agreement or consummation of the Arrangement, as applicable, which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions):

(i) any direct or indirect sale, issuance or acquisition of shares or other equity interests in Renegade or any one or more of the Renegade Subsidiaries representing 20% or more of the voting securities or other equity interests in Renegade or any one or more of the Renegade Subsidiaries (or securities convertible into or exercisable for 20% or more of such securities or interests);

(ii) any direct or indirect acquisition or purchase (or any lease, long-term supply agreement or other arrangement having the same economic effect as an acquisition or purchase), of assets of Renegade or any one or more of the Renegade Subsidiaries that contribute 20% or more of the consolidated revenue of Renegade or constitute 20% or more of the consolidated assets of Renegade;

(iii) an amalgamation, arrangement, merger, business combination, consolidation, share exchange or other similar transaction involving Renegade or any one or more of the Renegade Subsidiaries;

(iv) a take-over bid, issuer bid, tender offer, exchange offer, recapitalization, liquidation, dissolution, reorganization or other similar transaction involving Renegade or any one or more of the Renegade Subsidiaries; or

(v) any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Arrangement or which would or could reasonably be expected to materially reduce the benefits to the Parties under this Agreement or the Arrangement;

except that for the purpose of the definition of "Superior Proposal" in Section 1.1(zzzz), the references in the definition of "Acquisition Proposal" to: (A) "20% or more of the voting securities or other equity interests" shall be deemed to be references to "50% of the voting securities or other equity interests"; (B) "20% or more of such securities or interests" shall be deemed to be references to "50% of such securities or interests"; (C) "20% or more of the consolidated revenue" shall be deemed to be references to "50% or more of the consolidated revenue"; and (D) "20% or more of the consolidated assets" shall be deemed to be references to "50% or more of the consolidated assets";

(c) "**affiliate**" has the meaning ascribed thereto in the Securities Act;

(d) "**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this arrangement agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;

(e) "**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date;

(f) "**Applicable Laws**", in the context that refers to one or more Persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;

(g) "**Arrangement**" means the arrangement under the provisions of Section 193 of the ABCA, on the terms and conditions set forth herein and in the Plan of Arrangement as supplemented, modified or amended;

(h) "**Alexander Board of Directors**" means the board of directors of Alexander, as it may be comprised from time to time;

(i) "**Alexander Credit Facility**" means Alexander's credit facilities with National Bank Financial Inc.;

(j) "**Alexander Damages Event**" has the meaning ascribed thereto in Section 6.2;

(k) "**Alexander Disclosure Letter**" means the disclosure letter from Alexander to Renegade dated the date hereof;

(l) "**Alexander Financial Statements**" means, collectively, the audited comparative financial statements of Alexander as at and for the year ended December 31, 2012, together with the notes thereto and the auditors' report thereon and the interim unaudited financial statements of Alexander for the three and nine month periods ended September 30, 2013, together with the notes thereto;

(m) "**Alexander Information**" means all information to be included in the Information Circular (including in documents incorporated by reference) describing Alexander, the business, operations and affairs of Alexander and the matters to be considered at the Alexander Meeting, if applicable;

(n) "**Alexander Lock-up Agreement**" means an agreement to be entered into between Renegade and each of the directors and officers of Alexander (unless the Parties agree otherwise) and each affiliate of such directors and officers that owns Alexander Shares, in form satisfactory to Renegade, acting reasonably, pursuant to which such directors, officers and affiliates agree with Renegade, among other things, to vote, to the extent required pursuant to Applicable Laws, in favour of the Alexander Resolution and otherwise support the transactions contemplated by this Agreement;

(o) "**Alexander Meeting**" means, to the extent required pursuant to Applicable Laws, the special meeting of Alexander Shareholders to be held to consider the Alexander Resolution and related matters, and any adjournment(s) thereof;

(p) "**Alexander Option Plan**" means the Alexander share option plan in effect on the date hereof and the agreements entered into thereunder;

(q) "**Alexander Options**" means options granted pursuant to the Alexander Option Plan;

(r) "**Alexander Public Record**" means all information, documents and reports filed by or on behalf of Alexander on or after January 1, 2012 with the Securities Authorities, in compliance, or intended compliance, with any Applicable Laws which is available for public viewing on the SEDAR website under Alexander's profile at www.sedar.com;

(s) "**Alexander Reserves Report**" has the meaning ascribed thereto in Section 4.2(w);

(t) "**Alexander Resolution**" means, to the extent required pursuant to Applicable Laws, the ordinary resolution of Alexander Shareholders in respect of the Arrangement to be considered at the Alexander Meeting substantially in the form attached as Exhibit "C";

(u) "**Alexander Shareholders**" means the holders of Alexander Shares;

(v) "**Alexander Shares**" means the common shares in the capital of Alexander;

(w) "**Alexander Special Warrants**" means the special warrants of Alexander issued on January 14, 2014 pursuant to a special warrant indenture dated January 14, 2014 entitling the holder thereof to receive one Alexander Share upon the occurrence of certain events;

(x) "**Alexander Termination Fee**" has the meaning ascribed thereto in Section 6.2;

(y) "**Alexander Warrants**" means the Alexander Share purchase warrants of Alexander with each such warrant entitling the holder thereof to acquire one Alexander Share at an exercise price of $0.20 per Alexander Share;

(z) "**Alexander Working Capital**" means, except as otherwise provided in this Agreement, the total of cash and cash equivalents, trade and other receivables and prepaid expenses and deposits of Alexander less the total debt (including bank indebtedness, accounts payable and accrued liabilities) of Alexander, in each case calculated in accordance with GAAP, but specifically excludes the value of any hedges;

(aa) "**Board Nominee**" means Thomas Budd, a current director of Renegade who will be appointed to the Alexander Board of Directors prior to the Effective Time, or such other nominee as may be proposed by Renegade and is acceptable to Alexander, acting reasonably;

(bb) "**Business Day**" means a day other than a Saturday, Sunday or other day when banks in the city of Calgary, Alberta, are not generally open for business;

(cc) "**Closing Time**" means the time on the Effective Date the Renegade Articles of Arrangement are sent to the Registrar;

(dd) "**Competition Act**" means the *Competition Act*, R.S.C. 1985, c. C-34, as amended;

(ee) "**Competition Act Approval**" means either:

(i) the issue of an advance ruling certificate under Section 102 of the Competition Act, provided that such advance ruling certificate has not been rescinded prior to the Effective Date; or

(ii) (A) the expiry or termination of the waiting period under Section 123 of the Competition Act, or waiver by the Commissioner of Competition of the notification requirement pursuant to Section 113(c) of that Act; and

(B) the Commissioner of Competition advising the Parties, in writing, on terms satisfactory to the Parties, acting reasonably, that he has no intention to file an application under Part VIII of the Competition Act, in connection with the transactions contemplated by this Agreement and such advice has not been rescinded prior to the Effective Date;

(ff) "**Confidential Information**" has the meaning ascribed thereto in Section 3.4(f);

(gg) "**Confidentiality Agreement**" means the confidentiality agreements dated effective February 5, 2014 between Renegade and Alexander entered into in connection with the transactions contemplated herein;

(hh) "**Consolidation**" means the consolidation of all of the Alexander Shares on the basis of one post-consolidation Alexander Share for every four pre-consolidation Alexander Shares to be considered at the meeting of the Alexander Shareholders to be held on February 18, 2014;

(ii) "**Contract**" means, with respect to a Party, a contract, lease, instrument, note, bond, debenture, mortgage, agreement, arrangement or understanding, written or oral, to which such Party, or any of its subsidiaries, is a Party or under which such Party or any of its subsidiaries is bound, has unfulfilled obligations or contingent liabilities or is owed unfulfilled obligations, whether known or unknown, and whether asserted or not;

(jj) "**Court**" means the Court of Queen's Bench of Alberta;

(kk) "**Disclosed Personal Information**" has the meaning ascribed thereto in Section 4.3(b);

(ll) "**Dissent Rights**" means the rights of dissent granted in favour of registered Renegade Shareholders in respect of the Arrangement as described in the Plan of Arrangement and the Interim Order;

(mm) "**distribution**" means "**distribution**" or "**distribution to the public**", as the case may be, as defined under the Applicable Canadian Securities Laws; and "**distribute**" has a corresponding meaning;

(nn) "**Effective Date**" has the meaning ascribed thereto in Section 2.1(d);

(oo) "**Effective Time**" means 12:01 a.m. on the Effective Date;

(pp) "**Encumbrances**" means, in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust deeds, rights of first refusal, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or asset, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) (whether by Applicable Law, contract or otherwise) against title to any of the property or asset, or any part thereof or interest therein;

(qq) "**Environmental Approvals**" means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by Governmental Authorities pursuant to Environmental Laws;

(rr) "**Environmental Laws**" means, with respect to any Person or its business, activities, property, assets or undertaking, all Applicable Laws, relating to environmental or health matters including legislation governing the use and storage of Hazardous Substances and the plugging of wells;

(ss) "**Final Order**" means the order of the Court approving the Arrangement to be applied for by Renegade following the Renegade Meeting and to be granted pursuant to Subsection 193(9) of the ABCA in respect of Renegade Shareholders and Renegade, as such order may be affirmed, amended or modified by the Court (with the consent of each of Renegade and Alexander, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that such amendment is acceptable to each of Renegade and Alexander, each acting reasonably) on appeal;

(tt) "**Final Passport System Decision Document**" means a receipt for the Prospectus issued in accordance with the Passport System;

(uu) "**GAAP**" has the meaning ascribed thereto in Section 1.8;

(vv) "**Governmental Authority**" means any:

(i) multinational, federal, provincial, state, regional, municipal, local or other government or any governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, domestic or foreign;

(ii) any subdivision, agent, commission, board or authority of any of the foregoing;

(iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; and

(iv) any stock exchange;

(ww) "**Governmental Authorization**" means with respect to a Person, all licenses, permits, certificates, consents, orders, grants, registrations, recognition orders, exemption relief orders, no-action relief and other authorizations (including in connection with Environmental Laws) from any Governmental Authority necessary in connection with its business as it is now being or proposed to be conducted;

(xx) "**Hazardous Substances**" means any pollutant, contaminant, waste of any nature, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted or identified in any Environmental Laws, including but not limited to petroleum and all derivatives thereof or synthetic substitutes therefore, and asbestos or asbestos containing materials, polychlorinated biphenyl and production waters;

(yy) "**Information Circular**" means the notice of Renegade Meeting, the notice of Alexander Meeting (if required pursuant to Applicable Laws) and the accompanying management information circular (which circular may be a joint circular, to the extend necessary) and proxy statement of Renegade and, if required pursuant to Applicable Laws, Alexander, together with all appendices thereto, to be mailed or otherwise distributed by Renegade to the Renegade Shareholders and, if required pursuant to Applicable Laws, Alexander to the Alexander Shareholders or such other securityholders of Renegade or Alexander as may be required pursuant to the Interim Order in connection with the Renegade Meeting and the Alexander Meeting, if required pursuant to Applicable Laws;

(zz) "**Interim Order**" means an interim order of the Court concerning the Arrangement under Subsection 193(4) of the ABCA in respect of Renegade and the Renegade Shareholders, containing declarations and directions with respect to the Arrangement and the holding of the Renegade Meeting as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(aaa) "**Liabilities**" means any and all debts, liabilities and obligations of any nature whatsoever, whether accrued or fixed, absolute or contingent, including those arising under any Applicable Law, Contract, permit, license or other undertaking and as a result of any act or omission, but specifically excludes the value of any hedges;

(bbb) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to either Party, any fact or state of facts, circumstance, change, effect, occurrence or event that individually or in the aggregate is, or would reasonably be expected to be, material and adverse to the condition (financial or otherwise), business, operations, properties, licenses, affairs, assets, liabilities (contingent or otherwise), capitalization, results of operations, cash flows or prospects of such Party (taken as a whole), or will, or would reasonably be expected to, prevent, materially delay or materially impair the ability of the Parties to consummate the transactions contemplated by this agreement, other than any fact, state of facts, circumstance, change, effect, occurrence or event relating to or resulting from:

(i) conditions affecting the oil and gas industry generally in jurisdictions in which such Party carries on business, including, without limitation, changes in commodity prices, royalties, Applicable Laws or taxes;

(ii) general economic or financial conditions, currency exchange rates, or securities or commodity prices in Canada or the United States;

(iii) any matter which has been publicly disclosed prior to the date hereof or that is set forth in any of the Renegade Disclosure Letter or the Alexander Disclosure Letter;

(iv) matters permitted or contemplated by this Agreement or as a result of the announcement thereof;

(v) with respect to Renegade, a change in the market trading price or trading volume of the Renegade Shares either as a result of a change, effect, event or occurrence excluded from the definition of Material Adverse Effect under clauses (i), (ii), (iii) or (iv) hereof; or

(vi) with respect to Alexander, a change in the market trading price or trading volume of the Alexander Shares either as a result of a change, effect, event or occurrence excluded from the definition of Material Adverse Effect under clauses (i), (ii), (iii) or (iv) hereof;

provided, however, that the change or effect referred to in clause (i) or (ii) above does not primarily relate only to (or have the effect of primarily relating only to) a Party and its subsidiaries, if any (taken as a whole), or disproportionately affects a Party and its subsidiaries, if any (taken as a whole), compared to other entities of similar size operating in the oil and gas exploration, exploitation, development and production industry, in which case the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable;

(ccc) "**McDaniel**" means McDaniel & Associates Consultants Ltd.;

(ddd) "**misrepresentation**", "**material change**" and "**material fact**" shall have the meanings ascribed thereto under Applicable Canadian Securities Laws;

(eee) “**Name Change**” means the change of name of Alexander to “Spartan Energy Corp.” to be considered at the meeting of the Alexander Shareholders to be held on February 18, 2014;

(fff) "**Other Party**" means, with respect to:

(i) Renegade, Alexander; and

(ii) Alexander, Renegade;

(ggg) "**Outside Date**" means April 15, 2014 or such other date as the Parties may agree in writing;

(hhh) "**Parties**" means, collectively, the parties to this Agreement, and "**Party**" means any one of them;

(iii) "**Passport System**" means the system for review and procedures for the filing of prospectuses and related materials in one or more Canadian jurisdictions pursuant to Multilateral Instrument 11-102 - *Passport System* and National Policy 11-202 - *Process for Prospectus Reviews in Multiple Jurisdictions*;

(jjj) "**Person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;

(kkk) "**Plan of Arrangement**" means the plan of arrangement under the ABCA pursuant to which Alexander will acquire all of the issued and outstanding shares of Renegade and certain other transactions will be completed, all on the terms and conditions described herein, which plan of arrangement shall be substantially in the form set out in Exhibit “A” to this Agreement, as such plan of arrangement may be amended or supplemented from time to time in accordance with Article 7 hereof;

(lll) "**Prospectus**" means the (final) short form prospectus of the Corporation and any amendments thereto, qualifying the distribution of 153,062,000 Alexander Shares issuable upon the exercise of 153,062,000 Alexander Special Warrants;

(mmm) "**PubCo Acquisition**" means the proposed acquisition by a public oil and gas company of certain petroleum and natural gas properties and related assets in southeast Saskatchewan from Renegade pursuant to the PubCo Acquisition Agreement;

(nnn) "**PubCo Acquisition Agreement**" means the agreement of purchase and sale dated January 13, 2014 between a public oil and gas company and Renegade;

(ooo) "**Registrar**" means the Registrar of Corporations or a Deputy Registrar of Corporations appointed under Section 263 of the ABCA;

(ppp) "**Renegade Arrangement Resolution**" means the special resolution of Renegade Shareholders in respect of the Arrangement to be considered at the Renegade Meeting substantially in the form attached as Exhibit "B" hereto;

(qqq) "**Renegade Articles of Arrangement**" means the articles of arrangement to be prepared by Renegade, with the cooperation, consultation and prior approval of Alexander, acting reasonably, as provided for herein, in respect of the Arrangement required under Subsection 193(10) of the ABCA to be sent to the Registrar after the Final Order has been granted, giving effect to the Arrangement;

(rrr) "**Renegade Board of Directors**" means the board of directors of Renegade as it may be comprised from time to time;

(sss) "**Renegade Cancellation Agreements**" means agreements, in form satisfactory to each of Renegade and Alexander, acting reasonably, to be entered into between Renegade and the holders of Renegade Options whereby each holder of Renegade Options agrees to:

(i) conditionally exercise all "in-the-money" **Renegade** Options held by such holder in accordance with their terms (or in the alternative as may be agreed to by Alexander and Renegade, acting reasonably, surrendered for cash) immediately prior to the Closing Time; and

(ii) surrender for cancellation for nil consideration all "out-of-the-money" Renegade Options held by such holder;

(ttt) "**Renegade Change of Control Payments**" means obligations of Renegade, subject to those items that are specifically excluded from the definition of Renegade Change of Control Payments in the Renegade Disclosure Letter, pursuant to all employment or consulting services agreements, director compensation programs, termination, severance, change of control, bonus and retention plans or policies for severance, termination, change of control, bonus or retention payments, any payments related to any incentive plan and any other payments Renegade is required by law or contract or intends to make in connection with the termination of all employees of Renegade at the Effective Time in accordance with the terms of this Agreement, arising out of or in connection with the Arrangement, which obligations and payments (including any withholding Taxes in relation thereto) shall not exceed $4.2 million in the aggregate, details of which are set out in the Renegade Disclosure Letter;

(uuu) "**Renegade Credit Facility**" means Renegade’s credit facilities with a syndicate of lenders;

(vvv) "**Renegade Damages Event**" has the meaning ascribed thereto in Section 6.1;

(www) "**Renegade Disclosure Letter**" means the disclosure letter from Renegade to Alexander dated the date hereof;

(xxx) "**Renegade Fairness Opinions**" means the opinions from each of the financial advisors to the Renegade Board of Directors as to the fairness, from a financial point of view, of the consideration being offered under the Arrangement to the Renegade Shareholders;

(yyy) "**Renegade Financial Advisory Fees**" means the fees payable to Macquarie Capital Markets Canada Ltd. and TD Securities Inc. pursuant to the engagement agreements among Renegade, Macquarie Capital Markets Canada Ltd. and TD Securities Inc., as amended, which fees are equal to an aggregate of 1.0% of "Transaction Value", as such term is defined in such engagement agreements;

(zzz) "**Renegade Financial Statements**" means, collectively, the audited consolidated comparative financial statements of Renegade as at and for the year ended December 31, 2012, together with the notes thereto and the auditors' report thereon and the interim unaudited consolidated financial statements of Renegade for the three and nine month periods ended September 30, 2013, together with the notes thereto;

(aaaa) "**Renegade Information**" means all information to be included in the Information Circular (including in documents incorporated by reference) describing Renegade, the business, operations and affairs of Renegade and the matters to be considered at the Renegade Meeting;

(bbbb) "**Renegade Interim Capital Budget**" means the interim capital budget of Renegade, which is set out in the Renegade Disclosure Letter;

(cccc) "**Renegade Lock-up Agreement**" means an agreement to be entered into between Alexander, and each of the directors and officers of Renegade (unless the Parties agree otherwise) and each affiliate of such directors and officers that owns Renegade Shares, in form satisfactory to each of Renegade and Alexander, acting reasonably, pursuant to which such directors, officers and affiliates agree with Alexander, among other things, to vote in favour of the Renegade Arrangement Resolution and otherwise support the transactions contemplated by this Agreement;

(dddd) "**Renegade Meeting**" means the special meeting of Renegade Shareholders to be held to consider the Renegade Arrangement Resolution and related matters, and any adjournment(s) thereof;

(eeee) "**Renegade Net Debt**" means, except as otherwise provided in this Agreement, the total debt (including bank indebtedness, accounts payable and accrued liabilities) of Renegade less the total of cash and cash equivalents (comprised of accounts receivable) and prepaid expenses and deposits of Renegade, in each case calculated in accordance with GAAP, but specifically excludes the value of any hedges;

(ffff) "**Renegade Option Plan**" means the Renegade share option plan in effect on the date hereof and the agreements entered into thereunder;

(gggg) "**Renegade Options**" means options granted pursuant to the Renegade Option Plan;

(hhhh) "**Renegade Parties**" means, collectively, Renegade, the Renegade Subsidiaries and any predecessors thereto, and "**Renegade Party**" means any one of them;

(iiii) "**Renegade Plans**" has the meaning ascribed thereto in Section 4.1(cc);

(jjjj) "**Renegade Public Record**" means all information, documents and reports filed by or on behalf of Renegade on or after January 1, 2012 with the Securities Authorities, in compliance, or intended compliance, with any Applicable Laws which is available for public viewing on the SEDAR website under Renegade's profile at www.sedar.com;

(kkkk) "**Renegade Reserves Report**" has the meaning ascribed thereto in Section 4.1(v);

(llll) "**Renegade Restricted Awards**" means the restricted and performance awards granted pursuant to the Restricted Award Plan;

(mmmm) "**Renegade Rights Plan**" means the shareholder rights plan agreement between the Renegade and Olympia Trust Company dated April 26, 2013;

(nnnn) "**Renegade Shareholders**" means holders of Renegade Shares;

(oooo) "**Renegade Shares**" means the common shares in the capital of Renegade;

(pppp) "**Renegade Subsidiaries**" means, together, Renegade Petroleum (North Dakota) Ltd. and Petro Uno Resources Ltd. – North Dakota;

(qqqq) "**Renegade Termination Fee**" has the meaning ascribed thereto in Section 6.2;

(rrrr) "**Renegade Third Party Beneficiaries**" has the meaning ascribed thereto in Section 10.10(i);

(ssss) "**Renegade Transaction Costs**" means all costs and expenses incurred by Renegade in connection with the transactions contemplated by this Agreement, including all legal, accounting, financial advisory (excluding the Renegade Financial Advisory Fees), fairness opinion, severance, bonuses, printing and other administrative or professional fees, costs and expenses of third parties incurred by Renegade, and all amounts payable by Renegade in respect of the Arrangement, including but not limited to, the Renegade Change of Control Payments, but not including any amounts payable pursuant to the Renegade Cancellation Agreements; for greater certainty, any costs and expenses incurred by Renegade in connection with providing information to Alexander for use in any disclosure document other than the Information Circular, including, but not limited to, the costs of requiring Renegade's legal, accounting and other professional advisors review any document and provide their consent to materials being included in such document shall be deemed to not be a Renegade Transaction Cost;

(tttt) "**Renegade Warrants**" means the Renegade Share purchase warrants of Renegade with each such warrant entitling the holder thereof to acquire one Renegade Share at an exercise price of $1.80 per Renegade Share;

(uuuu) "**Restricted Award Plan**" means the Restricted and Performance Award Inventive Plan of Renegade;

(vvvv) "**Securities Act**" means the *Securities Act*, R.S.A. 2000, c. S-4, as amended;

(wwww) "**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the Provinces or Territories of Canada;

(xxxx) "**Sproule**" means Sproule Associates Limited;

(yyyy) "**subsidiary**" has the meaning ascribed thereto in the Securities Act (and shall include all trusts or partnerships directly or indirectly owned or controlled by a Person);

(zzzz) "**Superior Proposal**" means an unsolicited written *bona fide* Acquisition Proposal made after the date hereof from a Person (other than Alexander):

(i) that in the case of paragraph 3.4(b)(vi)(A) that funds or other consideration necessary for the Acquisition Proposal are or are likely to be available, and in the case of paragraphs 3.4(b)(vii) and 3.4(d) that funds or other consideration necessary for the Acquisition Proposal are available, in each case as demonstrated to the satisfaction of the Renegade Board of Directors or the Alexander Board of Directors, as applicable, acting in good faith;

(ii) that is capable of being completed without undue delay, taking into account all financial, legal regulatory and other aspects of such proposal and the Person making such proposal;

(iii) that did not result from or involve a breach of Section 3.4;

(iv) that is not subject to any due diligence (except for confirmatory due diligence) or access condition; and

(v) in respect of which the Renegade Board of Directors determined in good faith (after the receipt of advice from their legal counsel with respect to (A) and their financial advisors with respect to (B)) that: (A) as reflected in the minutes of the Renegade Board of Directors, in the case of paragraph 3.4(b)(vi)(A) failure to take such action would be inconsistent with its fiduciary duties, and in the case of paragraphs 3.4(b)(vii) and 3.4(d) failure to recommend such Acquisition Proposal to Renegade Shareholders would be inconsistent with its fiduciary duties, and (B) such Acquisition Proposal, taking into account all of the terms and conditions thereof, if consummated in accordance with its terms (but not assuming away any risk of non-completion), would result in a transaction more favourable to Renegade Shareholders from a financial point of view than the transactions contemplated by this Agreement (including in each case after taking into account any modifications to this Agreement proposed by the Parties as contemplated by Section 3.4(d));

(aaaaa) "**Tax**" or "**Taxes**" shall mean any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Taxing Authority, whether computed on a separate, consolidated, unitary, combined or other basis, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and provincial income taxes), payroll and employee withholding taxes, employment insurance premiums, unemployment insurance, social insurance taxes, Canada Pension Plan contributions, sales, use and goods and services taxes, value added taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, environmental taxes, capital taxes, production taxes, recapture, withholding taxes, employee health taxes, surtaxes, customs, import and export taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries, as applicable, is required to pay, withhold, remit or collect;

(bbbbb) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5^{th} Supp.), as amended, including the regulations promulgated thereunder, as amended;

(ccccc) "**Tax Pools**" means undepreciated capital cost of any particular class of depreciable property, earned depletion base, cumulative Canadian exploration expense, cumulative Canadian development expense, cumulative Canadian oil and gas property expense, foreign exploration and development expense, capital losses, non-capital losses, cumulative eligible capital, share issue costs and investment tax credits, all as defined in the Tax Act, and financing expenses referred to in paragraph 20(1)(e) of the Tax Act;

(ddddd) "**Tax Returns**" shall mean all reports, estimates, elections, notices, filings, designations, forms, declarations of estimated tax, information statements and returns relating to, or required to be supplied to any Taxing Authority in connection with, any Taxes (including any attached schedules, estimated tax returns, withholding tax returns, and information returns and reports);

(eeeee) "**Taxing Authority**" shall mean any Governmental Authority responsible for the imposition of any Tax (domestic or foreign);

(fffff) "**Third Party Approvals**" has the meaning ascribed thereto in Section 5.1(h);

(ggggg) "**threatened**" when used in relation to legal action or any other matter, means that a demand or statement (oral or written) has been made or a notice (oral or written) has been given that such legal action or other matter is to be asserted, commenced, taken or otherwise pursued in the future or that an event has occurred or circumstances exist that would lead a reasonable Person to conclude that such legal action or other matter is likely to be asserted, commenced, taken or otherwise pursued in the future;

(hhhhh) "**TSXV**" means the TSX Venture Exchange;

(iiiii) "**United States**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

(jjjjj) "**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended, and the rules, regulations and orders promulgated thereunder; and

(kkkkk) "**U.S. Securities Laws**" means the federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder, as amended from time to time.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms "**this Agreement**", "**hereof**", "**herein**" and "**hereunder**" and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number and Gender

Words importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include firms and corporations and vice versa.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by either Party is not a Business Day and a business day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day and a business day, as applicable, in such place.

1.5 Entire Agreement

This Agreement, the Confidentiality Agreements, the Renegade Disclosure Letter and the Alexander Disclosure Letter, together with the agreements and documents herein and therein referred to, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. To the extent of any inconsistency between this Agreement and the Confidentiality Agreement, this Agreement shall supersede the Confidentiality Agreement.

1.6 Statute and Agreement References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time. References to any agreement or document shall be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time.

1.7 Currency

All sums of money that are referred to in this Agreement are expressed in lawful money of Canada unless otherwise noted.

1.8 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under generally accepted accounting principles ("**GAAP**") from time to time approved by the Canadian Institute of Chartered Accountants, or any successor institute, which, for greater certainty, shall include International Financial Reporting Standards, and all determinations of an accounting nature required to be made shall be made in accordance with GAAP applicable as at the date on which such calculation is made or required to be made on a basis consistent with preceding years but subject to the adoption of any new accounting principles and rules and the transition rules pertaining thereto.

1.9 Interpretation Not Affected by Party Drafting

The Parties hereto acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party will not be applicable in the interpretation of this Agreement.

1.10 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of Renegade or Alexander, as applicable, it refers to the actual knowledge of any officer of Renegade in respect of Renegade and any officer of Alexander in respect of Alexander, in each case after reasonable inquiry and in each case in their capacity as officers of Renegade or Alexander and not in their personal capacity, as of the date of this Agreement and does not include the knowledge or awareness of any other individual or any constructive, implied or imputed knowledge.

1.11 Enforceability

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors’ rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principles of equity).

1.12 Exhibits

The following exhibits attached hereto are incorporated into and form an integral part of this Agreement:

Exhibit “A” – Plan of Arrangement

Exhibit “B” – Renegade Arrangement Resolution

Exhibit “C” – Alexander Resolution

ARTICLE 2
THE ARRANGEMENT

2.1 Plan of Arrangement

(a) The Parties agree to carry out the Arrangement pursuant to which (among other things):

(i) The Arrangement shall be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement;

(ii) as soon as reasonably practicable, but in any event not later than February 28, 2014 or such other date as is agreed to by the Parties, Renegade shall apply to the Court, in a manner reasonably acceptable to Renegade and Alexander, pursuant to section 193(4) of the ABCA for the Interim Order and thereafter diligently seek the Interim Order as provided for in Section 2.2 hereof, and, upon receipt thereof, Renegade and Alexander shall forthwith carry out the terms of the Interim Order to the extent applicable to it;

(iii) provided all necessary approvals for the Renegade Arrangement Resolution and Alexander Resolution are obtained from the Renegade Shareholders and Alexander Shareholders, respectively, Renegade shall submit the Arrangement to the Court and apply for the Final Order;

(iv) upon the issuance of the Final Order and subject to the satisfaction or waiver of the conditions precedent in Article 5, Alexander shall forthwith proceed to file the Renegade Articles of Arrangement, the Final Order and such other documents as may be required to give effect to the Arrangement, respectively, with the Registrar pursuant to Subsection 193(9) of the ABCA, whereupon the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out therein without any further act or formality;

(v) Renegade shall permit Alexander and its counsel to review and comment upon drafts of all material to be filed by Renegade with the Court in connection with the Arrangement, including the Renegade Information and any supplement or amendment thereto and provide counsel to Alexander on a timely basis with copies of any notice of appearance and evidence served on Renegade or its counsel in respect of the application for the Interim Order and the Final Order or any appeal therefrom and of any notice (written or oral) received by Renegade indicating any intention to oppose the granting of the Interim Order or the Final Order or to appeal the Interim Order or the Final Order; and

(vi) no Party shall file any material with the Court in connection with the Arrangement or serve any such material or agree to modify or amend materials so filed or served except as contemplated hereby or with the prior written consent of the Other Party, such consent not to be unreasonably withheld or delayed.

(b) The Arrangement shall be structured such that on the Effective Date the issuance of the Alexander Shares issuable to the Renegade Shareholders, pursuant to the Arrangement and all other trades of securities pursuant to the Arrangement will be made in compliance with Applicable Canadian Securities Laws.

(c) The Arrangement shall be structured such that, assuming the Alexander Resolution and Renegade Arrangement Resolution approving the Arrangement are approved and the Final Order is obtained: (i) the issuance of the Alexander Shares issuable to the Renegade Shareholders under the Arrangement; and (ii) the deemed issuance under United States securities laws to Renegade Shareholders of Alexander Shares will not require registration under the U.S. Securities Act, in reliance on Section 3(a)(10) of the U.S. Securities Act.

(d) On the first Business Day after the last of the conditions set forth in Article 5 have been satisfied or, where not prohibited, waived by the applicable Party in whose favour the condition is, unless another time or date is agreed to by the Parties, the Parties will complete the Arrangement (the "**Effective Date**"), including by executing and delivering such closing documents and instruments and filing with the Registrar pursuant to Subsection 193(10) of the ABCA, the Renegade Articles of Arrangement, the Final Order and such other documents as may be required to give effect to the Arrangement, and the Arrangement shall become effective at the Effective Time and the steps comprising the Plan of Arrangement will be deemed to occur in the order, at the times, and in the manner set forth therein. The closing of the transactions contemplated hereby will take place at the offices of counsel to Renegade or at such other location as may be agreed upon by the Parties.

(e) The Parties shall use their commercially reasonable efforts to cause the Effective Date to occur on or about March 31, 2014 or as soon thereafter as reasonably practicable and in any event by the Outside Date.

2.2 Interim Order

Renegade and Alexander agree that as soon as reasonably practicable after the date hereof, Renegade shall apply in a manner reasonably acceptable to the Parties pursuant to Section 193 of the ABCA and, in cooperation with each other, acting reasonably, prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

(a) for the calling and the holding of the Renegade Meeting, including the record date for determining the Persons to whom notice of the Renegade Meeting is to be provided and for determining the Persons entitled to vote at the Renegade Meeting and for the manner in which such notice is to be provided;

(b) that the securities of Renegade for which holders as at the record date established for the Renegade Meeting shall be entitled to vote on the Renegade Arrangement Resolution shall be the Renegade Shares voting together as a single class;

(c) that all Renegade Shareholders as at the record date established for the Renegade Meeting shall be entitled to vote on the Renegade Arrangement

Resolution, with Renegade Shareholders being entitled to one vote for each Renegade Share held by them;

(d) that the requisite level of approval for the Renegade Arrangement Resolution shall be at least two-thirds of the votes cast on the Renegade Arrangement Resolution by those Renegade Shareholders present in person or represented by proxy and entitled to vote at the Renegade Meeting, together with such other approval as may be required by Applicable Canadian Securities Laws;

(e) that, in all other respects, the terms, restrictions and conditions of the constating documents of Renegade, including quorum requirements and all other matters, shall apply in respect of the Renegade Meeting;

(f) for the grant of the Dissent Rights in the manner contemplated in the Plan of Arrangement and the Interim Order;

(g) for the notice requirements with respect to the presentation of the application to the Court for the Final Order; and

(h) that the Renegade Meeting may be adjourned or postponed from time to time by Renegade with the consent of Alexander, and such consent shall not be unreasonably withheld or delayed, without the need for additional approval of the Court.

2.3 Information Circular

As promptly as practical following the execution of this Agreement, and in compliance with the Interim Order and Applicable Laws (including Applicable Canadian Securities Laws):

(a) Renegade shall prepare the Renegade Information for inclusion in the Information Circular in a timely and expeditious manner;

(b) Alexander shall prepare the Alexander Information for inclusion in the Information Circular in a timely and expeditious manner;

(c) the Parties shall prepare the Information Circular and other relevant documentation, in consultation with each other, and each of the Parties shall ensure that the Information Circular provides Renegade Shareholders and, if applicable, Alexander Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, in all cases ensuring compliance in all material respects with all Applicable Canadian Securities Laws (including compliance in respect of the issuance of Renegade Shares) on the date of issue thereof;

(d) Renegade shall call and give notice of the Renegade Meeting in accordance with Applicable Canadian Securities Laws, the ABCA and the Interim Order;

(e) if required, Alexander shall call and give notice of the Alexander Meeting in accordance with Applicable Canadian Securities Laws and the ABCA;

(f) Renegade shall cause the Information Circular to be mailed to the Renegade Shareholders and such other securityholders of Renegade or other third parties as may be required pursuant to the Interim Order, and filed with applicable regulatory authorities and other Governmental Authorities in all jurisdictions where the same are required to be mailed and filed; and

(g) if required, Alexander shall cause the Information Circular to be mailed to the Alexander Shareholders and filed with applicable regulatory authorities and other Governmental Authorities in all jurisdictions where the same are required to be mailed and filed.

2.4 Preparation of Filings

(a) Renegade and Alexander shall cooperate in:

(i) seeking the Interim Order and the Final Order, including by:

(A) Renegade providing Alexander on a timely basis any information required to be supplied by Renegade concerning itself in connection therewith; and

(B) Alexander providing Renegade on a timely basis any information required to be supplied by Alexander concerning itself in connection therewith. Renegade shall provide legal counsel to Alexander with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and shall give reasonable consideration to all such comments. Renegade shall also provide legal counsel to Alexander on a timely basis with copies of any notice of appearance and evidence served on Renegade or its legal counsel in respect of the application for the Final Order or any appeal therefrom. Subject to Applicable Laws, Renegade shall file any material with the Court in connection with the Arrangement or serve any such material, and shall not agree to modify or amend materials so filed or served, except with Alexander's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided that nothing herein shall require Alexander to agree or consent to any increase in the consideration to be received by the Renegade Shareholders or other modification or amendment to such filed or served materials that expands or increases Alexander's obligations, or diminishes or limits Alexander's rights, set forth in any such filed or served materials or under this Agreement;

(ii) the taking of all such action as may be required under the ABCA, Applicable Canadian Securities Laws and U.S. Securities Laws in connection with the transactions contemplated by this Agreement and the Plan of Arrangement.

(b) Each of Renegade and Alexander shall promptly furnish to the Other Party all information concerning it as may be required for the effectuation of the actions described in Section 2.1 and the foregoing provisions of this Section 2.4, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Arrangement and the other transactions contemplated by this Agreement will contain any misrepresentation at the time such information is filed with the Court or printed for distribution to the securityholders of the Parties, as the case may be.

2.5 Employees

The employment of all officers and employees of Renegade shall be terminated at the Effective Time and the officers and employees of Renegade shall be entitled to an amount of change of control, and severance payments not to exceed $4.2 million in the aggregate; provided that management of Alexander reserves the right, at its sole discretion, to offer continued employment following the Effective Time to any employee of Renegade on terms and conditions substantially similar to the terms under which such persons are currently employed and, other than as set forth in the Renegade Disclosure Letter, such employees who are offered such continued employment will not be paid any change of control or severance payments whatsoever but will be entitled to receive retention and bonus payments in the amounts set forth in the Renegade Disclosure Letter (provided such retention amounts shall not be payable until such employees have completed the retention period which shall end no later than three months following the Effective Date). For greater certainty, other than as set forth in the Renegade Disclosure Letter, any employees of Renegade who accept offers of employment from Alexander will not receive severance or change of control payments upon the termination of their employment with Renegade or Alexander and the retention and bonus payments paid to such employees shall satisfy any severance obligations. Any employees of Renegade that are not retained by Alexander, for and on behalf of Renegade, shall be terminated at the Effective Time. The Renegade Change of Control Payments, less all withholding Taxes, shall be paid by Renegade at the Closing Time or as soon as practicable thereafter concurrent with the execution of a full and final release from the payee to Renegade in such form as is acceptable to Alexander, acting reasonably.

2.6 Indemnities, Directors' and Officers' Insurance

(a) Alexander agrees that it and Renegade and their respective successors shall not take any action to terminate or materially adversely affect, and will fulfill its obligations pursuant to, indemnities provided or available to or in favour of past and present officers and directors of Renegade pursuant to the provisions of the articles, by-laws or other constating documents of Renegade, applicable corporate legislation and any written indemnity agreements which have been entered into between Renegade and its current officers and directors effective on or prior to the date hereof.

(b) Prior to the Effective Date, Renegade shall be entitled to secure "run off" directors' and officers' liability insurance with a maximum cost of not more than $200,000 for the current officers and directors of Renegade covering claims made prior to or within 6 years after the Effective Date which has a scope and coverage no less advantageous in scope and coverage to that provided pursuant to Renegade's current directors' and officers' insurance policy and Alexander agrees to not take or permit any action to be taken by or on behalf of Renegade to terminate or adversely affect such directors' and officers' insurance.

2.7 Treatment of Options

(a) The Parties agree that the Renegade Board of Directors may approve the vesting of all outstanding Renegade Options effective immediately prior to the Effective Time and conditional upon the subsequent consummation of the Arrangement and the agreement of the holders of the Renegade Options to the exercise or termination (or in the alternative, as may be agreed to by Alexander and Renegade, acting reasonably, surrender for cash of all in-the-money Renegade Options) of such Renegade Options (or, if required, amend any outstanding Renegade Options to accelerate the vesting of such Renegade Options effective immediately prior to the Effective Time and conditional upon the subsequent consummation of the Arrangement and the agreement of the holders of the Renegade Options to the exercise or termination (or in the alternative, as may be agreed to by Alexander and Renegade, acting reasonably, surrender for cash of all in-the-money Renegade Options) of such Renegade Options) in order that all such outstanding Renegade Options shall be fully vested and will be either exercised (or in the alternative as may be agreed to by Alexander and Renegade, acting reasonably, surrendered for cash of all in-the-money Renegade Options) before or concurrent with the Effective Time in accordance with their terms or terminated for no consideration. The Renegade Disclosure Letter includes a list of all Renegade Options outstanding on the date hereof, including without limitation the following: the names of the holders of Renegade Options; the date of grant and the date of expiry of all Renegade Options; the exercise price of each Renegade Option; the amount required to be withheld on exercise of any Renegade Options to satisfy Renegade's Tax withholding obligations; and the number of Renegade Options held by each optionee.

(b) Renegade covenants and agrees that it will use all commercially reasonable efforts to encourage and facilitate all of the holders of outstanding Renegade Options that do not expire prior to the Effective Date to enter into Renegade Cancellation Agreements with Renegade prior to the date of the Interim Order.

(c) Pursuant to the Plan of Arrangement, all Renegade Options outstanding at the Effective Time shall be deemed terminated.

2.8 Treatment of Restricted Awards

(a) The Parties agree that all Renegade Restricted Awards shall be settled in accordance with the terms of the Restricted Award Plan effective immediately prior to the Effective Time and all such outstanding Renegade Restricted Awards shall be fully vested and paid before or concurrent with the Effective Time in accordance with their terms and in such manner as determined by Alexander. The Renegade Disclosure Letter includes a list of all Renegade Restricted Awards outstanding on the date hereof, including without limitation the following: the names of the holders of Renegade Restricted Awards; the date of grant and the date of expiry of all Renegade Restricted Awards; the amount required to be withheld on the payment of any Award Value (as defined in the Restricted Award Plan) to satisfy Renegade's Tax withholding obligations; and the number of Renegade Restricted Awards held by each holder.

2.9 Recommendation of Renegade Board of Directors

The Renegade Board of Directors has unanimously:

(a) determined that the Arrangement is in the best interests of Renegade and the Renegade Shareholders;

(b) determined that the consideration to be received by Renegade Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Renegade Shareholders;

(c) approved the Arrangement and the entering into of this Agreement; and

(d) resolved to recommend that Renegade Shareholders vote in favour of the Renegade Arrangement Resolution.

Notice of such approvals, determinations and resolution shall, subject to the terms hereof, be included in the Information Circular, along with the written fairness opinion of Renegade's financial advisor that the consideration to be received by Renegade Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Renegade Shareholders.

2.10 Recommendation of Alexander Board of Directors

The Alexander Board of Directors has unanimously:

(a) determined that the Arrangement is in the best interests of Alexander and the Alexander Shareholders;

(b) approved the Arrangement and the entering into of this Agreement; and

(c) resolved to recommend that Alexander Shareholders vote in favour of the Alexander Resolution.

Notice of such approvals, determinations and resolution shall, subject to the terms hereof, be included in the Information Circular.

2.11 Dissenting Shareholders

Registered Renegade Shareholders entitled to vote at the Renegade Meeting may exercise Dissent Rights with respect to their Renegade Shares in connection with the Arrangement pursuant to and in the manner set forth in the Plan of Arrangement and the Interim Order. Renegade shall give Alexander prompt notice of any written notice of a dissent, withdrawal of such notice, and any other instruments served pursuant to such Dissent Rights and received by Renegade and promptly provide Alexander with copies of such notices and written objections and all other correspondence related thereto.

2.12 Tax Withholdings

Renegade and Alexander shall be entitled to deduct and withhold from any consideration otherwise payable to any Renegade Shareholder or holder of Renegade Options or Renegade Restricted Awards and, for greater certainty, from any amount payable to a Renegade Shareholder who has validly exercised, and not withdrawn, Dissent Rights, as the case may be, under the Plan of Arrangement, such amounts as Renegade or Alexander is required to deduct and withhold from such consideration in accordance with applicable Tax laws and administrative policies of the Canada Revenue Agency. Any such amounts will be deducted and withheld from the consideration payable pursuant to the Plan of Arrangement or any agreement governing the exercise, payment or other disposition, as the case may be, of the Renegade Options or Renegade Restricted Awards in accordance with this Agreement and shall be treated for all purposes as having been paid to the Renegade Shareholder or holder of Renegade Options or Renegade Restricted Awards, as the case may be, in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Taxing Authority. Renegade and Alexander shall be authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to Renegade and Alexander, as the case may be, to enable it to comply with its deducting or withholding requirements and Renegade and Alexander shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale to such holder.

2.13 Lock-up Agreements

(a) Renegade shall, concurrent with the signing of this Agreement, deliver to Alexander the Renegade Lock-up Agreements which have been executed by Renegade Shareholders holding or exercising control or direction over not less than: (i) 247,881 Renegade Shares representing 0.1211% of the outstanding Renegade Shares; (ii) nil Renegade Options; (iii) 23,811 Renegade Warrants representing 0.9655% of the outstanding Renegade Warrants; and (iv) 811,654 Renegade Restricted Awards representing 35.7793% of the outstanding Renegade Restricted Awards; and

(b) Alexander shall, concurrent with the signing of this Agreement, deliver to Renegade the Alexander Lock-up Agreements which have been executed by Alexander Shareholders holding or exercising control or direction over not less than: (i) 120,896,849 Alexander Shares representing 47.7% of the outstanding Alexander Shares; (ii) 8,750,000 Alexander Options representing 95% of the outstanding Alexander Options; and (iii) 115,796,849 Alexander Warrants representing 86% of the outstanding Alexander Warrants.

2.14 Independent Operations Notices

If requested by Alexander, Renegade shall use its reasonable commercial efforts to obtain extensions with respect to deadlines by which any independent operations notices and/or other commitments (with respect to wells or otherwise) are due under any farm-in agreements.

ARTICLE 3
COVENANTS

3.1 Covenants of Renegade

Renegade covenants and agrees that, from the date of this Agreement until the earlier of the Effective Date or termination of this Agreement in accordance with Article 8, except with the prior written consent of Alexander (such consent not to be unreasonably withheld or delayed), except as set forth in the Renegade Interim Capital Budget and except as otherwise expressly permitted or specifically contemplated by this Agreement (including the Plan of Arrangement and the Renegade Disclosure Letter) or required by Applicable Laws:

(a) Renegade and each of the Renegade Subsidiaries shall conduct its business only in the usual and ordinary course of business consistent with past practices (for greater certainty, where it is an operator of any property, it shall operate and maintain such property in a proper and prudent manner in accordance with good industry practice and the agreements governing the ownership and operation of such property), it shall consult with Alexander in respect of its ongoing business and affairs and keep Alexander apprised of all material developments relating thereto. For greater certainty, neither Renegade nor any of the Renegade Subsidiaries shall enter into or perform any contract, agreement, commitment or arrangement with respect to the acquisition or disposition of, or resolve to acquire or dispose of, any oil and/or natural gas assets, properties or related assets or of securities of any person engaged in the oil and/or natural gas and/or related business in any manner, or conduct any financing activities in any manner, or take any action that is not in the usual and ordinary course or that is not consistent with past practices which would have a Material Adverse Effect on Renegade, other than as contemplated in this Agreement;

(b) Renegade shall not directly or indirectly do or permit to occur, and shall not permit any of the Renegade Subsidiaries to do or permit to occur, any of the following:

  (i) amend its constating documents;

  (ii) other than a monthly cash dividend of $0.008333 per Renegade Share, with the last monthly dividend prior to the Effective Time to be announced in March, to be paid on April 15, 2014 provided that the transactions contemplated by this Agreement and the Plan of Arrangement are not completed by March 31, 2014, declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares;

  (iii) issue (other than on exercise or conversion of currently outstanding Renegade Options, Renegade Restricted Awards or Renegade

Warrants), grant, sell or pledge or agree to issue, grant, sell or pledge any shares of Renegade, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares of Renegade;

(iv) redeem, purchase or otherwise acquire any of its outstanding shares or other securities, except as permitted pursuant to the terms thereof and as permitted in accordance with the terms hereunder;

(v) amend the terms of any of its securities, including the Renegade Options, Renegade Restricted Awards or Renegade Warrants other than to accelerate the vesting of any unvested Renegade Options and Renegade Restricted Awards in accordance with this Agreement;

(vi) split, combine or reclassify any of its securities;

(vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of Renegade;

(viii) pursue any corporate acquisition or disposition, amalgamation, merger, arrangement or purchase or sale of assets or make any material change to the business, capital or affairs of Renegade;

(ix) reduce the stated capital of Renegade or any of the outstanding Renegade Shares or any other shares of Renegade;

(x) pay, discharge or satisfy any material claims, liabilities or obligations other than in the ordinary course of business consistent with past practice;

(xi) terminate any employees;

(xii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Arrangement; or

(xiii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;

(c) Renegade shall not, directly or indirectly, do or permit to occur, and shall not permit any of the Renegade Subsidiaries to do or permit to occur, any of the following:

(i) other than the PubCo Acquisition, sell, pledge, lease, exclusively license, transfer, dispose of or encumber any assets other than production in the ordinary course of Renegade's business consistent with past practice;

(ii) expend, commit to expend or otherwise incur any liabilities;

(iii) expend or commit to expend any amounts with respect to any operating expenses except to the extent such expenses are in the ordinary course of Renegade's business consistent with past practice;

(iv) reorganize, amalgamate, merge or otherwise combine Renegade or any of the Renegade Subsidiaries with any other Person;

(v) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof, or make any investment therein either by purchase of shares or securities, contributions of capital or property transfer;

(vi) acquire any assets;

(vii) incur, extend, renew or replace any indebtedness for borrowed money, or any other material liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or Person, or make any loans or advances, other than in respect of fees payable to legal, financial and other advisors which are included in the Renegade Transaction Costs;

(viii) pay, settle, discharge or satisfy any material claims, liabilities, litigation, lawsuits, arbitrations, proceedings or obligations other than as reflected or reserved against in the Renegade Financial Statements;

(ix) authorize, recommend or propose any release or relinquishment of any right under any material contract;

(x) waive, release, grant or transfer any material rights of value or modify or change in any material respect any existing license, lease, contract, production sharing agreement, government land concession or other material document;

(xi) enter into or terminate any hedges, swaps or other financial instruments or like transactions;

(xii) enter into any agreements for the sale of production having a term of more than 30 days;

(xiii) enter into any material consulting contract or operating agreement that: (A) cannot be terminated on 30 days or less notice without penalty or (B) alone; or in the aggregate with any other consulting contract or operating agreements, would create an obligation in excess of $25,000;

(xiv) enter into any contracts or transactions with any officer or director of Renegade or any of the Renegade Subsidiaries; or

(xv) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;

(d) Renegade will promptly provide to Alexander, for review by Alexander and its counsel, prior to filing or issuance of the same, any proposed public disclosure document relating to the Arrangement, including without limitation, any press release or material change report, subject to Renegade's obligations under Applicable Laws to make timely disclosure of material information, and Alexander agrees to keep such information confidential until same is filed as part of the Renegade Public Record;

(e) Other than the payment of amounts contemplated by Section 2.5, Renegade shall not, and shall not permit any of the Renegade Subsidiaries to, adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock purchase plan, fund or arrangement for the benefit of employees, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements;

(f) Other than the payment of amounts contemplated by Section 2.5, Renegade shall not, and shall not permit any of the Renegade Subsidiaries to: (i) grant any officer, director or employee an increase in compensation in any form; (ii) grant any general salary increase; (iii) take any action with respect to the amendment of any severance or termination pay policies or arrangements for any directors, officers or employees; (iv) adopt or amend (other than to permit accelerated vesting of currently outstanding rights) any stock option plan, the Restricted Award Plan or the terms of any outstanding rights thereunder, as applicable; or (v) advance any loan to any officer, director or any other party not at arm's length;

(g) Renegade shall use its reasonable commercial efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;

(h) Renegade shall promptly notify Alexander in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Renegade threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of Renegade or any of the Renegade Subsidiaries or of any change in any representation or warranty provided by Renegade in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Renegade shall in good faith discuss with Alexander any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Renegade threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Alexander pursuant to this provision;

(i) Renegade shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Renegade in this Agreement untrue in any material respect;

(j) Renegade and the Renegade Board of Directors and senior management shall take all reasonable actions to solicit proxies to be voted at the Renegade Meeting in favour of matters to be considered at the Renegade Meeting, including the Renegade Arrangement Resolution;

(k) Renegade shall ensure that it has available funds pursuant to the Renegade Credit Facility to make, within the time periods contemplated herein, the payment of the amount which may be required by Section 6.2, having regard to its other liabilities and obligations, and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amount when required;

(l) Renegade shall provide notice to Alexander of the Renegade Meeting and allow Alexander's representatives to attend such meeting;

(m) Renegade shall cooperate with Alexander in the preparation of the Information Circular and provide to Alexander, in a timely and expeditious manner, all information as may be reasonably requested by Alexander with respect to Renegade, including the Renegade Information, for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with all Applicable Laws on the date of issue thereof;

(n) Renegade shall ensure that the Information Circular has been prepared in compliance with Applicable Laws and provides the Renegade Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, and shall include, without limitation; (i) the Renegade Information (as reviewed and commented on by Alexander acting reasonably; (ii) the Alexander Information in the form approved by Alexander (as reviewed and commented on by Renegade, acting reasonably); (iii) any financial statements in respect of prior acquisitions made by it that are required to be included therein in accordance with Applicable Laws; (iv) the unanimous determinations and recommendations of the directors of Renegade (other than such directors who are not eligible to vote on such matters in accordance with the ABCA) as set forth in Section 2.8; and (v) a copy of the Renegade Fairness Opinion; provided that, notwithstanding the covenants of Renegade in (iv), prior to the completion of the Arrangement, the Renegade Board of Directors may withdraw, modify or change the recommendation regarding the Arrangement if, in the opinion of the Renegade Board of Directors acting reasonably, having received the advice of its outside legal counsel which is reflected in minutes of the meeting of the Renegade Board of Directors, such withdrawal, modification or change is required to act in a manner consistent with the fiduciary duties of the Renegade Board of Directors and provided the Renegade Board of Directors and Renegade shall have complied with the provisions of Section 3.4 and have paid the Alexander Termination Fee;

(o) Renegade shall ensure that Alexander and its counsel shall be given a reasonable opportunity to review and comment on drafts of the Renegade

Information to be included in the Information Circular and any other information prepared by Renegade and its counsel for inclusion in the Information Circular and other documents related thereto, and reasonable consideration shall be given to any comments made by Alexander and its counsel, provided that all Alexander Information included in the Information Circular shall be in form and content satisfactory to Alexander, acting reasonably;

(p) Renegade shall indemnify and save harmless Alexander and its directors, officers and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Alexander or any of its directors, officers or agents thereof may be subject or which Alexander or any of its directors, officers or agents thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:

(i) any misrepresentation or alleged misrepresentation contained solely in the Renegade Information included in the Information Circular or in the Renegade Public Record;

(ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation in the Renegade Information or in the Renegade Public Record which prevents or restricts the trading in the Renegade Shares; or

(iii) Renegade not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

except that Renegade shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any misrepresentation or alleged misrepresentation based on the Alexander Information, the negligence of Alexander or the non-compliance by Alexander with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

(q) Renegade shall provide to Alexander all such information respecting its operations and affairs as may be reasonably requested from time to time by Alexander;

(r) Renegade shall keep Alexander informed as to the material decisions required with respect to the most advantageous methods of exploring, operating and producing from its business, in the opinion of Renegade;

(s) Renegade shall use its reasonable commercial efforts to preserve intact its business organizations and goodwill and to maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with it;

(t) except for proxies and other non-substantive communications with third parties and communications to legal and other advisors of Renegade, Renegade will furnish promptly to Alexander and its counsel: (i) a copy of each notice, report, schedule or other document delivered, filed or received by Renegade in connection with the Arrangement from any Governmental Authority or the Renegade Meeting; (ii) any filings under Applicable Laws in connection with the Arrangement or the Renegade Meeting; and (iii) any documents related to dealings with Governmental Authorities in connection with the transactions contemplated herein;

(u) Renegade shall make all necessary filings and applications pursuant to Applicable Laws required to be made on the part of Renegade in connection with the transactions contemplated by this Agreement and shall take all reasonable commercial action necessary to be in compliance with such Applicable Laws;

(v) Renegade shall conduct the Renegade Meeting in accordance with the by-laws of Renegade and any instrument governing the Renegade Meeting (including, without limitation, the Interim Order), as applicable, and as otherwise required by law;

(w) Renegade shall use its reasonable commercial efforts to obtain and maintain the Third Party Approvals applicable to it and provide the same to Alexander on or prior to the Effective Date;

(x) Renegade will provide Alexander with all information and documentation reasonably requested by it in connection with obtaining the Third Party Approvals applicable to it;

(y) Renegade will furnish promptly to Alexander and its legal counsel any requests from any governmental or regulatory authority for any information in respect of the business, operations, financial condition or assets of Renegade or any third party complaint, investigation or hearing (or investigations indicating the same may be contemplated) to the extent that it relates to or could affect Renegade or its properties or assets in a material way;

(z) Renegade shall promptly advise Alexander of the number of Renegade Shares for which Renegade receives notices of dissent or written objections to the Arrangement and provide Alexander with copies of such notices and written objections, and subject to Applicable Laws, shall provide Alexander with an opportunity to review and comment upon any written communications proposed to be sent by or on behalf of Renegade to any Renegade Shareholder exercising or purporting to exercise Dissent Rights in relation to the Renegade Arrangement Resolution and reasonable consideration shall be given to any comments made by Alexander and its counsel prior to sending any such written communications. Renegade shall not settle any claims with respect to Dissent Rights without the prior written consent of Alexander (which consent may be withheld in Alexander's sole and absolute discretion);

(aa) Renegade shall use reasonable commercial efforts to resolve any material defects in title to its properties of which it is aware prior to the Effective Date and which would or may have a Material Adverse Effect on Renegade or as otherwise requested by Alexander acting reasonably and agrees to consult with Alexander with respect to all such steps as are proposed to be taken in connection therewith;

(bb) Renegade shall take all commercially reasonable actions to give effect to the transactions contemplated by this Agreement and the Plan of Arrangement;

(cc) Renegade shall use its commercially reasonable efforts to fulfill or cause the fulfillment of the conditions set forth in Sections 5.1, 5.2 and 5.3 as soon as reasonably possible to the extent that the fulfillment of the same is within the control of Renegade;

(dd) Each of the Renegade Parties shall:

(i) duly and on a timely basis file all Tax Returns required to be filed by it on or after the date hereof and on or prior to the Effective Date and all such Tax Returns will be true, complete and correct in all material respects;

(ii) timely pay all Taxes shown on such Tax Returns and make all required withholdings and remittances in respect of Taxes;

(iii) not make or rescind any material express or deemed election relating to Taxes, or file any amended Tax Returns where the result of such action is inconsistent with past practice;

(iv) not make a request for a Tax ruling or enter into any agreement with any Governmental Authority;

(v) not settle any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to a material amount of Taxes;

(vi) not make any changes in financial or Tax accounting methods, principles, policies or practices, except as required by GAAP or under Applicable Laws;

(vii) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with GAAP, for all Taxes accruing in respect of Renegade which are not due or payable prior to the Effective Date; and

(viii) not breach any flow-through share agreement to which it is a party in respect of the issuance of the flow-through shares (as defined in the Tax Act) and in particular shall not fail to incur and renounce expenses which it covenanted to incur and announce in respect thereof; and

(ee) Neither Renegade nor any of the Renegade Subsidiaries shall make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Tax Return, election or designation.

3.2 Covenants of Alexander

Alexander covenants and agrees that, from the date of this Agreement until the earlier of the Effective Date or termination of this Agreement in accordance with Article 8, except with the prior written consent of Renegade (such consent not to be unreasonably withheld or delayed), and except as otherwise expressly permitted or specifically contemplated by this Agreement (including the Plan of Arrangement and the Alexander Disclosure Letter) or required by Applicable Laws:

(a) Alexander shall conduct its business only in the usual and ordinary course of business consistent with past practices (for greater certainty, where it is an operator of any property, it shall operate and maintain such property in a proper and prudent manner in accordance with good industry practice and the agreements governing the ownership and operation of such property), it shall consult with Renegade in respect of its ongoing business and affairs and keep Renegade apprised of all material developments relating thereto, subject to Applicable Laws. For greater certainty Alexander shall not enter into or perform any contract, agreement, commitment or arrangement with respect to the acquisition or disposition of, or resolve to acquire or dispose of, any oil and/or natural gas assets, properties or related assets or of securities of any person engaged in the oil and/or natural gas and/or related business in any manner, or conduct any financing activities in any manner, or take any action that is not in the usual and ordinary course or that is not consistent with past practices which would have a Material Adverse Effect on Alexander, other than as contemplated in this Agreement;

(b) Alexander shall not directly or indirectly do or permit to occur any of the following:

(i) other than the Name Change, amend its constating documents;

(ii) redeem, purchase or otherwise acquire any of its outstanding shares or other securities, except as permitted pursuant to the terms thereof and as permitted in accordance with the terms hereunder;

(iii) amend the terms of any of its securities;

(iv) other than the Consolidation, split, combine or reclassify any of its securities;

(v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, consolidation or reorganization of Alexander;

(vi) reduce the stated capital of Alexander or any of the outstanding Alexander Shares or any other shares of Alexander;

(vii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Arrangement; or

(viii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;

(ix) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;

(c) Alexander shall not, directly or indirectly, do or permit to occur any of the following:

(i) expend or commit to expend any amounts with respect to any operating expenses except to the extent such expenses are in the ordinary course of Alexander's business consistent with past practice or except to the extent such expenses would not have a Material Adverse Effect on Alexander and Renegade, taken as a whole;

(ii) incur, extend, renew or replace any indebtedness for borrowed money, or any other material liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or Person, or make any loans or advances other than in respect of fees payable to legal, financial and other advisors in connection with the Arrangement and other than where to do so would not have a Material Adverse Effect on Alexander and Renegade, taken as a whole;

(iii) pay, settle, discharge or satisfy any material claims, liabilities, litigation, lawsuits, arbitrations, proceedings or obligations other than as reflected or reserved against in the Alexander Financial Statements or other than where to do so would not have a Material Adverse Effect on Alexander and Renegade, taken as a whole;

(iv) authorize, recommend or propose any release or relinquishment of any right under any material contract other than where to do so would not have a Material Adverse Effect on Alexander and Renegade, taken as a whole;

(v) waive, release, grant or transfer any material rights of value or modify or change in any material respect any existing license, lease, contract, production sharing agreement, government land concession or other material document other than where to do so would not have a Material Adverse Effect on Alexander and Renegade, taken as a whole; or

(vi) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;

(d) Alexander will promptly provide to Renegade, for review by Renegade and its counsel, prior to filing or issuance of the same, any proposed public disclosure document relating to the Arrangement, including without limitation, any press release or material change report, subject to Alexander's obligations under Applicable Laws to make timely disclosure of material information, and

Renegade agrees to keep such information confidential until same is filed as part of the Alexander Public Record;

(e) Alexander shall use its reasonable commercial efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;

(f) Alexander shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Alexander in this Agreement untrue in any material respect;

(g) if applicable, Alexander and the Alexander Board of Directors and senior management shall take all reasonable actions to solicit proxies to be voted at the Alexander Meeting in favour of matters to be considered at the Alexander Meeting, including the Alexander Resolution;

(h) Alexander shall ensure that it has available funds pursuant to the Alexander Credit Facility to make, within the time periods contemplated herein, the payment of the amount which may be required by Section 6.2, having regard to its other liabilities and obligations, and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amount when required;

(i) Alexander shall promptly notify Renegade in writing of any Material Adverse Change (actual, anticipated, contemplated or, to the knowledge of Alexander threatened, financial or otherwise) which is not reflected in its Financial Statements, in its business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise of Alexander, or of any change in any representation or warranty provided by Alexander in this Agreement which change is not reflected in its Financial Statements and which is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Alexander shall in good faith discuss with Renegade any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Alexander threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Renegade pursuant to this provision;

(j) Alexander shall use its reasonable commercial efforts to obtain and maintain the Third Party Approvals applicable to it and provide the same to Renegade on or prior to the Effective Date;

(k) Alexander will provide Renegade with all information and documentation reasonably requested in connection with obtaining the Third Party Approvals applicable to it;

(l) Alexander shall provide notice to Renegade of the Alexander Meeting, if required pursuant to Applicable Laws, and allow Renegade's representatives to attend such meeting;

(m) Alexander shall cooperate with Renegade in the preparation of the Information Circular and provide to Renegade, in a timely and expeditious manner, all information as may be reasonably requested by Renegade with respect to Alexander, including the Alexander Information, for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with all Applicable Laws on the date of issue thereof;

(n) Alexander shall, to the extent required pursuant to Applicable Laws, ensure that the Information Circular has been prepared in compliance with Applicable Laws and provides the Alexander Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, and shall include, without limitation; (i) the Alexander Information (as reviewed and commented on by Renegade, acting reasonably); (ii) the Renegade Information in the form approved by Renegade (as reviewed and commented on by Alexander, acting reasonably); (iii) any financial statements in respect of prior acquisitions made by it that are required to be included therein in accordance with Applicable Laws; and (iv) the unanimous determinations and recommendations of the directors of Alexander (other than those directors who are not eligible to vote on such matters in accordance with the ABCA), as set forth in Section 2.10; provided that, notwithstanding the covenants of Alexander in (iv), prior to the completion of the Arrangement, the Alexander Board of Directors may withdraw, modify or change the recommendation regarding the Arrangement if, in the opinion of the Alexander Board of Directors acting reasonably, having received the advice of its outside legal counsel which is reflected in minutes of the meeting of the Alexander Board of Directors, such withdrawal, modification or change is required to act in a manner consistent with the fiduciary duties of the Alexander Board of Directors;

(o) Alexander shall ensure Renegade and its counsel shall be given a reasonable opportunity to review and comment on drafts of the Alexander Information to be included in the Information Circular and any other information prepared by Alexander and its counsel for inclusion in the Information Circular and other documents related thereto, and reasonable consideration shall be given to any comments made by Renegade and its counsel, provided that all Renegade Information included in the Information Circular shall be in form and content satisfactory to Renegade, acting reasonably;

(p) Alexander shall provide to Renegade all such information respecting its operations and affairs as may be reasonably requested from time to time by Renegade;

(q) Alexander shall use its reasonable commercial efforts to preserve intact its business organizations and goodwill and to maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with it;

(r) except for proxies and non-substantive communications with third parties and communications to legal and other advisors of Alexander, Alexander will furnish promptly to Renegade and its counsel: (i) a copy of each notice, report, schedule or other document delivered, filed or received by Alexander in connection with the Arrangement from any Governmental Authority and, if applicable, the Alexander Meeting; (ii) any filings under Applicable Laws in connection with the Arrangement and, if applicable, the Alexander Meeting; and (iii) any documents related to dealings with Governmental Authorities in connection with the transactions contemplated herein;

(s) if applicable, Alexander shall conduct the Alexander Meeting in accordance with the by-laws of Alexander and any instrument governing the Alexander Meeting as applicable, and as otherwise required by law;

(t) Alexander shall take all commercially reasonable actions to give effect to the transactions contemplated by this Agreement and the Plan of Arrangement;

(u) Alexander shall make all necessary filings and applications under Applicable Laws required to be made on the part of Alexander in connection with the transactions contemplated by this Agreement and shall take all reasonable commercial action necessary to be in compliance with such Applicable Laws;

(v) Alexander shall use its commercially reasonable efforts to fulfill or cause the fulfillment of the conditions set forth in Sections 5.1, 5.2 and 5.3 as soon as reasonably possible to the extent that the fulfillment of the same is within the control of Alexander;

(w) Alexander shall indemnify and save harmless Renegade and its directors, officers and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Renegade or any of its directors, officers or agents thereof may be subject or which Renegade or any of its directors, officers or agents thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:

   (i) any misrepresentation or alleged misrepresentation contained solely in the Alexander Information included in the Information Circular or in the Alexander Public Record;

   (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation in the Alexander Information or in the Alexander Public Record which prevents or restricts the trading in the Alexander Shares; or

   (iii) Alexander not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

except that Alexander shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any misrepresentation or alleged misrepresentation based on the Renegade Information, the negligence of Renegade or the non-compliance by Renegade with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

(x) Alexander shall use its commercially reasonable efforts to obtain the listing of the Alexander Shares issuable pursuant to the Arrangement on the TSXV as of the Effective Date;

(y) Alexander shall fully honour the Renegade Warrants in accordance with their terms, subject to adjustment in accordance with the transactions contemplated by this Agreement and the Plan of Arrangement;

(z) Alexander shall use its commercially reasonable efforts to obtain the Final Passport Decision Document with respect to the Prospectus and all other documents necessary to qualify the Alexander Shares underlying the Alexander Special Warrants for distribution on or before February 28, 2014;

(aa) Alexander shall:

(i) duly and on a timely basis file all Tax Returns required to be filed by it on or after the date hereof and on or prior to the Effective Date and all such Tax Returns will be true, complete and correct in all material respects;

(ii) timely pay all Taxes shown on such Tax Returns and make all required withholdings and remittances in respect of Taxes;

(iii) not make or rescind any material express or deemed election relating to Taxes, or file any amended Tax Returns where the result of such action is inconsistent with past practice;

(iv) not make a request for a Tax ruling or enter into any agreement with any Governmental Authority;

(v) not settle any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to a material amount of Taxes;

(vi) not make any changes in financial or Tax accounting methods, principles, policies or practices, except as required by GAAP or under Applicable Laws;

(vii) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with GAAP, for all Taxes accruing in respect of Alexander which are not due or payable prior to the Effective Date; and

(viii) not breach any flow-through share agreement to which it is a party in respect of the issuance of the flow-through shares (as defined in the Tax

Act) and in particular shall not fail to incur and renounce expenses which it covenanted to incur and announce in respect thereof; and

(bb) Alexander shall not make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Tax Return, election or designation.

3.3 Mutual Covenants Regarding the Arrangement

From the date of this Agreement until the earlier of the Effective Date or the termination of this Agreement, each of Renegade and Alexander will use its reasonable commercial efforts to: (i) satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder; (ii) not take, or cause to be taken, any action or cause anything to be done that would cause such obligations not to be fulfilled in a timely manner; and (iii) take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Arrangement, including using reasonable commercial efforts:

(a) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby;

(b) to effect all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Arrangement;

(c) to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate the Arrangement and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby;

(d) to reasonably cooperate with the Other Party and their tax advisors in structuring the Arrangement in a tax effective manner, and assist the Other Party and their tax advisors in making such investigations and inquiries with respect to such Party in that regard, as the Other Party and their tax advisors shall consider necessary, acting reasonably, provided that such Party shall not be obligated to consent or agree to any structuring that has the effect of reducing the consideration to be received under the Arrangement; and

(e) in connection with the Competition Act Approval:

(i) Alexander and Renegade shall as promptly as reasonably practicable duly file with the Competition Bureau, a request for an advance ruling certificate under Section 102 of the Competition Act and supply the Commissioner with such additional information as the Commissioner may request. Alexander shall have the primary responsibility for the preparation and submission of a request for an advance ruling certificate pursuant to Section 102 of the Competition Act. Alexander and Renegade shall respond as promptly as reasonably practicable under the circumstances to any inquiries received from the Competition Bureau for additional information or documentation and to all inquiries and requests received from the Competition Bureau;

(ii) the Parties shall coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with Section 3.3(e)(i) above, including providing each other with advance copies and reasonable opportunities to comment on all filings made to the Competition Bureau and any additional or supplementary information supplied pursuant thereto in respect of the Competition Act (except for information which Alexander or Renegade, in each case acting reasonably, consider commercially sensitive which may be provided on a confidential and privileged basis to outside counsel of the other Party), and all notices and correspondence received from the Competition Bureau with respect to any filings under the Competition Act;

(iii) notwithstanding any other provision herein, in no event will Alexander be required hereunder or otherwise to agree to any hold separate, divestiture or other order, decree or restriction on the businesses of Alexander or Renegade or any other business, the conduct thereof or future transactions; and

(iv) the Parties shall share equally all filing fees payable in connection with Competition Act filing as provided for in Section 3.3(e)(i) above.

Each of Renegade and Alexander will use its reasonable commercial efforts to cooperate with the other in connection with the performance by the other of their obligations under this Section 3.3 and this Agreement including, without limitation, continuing to provide reasonable access to information and to maintain ongoing communications as between officers of Renegade and Alexander, subject in all cases to the Confidentiality Agreement.

3.4 Covenants Regarding Non-Solicitation

(a) Renegade shall immediately cease and cause to be terminated all existing discussions and negotiations (including, without limitation, through any officers, directors, employees, representatives, agents, advisors or other parties on its behalf), with any parties (other than pursuant to this Agreement) with respect to any proposal that constitutes, or may reasonably be expected to constitute or lead to an Acquisition Proposal. Renegade shall not amend, modify, waive, release or otherwise forebear in the enforcement of, and shall use all commercially reasonable efforts to enforce, any confidentiality, non-solicitation or standstill or similar agreements or provisions to which it and any third parties are parties. Renegade shall discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) and shall as soon as possible request, to the extent that it is entitled to do so, and exercise all rights it has to require, the return or destruction of all confidential information provided to any third parties who have entered into a confidentiality or similar agreement with Renegade relating to an Acquisition Proposal and shall request (and exercise all rights to require) the destruction of all material including or incorporating or otherwise reflecting any material confidential information regarding it and shall use all reasonable commercial efforts to ensure that such requests are honoured.

Without limiting the foregoing, it is understood that any violation of the restrictions set forth in this Section 3.4(a) by Renegade or its officers, directors, employees, advisors, representatives and agents shall be deemed to be a breach of this Section 3.4(a) by Renegade.

(b) Renegade shall not, directly or indirectly, do or authorize or permit any of its officers, directors or employees or any financial advisor, expert or other representative retained by it to do, any of the following:

(i) solicit, assist, initiate, encourage or in any way facilitate (including by way of furnishing information, or entering into any form of written or oral agreement, arrangement or understanding), the making of any proposal or offer that constitutes or may constitute an Acquisition Proposal or inquiries, proposals or offers regarding an Acquisition Proposal;

(ii) enter into or participate in any discussions or negotiations regarding an Acquisition Proposal, or furnish to any other Person any information, including with respect to its businesses, properties, assets, liabilities, operations, prospects or condition (financial or otherwise), in connection with an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing;

(iii) waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any rights or other benefits under confidential information agreements relating to an Acquisition Proposal, including, without limitation, any "standstill" or similar provisions thereunder (it being acknowledged and agreed that the automatic termination of any standstill provision of any such agreement as a result of entering into and the announcement of this Agreement by the Parties pursuant to the express terms of any such agreement, shall not be in violation of this subsection 3.4(b));

(iv) accept, recommend, approve, agree to or endorse, or propose publicly to accept, recommend, approve, agree to or endorse, any Acquisition Proposal or agreement, understanding or arrangement in relation thereto;

(v) withdraw or modify the approval of the Renegade Board of Directors of the Arrangement;

provided, however, that notwithstanding any other provision hereof, Renegade and its respective officers, directors and advisers may, prior to the Renegade Meeting:

(vi) enter into or participate in any discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date hereof, by it or any of its officers, directors or employees or any financial advisor, expert or other representative retained by it) seeks to initiate such discussions or negotiations with Renegade, provided that such discussions or negotiations did not result from or are not connected to a breach of this Section 3.4, and subject to execution of a confidentiality and standstill agreement substantially similar to the Confidentiality Agreement (provided that such confidentiality agreement shall provide for disclosure thereof (along with all information provided thereunder) to Alexander as set forth below), Renegade may furnish to such third party information concerning it and its business, properties and assets, in each case if, and only to the extent that:

(A) the third party has first made a Superior Proposal or an Acquisition Proposal that would reasonably be likely to, if consummated with its terms (but not assuming away any risk of non-completion) result in a Superior Proposal; and

(B) prior to furnishing such information to or entering into or participating in any such discussions or negotiations with such third party, it provides prompt notice to Alexander to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such Person together with a copy of the confidentiality agreement referenced above and, if not previously provided to Alexander, copies of all information provided to such third party concurrently with the provision of such information to such third party, and provided further that it shall notify Alexander orally and in writing of any inquiries, offers or proposals relating to or constituting an Acquisition Proposal (which written notice shall include, without limitation, a copy of any such proposal (and any amendments or supplements thereto), the identity of the Person making it, if not previously provided to Alexander, copies of all information provided to such party, any material correspondence with respect thereto, and all other information reasonably requested by Alexander) within 24 hours of the receipt thereof, and shall keep the Alexander informed of the status and details of any such inquiry, offer or proposal and answer the respective questions of Alexander with respect thereto on a timely basis; and

(vii) accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation:

(A) the Renegade Board of Directors shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of this Agreement as contemplated by Section 3.4(d) and after receiving the advice of outside counsel as reflected in minutes of the Renegade Board of Director that the taking of such action is necessary for such board of directors in discharge of its fiduciary duties under Applicable Laws; and

(B) Renegade shall otherwise have complied with its obligations set forth in this Section 3.4, including without limitation Section 3.4(d), and terminates this Agreement in accordance with

Section 8.1(a)(v) and concurrently therewith pays the Alexander Termination Fee to Alexander.

(c) Renegade shall promptly (and in any event within 24 hours of the receipt thereof) notify Alexander (at first orally and then in writing) of any Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to it or its business, properties or assets. Such notice shall include a copy of any written Acquisition Proposal (and any amendment thereto) which has been received or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the Person making any inquiry, proposal, offer or request. Renegade shall also provide such further and other details of the Acquisition Proposal or any amendment thereto as Alexander may reasonably request. Renegade shall keep Alexander promptly and fully informed of the status, including any change to material terms, of any Acquisition Proposal or any amendment thereto, shall respond promptly to all inquiries by Alexander, with respect thereto, and shall provide Alexander copies of all material correspondence and other written material sent to or provided to it by any Person in connection with such inquiry, proposal, offer or request or sent or provided by it to any Person in connection with such inquiry, proposal, offer or request.

(d) Renegade shall give Alexander, orally and in writing, at least 72 hours advance notice of any decision by the Renegade Board of Directors to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which notice shall:

(i) set out the Renegade Board of Directors reasonable determination of the financial value of the consideration offered by such third party to Renegade Shareholders or the Alexander Shareholders under such Superior Proposal;

(ii) confirm that the Renegade Board of Directors has determined that such Acquisition Proposal constitutes a Superior Proposal; and

(iii) identify the third party making the Superior Proposal and include a copy thereof and any amendments thereto.

During the 72 hour period commencing on the delivery of such notice, Renegade agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provisions and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement. In addition, during such 72 hour period it shall, and shall cause its financial and legal advisors to, negotiate in good faith with Alexander and its financial and legal advisors to make such adjustments in the terms and conditions of this Agreement and the Arrangement as would enable it to proceed with the Arrangement as amended rather than the Superior Proposal. In the event Alexander proposes to amend this Agreement and the Arrangement such that the Superior Proposal ceases to be a Superior Proposal and so advises the applicable board of directors prior to the expiry of such 72 hour period, the Renegade Board of Directors shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal, shall not release the party making the

Superior Proposal from any standstill provisions and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement. Each successive amendment to any Superior Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Renegade Shareholders pursuant thereto shall constitute a new Superior Proposal for the purposes hereof and a new 72 hour period shall commence.

(e) Renegade shall reaffirm its recommendation of the Arrangement by press release promptly and in any event within 120 hours of any written request to do so by Alexander (or, in the event that the Renegade Meeting to approve the Arrangement is scheduled to occur within such 120 hour period, prior to the scheduled date of such meeting) in the event that: (i) any Acquisition Proposal which is publicly announced is determined not to be a Superior Proposal; or (ii) the Parties have entered into an amended agreement pursuant to Section 3.4(d) which results in any Acquisition Proposal not being a Superior Proposal.

(f) Each of Renegade and Alexander agree that all information that may be provided to Alexander by Renegade with respect to any Acquisition Proposal pursuant to this Section 3.4 shall be treated as if it were "**Confidential Information**" as that term is defined in the Confidentiality Agreement and shall not be disclosed or used except in accordance with the provisions of the Confidentiality Agreement or in order to enforce its rights under this Agreement in legal proceedings.

(g) Renegade shall ensure that its officers, directors and employees and any investment bankers or other advisers or representatives retained by it are aware of the provisions of this Section 3.4 and shall be responsible for any breach of this Section 3.4 by any of them.

(h) Nothing in this agreement shall prevent the Renegade Board of Directors from complying with Section 2.17 of Multilateral Instrument 62-104 *Take Over Bids and Issuer Bids* of the Canadian Securities Administrators and similar provisions under Applicable Canadian Securities Laws relating to the provision of directors' circulars in respect of an Acquisition Proposal that is not a Superior Proposal but only following compliance with Section 3.4(d) by Renegade.

3.5 Provision of Information; Access

(a) Until the Effective Date or termination of this Agreement, Renegade shall provide Alexander and its representatives access, during normal business hours and at such other time or times as Alexander may reasonably request, to its premises (including field offices and sites), books, contracts, records, computer systems, properties, employees and management personnel and shall furnish to Alexander all information concerning its business, properties and personnel as Alexander may reasonably request, which information shall remain subject to the Confidentiality Agreement, in order to permit Alexander to be in a position to expeditiously and efficiently integrate the business and operations of Renegade immediately upon but not prior to the Effective Date. Without limitation, Renegade agrees to keep Alexander fully appraised in a timely manner of every circumstance, action, occurrence or event occurring or arising after the date hereof that would be relevant and material to a prudent operator of the business and operations of Renegade. Renegade shall confer with and obtain Alexander's approval (not to be unreasonably withheld or delayed), prior to taking action (other than in emergency situations) with respect to all operational matters involved in its business, including, without limitation, decisions with respect to drilling, completions, equipping, recompletions, shut-ins and timing for tying in production from wells, and Alexander representatives may attend at and participate in all weekly operations meetings held by Renegade.

(b) Until the Effective Date or termination of this Agreement, Alexander shall provide Renegade and its representatives access, during normal business hours and at such other time or times as Renegade may reasonably request, to its premises (including field offices and sites), books, contracts, records, computer systems, properties, employees and management personnel and shall furnish to Renegade all information concerning its business, properties and personnel as Renegade may reasonably request, which information shall remain subject to the Confidentiality Agreement.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Renegade

Renegade represents and warrants to and in favour of Alexander and acknowledges that Alexander is relying upon such representations and warranties in connection with the matters contemplated by this Agreement and the consummation of the Arrangement:

(a) Organization and Qualification: Each of the Renegade Parties has been duly incorporated, continued or amalgamated, as the case may be, and is validly subsisting under the Applicable Laws of its jurisdiction of formation and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as now conducted. Each of the Renegade Parties are duly registered or authorized to conduct its affairs or do business, as applicable, and each is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary. Copies of the constating documents of each of Renegade Parties have been provided to Alexander, together with all amendments to date, are accurate and complete as of the date hereof and have not been amended or superseded.

(b) Authority Relative to this Agreement: Renegade has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Renegade of the transactions contemplated by the Arrangement has been duly authorized by the Renegade Board of Directors and, subject to the requisite approval of the Renegade Shareholders and the obtaining of the Final Order, no other proceedings on the part of Renegade are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by Renegade and constitutes a legal, valid and binding obligation of Renegade enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(c) Subsidiaries: Renegade has no subsidiaries other than the Renegade Subsidiaries and Renegade owns, directly or indirectly, 100% of the outstanding securities of each of the Renegade Subsidiaries. There are no rights of first refusal and similar rights restricting transfer of the Renegade Shares contained in shareholders, partnership, joint venture or similar agreements or pursuant to existing financing arrangements and there are no outstanding contractual or other obligations of Renegade to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any of its outstanding securities.

(d) No Violations: Except as contemplated by this Agreement:

(i) neither the execution and delivery of this Agreement by Renegade nor the consummation of the transactions contemplated by the Arrangement nor compliance by the Renegade Parties with any of the provisions hereof will:

(A) other than pursuant to the Renegade Credit Facilities, violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Encumbrance upon any of the properties or assets of any of the Renegade Parties or cause any indebtedness to come due before its stated maturity or cause any credit to cease to be available, under any of the terms, conditions or provisions of: (1) articles or by-laws of any of the Renegade Parties; or (2) any note, bond, mortgage, indenture, loan agreement, deed of trust agreement, lien, contract or other instrument or obligation to which any of the Renegade Parties is a party or to which they, or any of their respective properties or assets, may be subject or by which any of the Renegade Parties is bound;

(B) subject to compliance with applicable statutes and regulations and stock exchange rules, violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to any of the Renegade Parties or any of their respective properties or assets; or

(C) cause the suspension or revocation of any authorization, consent, approval or license currently in effect; and

(ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Arrangement or which are required to be fulfilled post Arrangement, and except for the Third Party Approvals and any consents or approvals required under the Renegade Credit Facility and the obtaining of the Final Order:

(A) there is no legal impediment to the Renegade Parties' consummation of the Arrangement; and

(B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of any of the Renegade Parties in connection with the consummation of the Arrangement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, have a Material Adverse Effect on Renegade or significantly impede the ability of the Renegade Parties to consummate the Arrangement.

(e) Litigation: Except as set forth in the Renegade Disclosure Letter, there are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Renegade, threatened or for which there is a reasonable basis, affecting or that would reasonably be expected to affect any of the Renegade Parties or affecting or that would reasonably be expected to affect any of their respective properties or assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of any of the Renegade Parties.

(f) Taxes, etc.:

(i) Other than as set forth in the Renegade Disclosure Letter, all Tax Returns required to be filed by or on behalf of any of the Renegade Parties have been duly filed on a timely basis and all such tax returns are true, complete and correct in all material respects. All Taxes shown to be payable on such Tax Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other material Taxes are payable by any of the Renegade Parties with respect to items or periods covered by such Tax Returns.

(ii) There are no assessments, reassessments of any Taxes that have been issued and are outstanding, or pursuant to which there are any amounts owing. No Governmental Authority has challenged, disputed or questioned any of the Renegade Parties in respect of Taxes or of any returns, filings or other reports filed under any statute providing for Taxes. None of the Renegade Parties are negotiating any draft assessment or reassessment with any Governmental Authority. None of the Renegade Parties are aware of any contingent liabilities for a material amount of Taxes or any grounds for an assessment or reassessment with respect thereto including, without limitation, aggressive treatment of income, expenses, credits or other claims for deduction under any return or notice other than as disclosed in the its financial statements as at and for the year ended December 31, 2012. None of the Renegade Parties have received any indication from any Governmental Authority that an assessment or reassessment is proposed in respect of any Taxes, regardless of its merits. None of the Renegade Parties have executed or filed with any Governmental Authority any agreement extending the period for the filing of any Tax Returns or for the assessment, reassessment or collection of any Taxes. None of the Renegade Parties have requested, nor entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which: (i) to file any Tax Return for which they are or may be liable, respectively; (ii) to file any elections, designations or similar documents or instruments relating to Taxes for which they are or may be liable, respectively; (iii) they are respectively required to pay or remit any Taxes or amounts on account thereof; or (iv) any Governmental Authority may assess, reassess or collect Taxes for which either they are or may be liable, respectively.

(iii) Each of the Renegade Parties has paid or has withheld and remitted to the appropriate Taxing Authority all Taxes, including any instalments or prepayments of Taxes, that are due and payable whether or not shown as being due on any Tax Return, or, where payment is not yet due, Renegade has established adequate accruals in conformity with GAAP in the Renegade Financial Statements for the period covered by such financial statements for any Taxes, including income taxes and related future taxes, if applicable, that have not been paid, whether or not shown as being due on any Tax Return. Each of the Renegade Parties has made adequate provision or disclosure in its books and records for any Taxes accruing in respect of any period subsequent to the period covered by such financial statements, whether or not shown as being due on any Tax Return.

(iv) Renegade has made available to Alexander true and complete copies of: (A) income tax audit reports, statement of deficiencies, closing or other agreements received by any of the Renegade Parties or on behalf of any of the Renegade Parties relating to the Taxes for any taxable period; and (B) all Tax Returns for each of the Renegade Parties for all taxable periods.

(v) No material deficiencies exist or have been asserted by any Governmental Authority with respect to Taxes of any of the Renegade Parties that have not yet been settled.

(vi) None of the Renegade Parties are a party to any tax sharing, tax indemnity or tax allocation agreement or arrangement and none of the Renegade Parties have, nor could they have, any material liabilities or obligations in respect of Taxes under any such tax sharing, tax indemnity or tax allocation agreement. No material liability (or reasonable claim of material liability) shall arise under any tax sharing, tax indemnity or tax allocation agreement or arrangement or as a result of this transaction.

(vii) All ad valorem, property, production, severance and similar Taxes and assessments based on or measured by the ownership of property or the production of its hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of its oil and gas assets prior to the date hereof have been properly and fully paid and discharged in all material respects, and there are no unpaid Taxes or assessments which could result in a lien or charge on oil and gas assets.

(viii) None of the Renegade Parties have claimed or will claim in any Tax Return for any taxation year ending on or before the Effective Date any reserve (including, without limitation, any reserve under paragraph 20(1)(m) or 20(1)(n) or subparagraph 40(1)(a)(iii) of the Tax Act or any analogous provision under the legislation of any province or other jurisdiction) of any amount which could be included in the income of any of the Renegade Parties for any period ending after the Effective Date.

(ix) No facts, circumstances or events exist or have existed that have resulted in or may result in the application of any of sections 80 to 80.04 of the Tax Act to any of the Renegade Parties.

(x) None of the Renegade Parties have acquired property from a non-arm's length person, within the meaning of the Tax Act, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which would subject it to a liability under section 160 of the Tax Act or under any equivalent provisions of any applicable legislation.

(xi) Each of the Renegade Parties have complied with all registration, reporting, collection and remittance requirements in respect of all federal and provincial sales tax legislation including but not limited to the *Excise Tax Act* (Canada). Each of the Renegade Parties have provided to Alexander all invoices, purchase orders, and all such other documents as are necessary to report any claim for income tax credits or refunds claimed or to be claimed pursuant to the *Excise Tax Act* (Canada).

(xii) None of the Renegade Parties have breached any flow-through share agreement to which it is a party in respect of the issuance of flow-through shares (as defined in the Tax Act) and, in particular, none of the Renegade Parties have any outstanding obligations to incur and/or renounce Canadian exploration expenses or Canadian development expenses (all as defined in the Tax Act) which it covenanted to incur and renounce nor has any Governmental Authority or any Renegade Party reduced pursuant to subsection 66(12.73) of the Tax Act any amount renounced by any of the Renegade Parties.

(xiii) None of the Renegade Parties have made any payment, nor is obligated to make any payment, and is not a party to any agreement under which it could be obligated to make any payment that may not be deductible by virtue of section 67 or 78 of the Tax Act or any analogous provincial or similar provision.

(xiv) Records or documents that meet the requirements of subsections 247(4)(a) to (c) of the Tax Act have been made and obtained by any of the Renegade Parties with respect to all material transactions between any of the Renegade Parties and any non-resident person with whom any of the Renegade Parties was not dealing at arm's length within the meaning of the Tax Act, during a taxation year commencing after 2011 and ending on or before the Effective Date.

(g) Investment Canada Act: Renegade is not a "non-Canadian" person within the meaning of the *Investment Canada Act* (Canada).

(h) Tax Act Residency: Other than the Renegade Subsidiaries, none of the Renegade Parties are a non-resident for the purposes of the Tax Act.

(i) Reporting Issuer Status: Renegade is a "reporting issuer" in each of the provinces of Canada except Quebec and is in material compliance with all Applicable Canadian Securities Laws therein and the Renegade Shares are listed and posted for trading on the TSXV. Renegade is not in default of any material requirements of any Applicable Canadian Securities Laws or any rules or regulations of, or agreement with, the TSXV. No delisting, suspension of trading in or cease trading order with respect to the Renegade Shares is pending or, to the knowledge of Renegade, threatened. The documents comprising the Renegade Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made. Renegade has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Renegade with the Securities Authorities since becoming a "reporting issuer". Renegade has not filed any confidential material change report that, at the date hereof, remains confidential.

(j) Capitalization: As of the date hereof, the authorized capital of Renegade consists of an unlimited number of Renegade Shares. As of the date hereof, there are issued and outstanding 204,737,938 Renegade Shares and no other shares are issued and outstanding. Other than: (i) Renegade Options to acquire up to 83,500 Renegade Shares, (ii) Renegade Warrants to acquire up to 2,466,073 Renegade Shares, (iii) 2,268,501 Renegade Restricted Awards to receive up to 2,268,501 Renegade Shares, and (iv) as set forth in the Renegade Disclosure Letter, there are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Renegade of any securities of Renegade (including Renegade Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Renegade (including Renegade Shares). All outstanding Renegade Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights and all Renegade Shares issuable upon the exercise or satisfaction, as the case may be, of Renegade Options, Renegade Warrants and Renegade Restricted Awards in accordance with the terms of such securities will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Other than the Renegade Shares, there are no securities of Renegade outstanding which have the right to vote generally (except for the Renegade Options, Renegade Warrants and Renegade Restricted Awards exercisable or convertible into or exchangeable for securities having the right to vote generally) with the Renegade Shareholders on any matter.

(k) Equity Monetization Plans: Other than as set forth in the Renegade Disclosure Letter, there are no outstanding stock appreciation rights, phantom equity, profit sharing plan or similar rights, agreements, arrangements or commitments payable to any employee of any of the Renegade Parties and which are based upon the revenue, value, income or any other attribute of any of the Renegade Parties.

(l) No Orders: No order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, the Renegade Shares or any other securities of Renegade have been issued by any Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted, are pending or, to the knowledge of Renegade, are contemplated or threatened under any Applicable Laws or by any Governmental Authority.

(m) Reports: As of their respective dates: (i) the Renegade Financial Statements; (ii) Renegade's annual information form for the year ended December 31, 2012, including the statement of reserves data and other oil and gas information contained therein; (iii) Renegade's information circular in respect of the annual and special meeting of Renegade Shareholders held September 27, 2013; (iv) Renegade's information circular in respect of the special meeting of Renegade Shareholders to be held January 28, 2014; and (v) all Renegade press releases and material change reports filed with the Securities Authorities since December 31, 2012 and business acquisition reports filed with the Securities Authorities since December 31, 2011; did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading in any material respect and complied in all material respects with all Applicable Laws.

(n) Renegade Financial Statements: The Renegade Financial Statements were prepared in accordance with GAAP (except (i) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of Renegade's independent auditors or (ii) in the case of unaudited interim statements, to the extent they may not include footnotes, are subject to normal year-end adjustments or may be condensed or summary statements), and present fairly in accordance with GAAP the financial position, results of operations and changes in financial position of Renegade on a consolidated basis as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments). There has been no material change in Renegade accounting policies since December 31, 2012.

(o) Books and Records. The financial books, records and accounts of each of the Renegade Parties, in all material respects, (i) have been maintained in accordance with good business practices on a basis consistent with prior years, (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of each of the Renegade Parties, and (iii) accurately and fairly reflect the basis for the Renegade Financial Statements. The corporate records and minute books of each of the Renegade Parties have been maintained substantially in compliance with Applicable Laws and are complete and accurate in all material respects, and full access thereto has been provided to Alexander.

(p) Absence of Certain Changes or Events: Except for the Arrangement or any action taken in accordance with this Agreement, since December 31, 2012:

(i) Each of the Renegade Parties have conducted its business only in the ordinary course of business substantially consistent with past practice;

(ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to any of the Renegade Parties has been incurred other than in the ordinary course of business other than where such liability or obligation would not have a Material Adverse Effect on Renegade;

(iii) there has been no Material Adverse Change in respect of Renegade or the Renegade Subsidiaries, taken as a whole; and

(iv) None of the Renegade Parties, and to the knowledge of Renegade, any director, officer, employee or auditor of any of the Renegade Parties, have received or otherwise had or obtained knowledge of any fraud or material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of any of the Renegade Parties or their respective internal accounting controls.

(q) Registration, Exemption Orders, Licenses, etc.: To the knowledge of Renegade, each of the Renegade Parties has obtained and is in material compliance with all material Governmental Authorizations. Such Governmental Authorizations are in full force and effect in accordance with their terms, and no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a material violation of any such Governmental Authorization. No material proceedings are pending or, to the knowledge of Renegade, threatened, which could result in the revocation or limitation of any material Governmental Authorization, and all steps have been taken and filings made on a timely basis with respect to each material Governmental Authorization and its renewal.

(r) Compliance with Laws: The operations and business of each of the Renegade Parties are and have been carried out in compliance with and not in violation of any Applicable Laws in all material respects, and none of the Renegade Parties have received any notice of any alleged material violation of any such Applicable Laws.

(s) Restrictions on Business Activities: There is no judgment, injunction or order binding upon any of the Renegade Parties, and none of the Renegade Parties are subject to any contractual commitment, that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business or, individually or in the aggregate, have a Material Adverse Effect on Renegade.

(t) Non-Arm's Length Transactions: Except as set forth in the Renegade Financial Statements, there are no Contracts or other transactions currently in place between any of the Renegade Parties, on the one hand, and: (i) any officer or director of any of the Renegade Parties; (ii) any holder of record or beneficial owner of 10% or more of the voting securities of any of the Renegade Parties; or (iii) any affiliate of any such officer, director or beneficial owner, on the other hand. Without limiting the generality of the foregoing, none of the Renegade Parties have loaned any money to, or guaranteed the obligations of, any director, officer or employee of any of the Renegade Parties, or any Renegade Shareholder.

(u) Title: Although it does not warrant title, Renegade has no reason to believe that any of the Renegade Parties do not have title to or the right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purpose of this Section, the foregoing are referred to as the "**Interests**") and does represent and warrant that the Interests are free and clear of adverse claims created by, through or under any of the Renegade Parties except those arising in the ordinary course of business (including encumbrances ordinarily considered to be "**permitted encumbrances**" in connection with oil and gas transactions in Western Canada, but not including any gross overriding royalties or rights of conversion which are not taken into account in the Renegade Reserves Report and including those related to bank financings) and that, to the best of its knowledge, information and belief, each of the Renegade Parties holds the Interests under valid and subsisting leases, licences, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements.

(v) Renegade Reserves Report: Renegade has made available to Sproule, prior to the issuance of its report dated March 21, 2013 evaluating the crude oil, natural gas liquids and natural gas reserves of Renegade as at December 31, 2012 (the "**Renegade Reserves Report**"), for the purpose of preparing the Renegade Reserves Report, all information requested by Sproule, which information did not contain any misrepresentation at the time such information was provided. Except with respect to changes in the prices of oil and gas, Renegade has no knowledge of any Material Adverse Change in any production, reserves or other relevant information provided to Sproule since the date that such information was provided. Renegade believes that the Renegade Reserves Report reasonably presents the quantity and pre-tax present worth values of the oil and natural gas reserves attributable to the crude oil, natural gas liquids and natural gas properties evaluated in such report as of its effective date based upon information available at the time such reserves information was prepared, and Renegade believes that, at the date of such report, such report did not (and as of the date hereof, except as may be attributable to production since the date of such report, does not) overstate the aggregate quantity or pre-tax present worth values of such reserves or the estimated monthly production volumes therefrom.

(w) Absence of Undisclosed Liabilities: None of the Renegade Parties have any material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

(i) those set forth or adequately provided for in the most recent balance sheet and associated notes thereto included in the Renegade Financial Statements (for the purposes of this Section, the "**Renegade Balance Sheet**");

(ii) those incurred subsequent to the date of the Renegade Balance sheet in the ordinary course of business; and

(iii) those incurred in connection with the execution of this Agreement.

(x) <u>Absence of Undisclosed Changes</u>: Other than as set forth in the Renegade Public Record, there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Renegade on a consolidated basis from the position set forth in the Renegade Financial Statements and none of the Renegade Parties have incurred or suffered a Material Adverse Change since December 31, 2012 and since that date there have been no material facts, transactions, events or occurrences which would have a Material Adverse Effect on the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of the operations of the Renegade Parties (taken as a whole) which have not been disclosed in the Renegade Public Record.

(y) <u>No Defaults</u>: None of the Renegade Parties are in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under, any contract, agreement or licence to which it is a party or by which it is bound which would, if terminated or upon exercise of a right made available to a third party solely by a reason of such a default due to such default, individually or in the aggregate, be material to any of the Renegade Parties. None of the Renegade Parties are in violation of any Applicable Laws which violation could be material to any of the Renegade Parties.

(z) <u>Pre-emptive Rights</u>: There are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the material rights, title, interests, property, licenses or assets of any of the Renegade Parties that will be triggered or accelerated by the Arrangement.

(aa) <u>Environmental</u>: Except to the extent that violations or other matters referred to in this subparagraph would not, individually or in the aggregate, have a Material Adverse Effect on Renegade:

(i) none of the Renegade Parties are not in violation of any applicable Environmental Laws;

(ii) each of the Renegade Parties has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances in compliance with Environmental Laws;

(iii) there have been no spills, releases, deposits or discharges of Hazardous Substances, or wastes into the earth, subsoil, underground waters, air or into any body of water or any municipal or other sewer or drain water systems by any of the Renegade Parties, or on or underneath any location which is or was currently or formerly owned, leased or otherwise operated by any of the Renegade Parties, that have not been fully remediated;

(iv) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of any of the Renegade Parties which any Renegade Parties has notice;

(v) none of the Renegade Parties have failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law;

(vi) each of the Renegade Parties holds all Environmental Approvals required in connection with the operation of its business and the ownership and use of such assets, all Environmental Approvals are in full force and effect, and none of the Renegade Parties have received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws or Environmental Approvals, or that any Environmental Approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;

(vii) there are no pending or, to the knowledge of Renegade, threatened claims, liens or encumbrances resulting from Environmental Laws with respect to any of the properties of any of the Renegade Parties currently or formerly owned, leased, operated or otherwise used; and

(viii) none of the Renegade Parties have assumed or retained by contract or operation of law any losses, expenses, claims, damages or liabilities of any third-party pursuant to applicable Environmental Laws.

(bb) <u>Material Contracts</u>: Other than as set forth in the Renegade Public Record, there are no material contracts or agreements to which any of the Renegade Parties is a party or by which it is bound.

(cc) <u>Employee Benefit Plans</u>: Renegade has made available to Alexander true, complete and correct copies of each employee benefits plan (collectively, the "**Renegade Plans**") covering active, former or retired employees of each of the Renegade Parties, any related trust agreement, annuity or insurance contract or other funding vehicle, and:

(i) each Renegade Plan has been maintained and administered in material compliance with its terms and is, to the extent required by Applicable Law or contract, fully funded without having any deficit or unfunded actuarial liability or adequate provision has been made therefor;

(ii) all required employer contributions under any such plans have been made and the applicable funds have been funded in accordance with the terms thereof;

(iii) each Renegade Plan that is required or intended to be qualified under Applicable Law or registered or approved by a Governmental Authority has been so qualified, registered or approved by the appropriate Governmental Authority, and to the knowledge of Renegade, nothing has occurred since the date of the last qualification, registration or approval that would reasonably be expected to adversely affect, or cause, the appropriate Governmental Authority to revoke such qualification, registration or approval;

(iv) to the knowledge of Renegade, there are no pending or anticipated claims against or otherwise involving any of the Renegade Plans and no suit, action or other litigation (excluding claims for benefits incurred in the ordinary course of Renegade Plan activities) has been brought against or with respect to any Renegade Plan;

(v) all contributions, reserves or premium payments required to be made to the Renegade Plans have been made or provided for; and

(vi) Renegade does not have any obligations for retiree health and life benefits under any Renegade Plan.

(dd) Employees:

(i) Renegade has disclosed in the Renegade Disclosure Letter all employees and consultants of any of the Renegade Parties, including the Renegade Change of Control Payments payable to such employees and consultants.

(ii) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any employees of any of the Renegade Parties by way of certification, interim certification, voluntary recognition, designation or successor rights or has applied to have any of the Renegade Parties declared a related employer or successor employer pursuant to applicable labour legislation. None of the Renegade Parties have engaged in any unfair labour practices and, no strike, lock-out, work stoppage, or other labour dispute is occurring. There are no threatened or pending strikes, work stoppages, picketing, lock-outs, hand-billings, boycotts, slowdowns or similar labour related disputes pertaining to any of the Renegade Parties. None of the Renegade Parties have engaged in any closing or lay-off activities within the past two years that would violate or in any way subject any of the Renegade Parties to the group termination or lay-off requirements of the Applicable Laws.

(iii) None of the Renegade Parties have recognized any trade union or has any staff association, staff council, works council or other organisation formed for or arrangements having a similar purpose and no notification to any trade union, staff association, staff council, works council or other organisation formed for or in respect of any arrangements having a similar purpose is required by any of the Renegade Parties for the purpose of consummating the transactions contemplated by this Agreement.

(ee) Employment Agreements: Except as set forth in the Renegade Disclosure Letter:

(i) none of the Renegade Parties are a party to any written contracts of employment or consultancy which may not be terminated on one month's notice, or which provide for payments occurring on a change of control of any of the Renegade Parties; and

(ii) none of the Renegade Parties will become a party to any employment agreement, consultancy agreement, or to any written or oral policy, agreement, obligation or understanding (and for greater certainty, to any amendment to any of the foregoing) which contains any specific agreement as to notice of termination or severance pay in lieu thereof or which cannot be terminated without cause upon giving reasonable notice as may be implied by Applicable Law, or which creates rights in respect of loss or termination of office or employment or consultancy in relation to the Arrangement or which contains any specific agreement as to obligations arising on a change of control or as to notice of termination or severance pay in lieu thereof.

(ff) Brokers and Finders: Other than such financial advisors, brokers, agents or finders whose fees will be included in the Renegade Transaction Costs, none of the Renegade Parties have retained nor will it retain any financial advisor, broker, agent or finder or pay or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement, any transaction contemplated hereby or any transaction presently ongoing or contemplated.

(gg) Rights Plans: Other than the Renegade Rights Plan, which will be terminated at the Effective Time in accordance with the Plan of Arrangement, none of the Renegade Parties have a shareholder rights plan or any other form of plan, agreement, contract or instrument that will trigger any rights to acquire Renegade Shares or other securities of any of the Renegade Parties or rights, entitlements or privileges in favour of any Person upon the entering into of this Agreement or in connection with the Arrangement.

(hh) Employment and Officer Obligations: Except as set forth in the Renegade Disclosure Letter, there are no existing health plans or pension obligations, employment or consulting services agreements, or termination, severance, bonus, change of control or retention plans or policies of any of the Renegade Parties.

(ii) Fairness Opinion: The Renegade Board of Directors received the Renegade Fairness Opinions from each of TD Securities Inc. and Macquarie Capital Markets Canada Ltd. that the consideration to be received by Renegade Shareholders in connection with the Arrangement is fair, from a financial point of view, to the Renegade Shareholders.

(jj) Insurance: Policies of insurance that are in force as of the date hereof naming any of the Renegade Parties as an insured adequately and reasonably cover all risks as are customarily covered by oil and gas producers in the industry in which any of the Renegade Parties operate and having regard to the nature of the risk insured and the relative cost of obtaining insurance to protect the interests of the Renegade Parties. All such policies shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.

(kk) Board Approval: The Renegade Board of Directors has unanimously (other than directors who are not eligible to vote on such matters in accordance with the ABCA) made the determinations and recommendations as set forth in Section 2.8.

(ll) Proceeds of Crime: None of the Renegade Parties have, directly or indirectly, (a) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction or (b) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to any of the Renegade Parties and its operations and each of the Renegade Parties have instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with such legislation.

(mm) Swaps: Except as set forth in the Renegade Disclosure Letter, Renegade does not currently have any outstanding swaps.

(nn) Arrangements in Respect of Outstanding Securities: Neither Renegade nor (to the knowledge of Renegade) any of its shareholders is a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of Renegade.

(oo) Insiders: To the knowledge of Renegade, no insider of Renegade has a present intention to sell any securities of Renegade.

(pp) Auditors: There has not been reportable disagreement (within the meaning of Section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations of the Canadian Securities Administrators*) with Renegade's auditors.

(qq) Operational Matters: Except to the extent that any matter referenced to in this Subsection 4.1(qq) does not, and would not, reasonably be expected to have a Material Adverse Effect on Renegade, all rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of any of the Renegade Parties have been, in all material respects: (i) duly paid; (ii) duly performed; or (iii) provided for prior to the date hereof and all costs, expenses and liabilities payable on or prior to the date hereof under the terms of any contracts and agreements to which any of the Renegade Parties are directly or indirectly bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.

(rr) Good Oilfield Practices: Any and all operations of each of the Renegade Parties, and to the knowledge of Renegade, any and all operations by third parties, on or in respect of the assets and properties of each of the Renegade Parties, have been conducted in compliance with good oilfield practices.

(ss) Place of Principal Offices: Except as disclosed in the Renegade Disclosure Letter, none of the Renegade Parties are incorporated in the United States, are organized under the laws of the United States or have its principal office within the United States.

(tt) Location of Assets and U.S. Sales: Other than as disclosed in the Renegade Disclosure Letter, all of the assets and property of Renegade, including all entities "controlled by" Renegade for purposes of the *Hart-Scott-Rodino Antitrust Improvements Act* of 1976, as amended, are located outside the United States and did not generate sales in or into the United States exceeding US$68.2 million during Renegade's most recent completed fiscal year.

(uu) Foreign Private Issuer: Renegade is a "foreign private issuer" within the meaning of Rule 405 of Regulation C under the U.S. Securities Act.

(vv) Investment Company: Renegade is not registered or, assuming it was incorporated in the United States, required to be registered as an "investment company" pursuant to the *United States Investment Company Act* of 1940, as amended.

(ww) Exchange Act: No class of securities of Renegade is registered or required to be registered pursuant to Section 12 of the *United States Securities Exchange Act* of 1934, as amended, nor does Renegade or any of its subsidiaries have a reporting obligation pursuant to Section 15(d) of the U.S. Securities Act.

(xx) No Guarantees: None of the Renegade Parties have guaranteed, endorsed, assumed, indemnified (other than pursuant to indemnity agreements with its directors and officers and as contemplated by the by-laws of any of the Renegade Parties and Applicable Laws, standard indemnity agreements in financial services (including credit facilities) and underwriting and agency agreements and indemnities provided in the ordinary course to industry partners and service providers) or accepted any responsibility for, and does not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any indebtedness or the performance of any obligation of any of the Renegade Party's directors, officers, employees, consultants or Renegade Shareholders.

(yy) Payments to Employees Etc.: Each of the Renegade Parties have withheld from each payment made to any of its present or former employees, officers or directors, or to other persons, all amounts required by law or administrative practice to be withheld by it on account of income taxes, pension plan contributions, employment insurance premiums, employer health taxes and similar taxes and levies, and has remitted such withheld amounts within the required time to the appropriate governmental entity. Each of the Renegade Parties have charged, collected and remitted on a timely basis all sales, goods and services, value-added and other commodity taxes as required under applicable legislation on any sale, supply or delivery made by them.

(zz) Debt Service Reserve Account: None of the Renegade Parties maintain a debt service reserve account or account of a similar nature.

(aaa) Renegade Net Debt: As at the date hereof, the Renegade Net Debt does not exceed $262 million.

(bbb) Renegade Transactions Costs: The Renegade Transaction Costs shall not exceed $5.8 million plus the Renegade Financial Advisory Fees.

(ccc) Renegade Tax Pools: Renegade Tax Pools at December 31, 2013 were as set forth in the Renegade Disclosure Letter.

(ddd) Production: Renegade's average production for the month ended January 30, 2014 was not less than 5,200 BOE/D, based on field estimates and not including the properties to be sold pursuant to the PubCo Acquisition.

(eee) Land Position: Renegade's net undeveloped land position as at the date hereof is not less than 145,000 net acres, not including the properties to be sold pursuant to the PubCo Acquisition.

(fff) Standstill Provisions: Renegade has not waived any standstill or similar provisions contained in a confidentiality agreement or otherwise for any Person.

(ggg) No Withholding: Renegade has not withheld from Alexander any material information or documents concerning any of the Renegade Parties or the assets or liabilities of any of the Renegade Parties during the course of the review by Alexander of Renegade and its assets. No representation or warranty contained herein and no statement contained in any schedule or other disclosure document, including the Renegade Disclosure Letter, provided or to be provided to Alexander by Renegade pursuant hereto contains or will contain any untrue statement of a material fact which is necessary in order to make the statements herein or therein not misleading.

(hhh) Areas of Mutual Interest and Exclusion. None of the Renegade Parties are subject to any areas of mutual interest or areas of exclusion.

4.2 Representations and Warranties of Alexander

Alexander represents and warrants to and in favour of Renegade and acknowledges that Renegade is relying upon such representations and warranties in connection with the matters contemplated by this Agreement and the consummation of the Arrangement:

(a) Organization and Qualification: Alexander has been duly amalgamated and is validly subsisting under the Applicable Laws of its jurisdiction of formation and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as now conducted. Alexander is duly registered or authorized to conduct its affairs or do business, as applicable, and each is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary. Copies of the constating documents of Alexander have been provided to Renegade, together with all amendments to date, and are accurate and complete as of the date hereof and have not been amended or superseded.

(b) Authority Relative to this Agreement: Alexander has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Alexander of the transactions contemplated by the Arrangement has been duly authorized by the Alexander Board of Directors and, subject to the requisite approval of the Alexander Shareholders, the obtaining of the Final Order and the Competition Act Approval, no other proceedings on the part of Alexander are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by Alexander and constitutes a legal, valid and binding obligation of Alexander enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(c) Subsidiaries: Alexander has no subsidiaries. There are no rights of first refusal and similar rights restricting transfer of the Alexander Shares contained in shareholders, partnership, joint venture or similar agreements or pursuant to existing financing arrangements and there are no outstanding contractual or other obligations of Alexander to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any of its outstanding securities.

(d) No Violations: Except as contemplated by this Agreement:

(i) neither the execution and delivery of this Agreement by Alexander nor the consummation of the transactions contemplated by the Arrangement nor compliance by Alexander with any of the provisions hereof will:

(A) other than any consents or approvals required under the Alexander Credit Facility, violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Encumbrance upon any of the properties or assets of Alexander or cause any indebtedness to come due before its stated maturity or cause any credit to cease to be available, under any of the terms, conditions or provisions of: (1) articles or by-laws of Alexander; or (2) any note, bond, mortgage, indenture, loan agreement, deed of trust agreement, lien, contract or other instrument or obligation to which Alexander is a party or to which it, or any of its respective properties or assets, may be subject or by which Alexander is bound;

(B) subject to compliance with applicable statutes and regulations and stock exchange rules, violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to Alexander or any of its properties or assets; or

(C) cause the suspension or revocation of any authorization, consent, approval or license currently in effect; and

(ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Arrangement or which are required to be fulfilled post Arrangement, and except for the Third Party Approvals, any consents or approvals required under the Alexander Credit Facility and the obtaining of the Final Order:

(A) there is no legal impediment to Alexander's consummation of the Arrangement; and

(B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of Alexander in connection with the consummation of the Arrangement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, have a Material Adverse Effect on Alexander, or significantly impede the ability of Alexander to consummate the Arrangement.

(e) <u>Alexander Shares</u>: Alexander has reserved and allotted a sufficient number of Alexander Shares as are issuable pursuant to the Arrangement, and, subject to the terms and conditions of the Arrangement, such Alexander Shares will be validly issued as fully paid and non-assessable to previous holders of Renegade Shares pursuant to the Arrangement.

(f) <u>Litigation</u>: There are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Alexander, threatened or for which there is a reasonable basis, affecting or that would reasonably be expected to affect Alexander or affecting or that would reasonably be expected to affect any of its properties or assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of Alexander.

(g) <u>Taxes, etc.</u>:

(i) All Tax Returns required to be filed by or on behalf of Alexander have been duly filed on a timely basis and such tax returns are true, complete and correct in all material respects. All Taxes shown to be payable on such Tax Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other material Taxes are payable by Alexander with respect to items or periods covered by such Tax Returns.

(ii) (a) there are no assessments or reassessments of any Taxes that have been issued and are outstanding, or pursuant to which there are any amounts owing; (b) no Governmental Authority has challenged, disputed or questioned Alexander in respect of Taxes or of any returns, filings or other reports filed under any statute providing for Taxes; (c) Alexander is not negotiating any draft assessment or reassessment with any Governmental Authority; (d) Alexander is not aware of any contingent liabilities for a material amount of Taxes or any grounds for an assessment or reassessment with respect thereto including, without limitation, aggressive treatment of income, expenses, credits or other claims for deduction under any return or notice other than as disclosed in the its financial statements as at and for the year ended December 31, 2012; (e) Alexander has not received any indication from any Governmental Authority that an assessment or reassessment is proposed in respect of any Taxes, regardless of its merits; (f) Alexander has not executed or filed with any Governmental Authority any agreement extending the period for the filing of any Tax Returns or for the assessment, reassessment or collection of any Taxes; Alexander has not requested, nor entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which: (i) to file any Tax Return for which it is or may be liable, respectively; (ii) to file any elections, designations or similar documents or instruments relating to Taxes for which it is or may be liable, respectively; (iii) it is respectively required to pay or remit any Taxes or amounts on account thereof; or (iv) any Governmental Authority may assess, reassess or collect Taxes for which either it is or may be liable, respectively.

(iii) Alexander has paid or has withheld and remitted to the appropriate Taxing Authority all Taxes, including any instalments or prepayments of Taxes, that are due and payable whether or not shown as being due on any Tax Return, or, where payment is not yet due, Alexander has established adequate accruals in conformity with GAAP in the Alexander Financial Statements for the period covered by such financial statements for any Taxes, including income taxes and related future taxes, if applicable, that have not been paid, whether or not shown as being due on any Tax Return; and Alexander has made adequate provision or disclosure in its books and records for any Taxes accruing in respect of any period subsequent to the period covered by such financial statements, whether or not shown as being due on any Tax Return.

(iv) Alexander has made available to Renegade true and complete copies of: (A) income tax audit reports, statement of deficiencies, closing or other agreements received by Alexander relating to the Taxes for any taxable period; and (B) all Tax Returns for Alexander for all taxable periods.

(v) No material deficiencies exist or have been asserted by any Governmental Authority with respect to Taxes of Alexander that have not yet been settled.

(vi) Alexander is not a party to any tax sharing, tax indemnity or tax allocation agreement or arrangement and Alexander does not have, nor could it have, any material liabilities or obligations in respect of Taxes under any such tax sharing, tax indemnity or tax allocation agreement. No material liability (or reasonable claim of material liability) shall arise under any tax sharing, tax indemnity or tax allocation agreement or arrangement or as a result of this transaction.

(vii) All ad valorem, property, production, severance and similar Taxes and assessments based on or measured by the ownership of property or the production of its hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of Alexander's oil and gas assets prior to the date hereof have been properly and fully paid and discharged in all material respects, and there are no unpaid Taxes or assessments which could result in a lien or charge on oil and gas assets.

(viii) Alexander has not claimed or will not claim in any Tax Return for any taxation year ending on or before the Effective Date any reserve (including, without limitation, any reserve under paragraph 20(1)(m) or 20(1)(n) or subparagraph 40(1)(a)(iii) of the Tax Act or any analogous provision under the legislation of any province or other jurisdiction) of any amount which could be included in the income of Alexander for any period ending after the Effective Date.

(ix) No facts, circumstances or events exist or have existed that have resulted in or may result in the application of any of sections 80 to 80.04 of the Tax Act to Alexander.

(x) Alexander has not acquired property from a non-arm's length person, within the meaning of the Tax Act, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which would subject it to a liability under section 160 of the Tax Act or under any equivalent provisions of any applicable legislation.

(xi) Alexander has complied with all registration, reporting, collection and remittance requirements in respect of all federal and provincial sales tax legislation including but not limited to the *Excise Tax Act* (Canada).

(xii) Alexander has provided to Renegade all invoices, purchase orders, and all such other documents as are necessary to report any claim for income tax credits or refunds claimed or to be claimed pursuant to the *Excise Tax Act* (Canada).

(xiii) Alexander has not breached any flow-through share agreement to which it is a party in respect of the issuance of flow-through shares (as defined in the Tax Act) and, in particular, Alexander does not have any outstanding obligations to incur and/or renounce Canadian exploration expenses or Canadian development expenses (all as defined in the Tax Act) which it covenanted to incur and renounce nor has any Governmental Authority or Alexander reduced pursuant to subsection 66(12.73) of the Tax Act any amount renounced by Alexander.

(xiv) Alexander has not made any payment, nor is obligated to make any payment, and is not a party to any agreement under which it could be obligated to make any payment that may not be deductible by virtue of section 67 or 78 of the Tax Act or any analogous provincial or similar provision.

(xv) Records or documents that meet the requirements of subsections 247(4)(a) to (c) of the Tax Act have been made and obtained by Alexander with respect to all material transactions between Alexander and any non-resident person with whom Alexander was not dealing at arm's length within the meaning of the Tax Act, during a taxation year commencing after 1998 and ending on or before the Effective Date.

(h) Investment Canada Act: Alexander is not a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada).

(i) Tax Act Residency: Alexander is not a non-resident for the purposes of the Tax Act.

(j) Reporting Issuer Status: Alexander is a "reporting issuer" in British Columbia, Alberta and Ontario and is in material compliance with all Applicable Canadian Securities Laws therein and the Alexander Shares are listed and posted for trading on the TSXV. Alexander is not in default of any material requirements of any Applicable Canadian Securities Laws or any rules or regulations of, or agreement with, the TSXV. No delisting, suspension of trading in or cease trading order with respect to the Alexander Shares is pending or, to the knowledge of Alexander, threatened. The documents comprising the Alexander Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made. It has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Alexander with the Securities Authorities since becoming a "reporting issuer". Alexander has not filed any confidential material change report that, at the date hereof, remains confidential.

(k) Capitalization: As of the date hereof, the authorized capital of Alexander consists of an unlimited number of Alexander Shares, an unlimited number of preferred shares, issuable in series. As of the date hereof, there are issued and outstanding 253,664,811 Alexander Shares and no other shares are issued and outstanding. Other than Alexander Options to acquire up to 9,230,000 Alexander Shares, Alexander Special Warrants to receive up to 168,368,200 Alexander Shares and Alexander Warrants to acquire up to 132,886,851 Alexander Shares, there are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Alexander of any securities of Alexander (including Alexander Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Alexander (including Alexander Shares). All outstanding Alexander Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights and all Alexander Shares issuable upon the exercise of Alexander Options, Alexander Special Warrants and Alexander Warrants in accordance with the terms of such securities will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Other than the Alexander Shares, there are no securities of Alexander outstanding which have the right to vote generally (except for the Alexander Options, Alexander Special Warrants and Alexander Warrants are exercisable or convertible into or exchangeable for securities having the right to vote generally) with the Alexander Shareholders on any matter.

(l) Equity Monetization Plans: There are no outstanding stock appreciation rights, phantom equity, profit sharing plan or similar rights, agreements, arrangements or commitments payable to any employee of Alexander and which are based upon the revenue, value, income or any other attribute of Alexander.

(m) No Orders: No order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, the Alexander Shares or any other securities of Alexander have been issued by any Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted, are pending or, to the knowledge of Alexander, are contemplated or threatened under any Applicable Laws or by any Governmental Authority.

(n) Reports: As of their respective dates: (i) the Alexander Financial Statements; (ii) Alexander's annual information form for the year ended December 31, 2012, including the statement of reserves data and other oil and gas information contained therein; (iii) Alexander's information circular in respect of the special and annual meeting of Alexander Shareholders held June 7, 2012; (iv) Alexander's information circular with respect to the special and annual meeting of Alexander Shareholders held June 6, 2013; (v) Alexander's information circular with respect to the special and annual meeting of Alexander Shareholders held August 14, 2013; (vi) Alexander's information circular with respect to the special meeting of Alexander Shareholders to be held on February 18, 2014; and (vii) all Alexander press releases and material change reports filed with the Securities Authorities since December 31, 2011 and business acquisition reports filed with the Securities Authorities since December 31, 2011; did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading in any material respect and complied in all material respects with all Applicable Laws.

(o) Alexander Financial Statements: The Alexander Financial Statements were prepared in accordance with GAAP (except: (i) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of Alexander's independent auditors; or (ii) in the case of unaudited interim statements, to the extent they may not include footnotes, are subject to normal year-end adjustments or may be condensed or summary statements), and present fairly in accordance with GAAP the financial position, results of operations and changes in financial position of Alexander as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments). There has been no material change in Alexander accounting policies since December 31, 2012.

(p) Books and Records. The financial books, records and accounts of Alexander, in all material respects: (i) have been maintained in accordance with good business practices on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of Alexander; and (iii) accurately and fairly reflect the basis for the Alexander Financial Statements. The corporate records and minute books of Alexander has been maintained substantially in compliance with Applicable Laws and are complete and accurate in all material respects and full access thereto has been provided to Renegade.

(q) Absence of Certain Changes or Events: Except for the Arrangement or any action taken in accordance with this Agreement, since December 31, 2012:

(i) Alexander has conducted its business only in the ordinary course of business substantially consistent with past practice;

(ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Alexander has been incurred other than in the ordinary course of business or other than where such liability or obligation would not have a Material Adverse Effect on Alexander;

(iii) there has been no Material Adverse Change in respect of Alexander; and

(iv) Alexander, and to the knowledge of Alexander, any director, officer, employee or auditor of Alexander, has not received or otherwise had or obtained knowledge of any fraud or material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of Alexander or their respective internal accounting controls.

(r) Registration, Exemption Orders, Licenses, etc.: To the knowledge of Alexander, Alexander has obtained and is in material compliance with all material Governmental Authorizations. Such Governmental Authorizations are in full force and effect in accordance with their terms, and no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a material violation of any such Governmental Authorization. No material proceedings are pending or, to the knowledge of Alexander, threatened, which could result in the revocation or limitation of any material Governmental Authorization, and all steps have been taken and filings made on a timely basis with respect to each material Governmental Authorization and its renewal.

(s) Compliance with Laws: The operations and business of Alexander are and have been carried out in compliance with and not in violation of any Applicable Laws in all material respects, and Alexander has not received any notice of any alleged material violation of any such Applicable Laws.

(t) Restrictions on Business Activities: There is no judgment, injunction or order binding upon Alexander, and Alexander is not subject to any contractual commitment, that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business or, individually or in the aggregate, have a Material Adverse Effect on Alexander.

(u) Non-Arm's Length Transactions: Except as set forth in the Alexander Financial Statements, there are no Contracts or other transactions currently in place between Alexander, on the one hand, and: (i) any officer or director of Alexander; (ii) any holder of record or beneficial owner of 10% or more of the voting securities of Alexander; or (iii) any affiliate of any such officer, director or beneficial owner, on the other hand. Except as set forth in the Alexander Financial Statements, without limiting the generality of the foregoing, Alexander has not loaned any money to, or guaranteed the obligations of, any director, officer or employee of Alexander, or any Alexander Shareholder.

(v) Title: Although it does not warrant title, Alexander has no reason to believe that Alexander does not have title to or the right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purpose of this Section, the foregoing are referred to as the "**Interests**") and does represent and warrant that the Interests are free and clear of adverse claims created by, through or under Alexander except those arising in the ordinary course of business (including encumbrances ordinarily considered to be "**permitted encumbrances**" in connection with oil and gas transactions in Western Canada, but not including any gross overriding royalties or rights of conversion which are not taken into account in the Alexander Reserves Report and including those related to bank financings) and that, to the best of its knowledge, information and belief, Alexander holds the Interests under valid and subsisting leases, licences, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements.

(w) Alexander Reserves Report: Alexander has made available to McDaniel, prior to the issuance of its report dated April 23, 2013 evaluating the crude oil, natural gas liquids and natural gas reserves of Alexander as at December 31, 2012 (the "**Alexander Reserves Report**"), for the purpose of preparing the Alexander Reserves Report, all information requested by McDaniel, which information did not contain any misrepresentation at the time such information was provided. Except with respect to changes in the prices of oil and gas, Alexander has no knowledge of any Material Adverse Change in any production, reserves or other relevant information provided to McDaniel since the date that such information was provided. Alexander believes that the Alexander Reserves Report reasonably presents the quantity and pre-tax present worth values of the oil and natural gas reserves attributable to the crude oil, natural gas liquids and natural gas properties evaluated in such report as of its effective date based upon information available at the time such reserves information was prepared, and Alexander believes that, at the date of such report, such report did not (and as of the date hereof, except as may be attributable to production since the date of such report, does not) overstate the aggregate quantity or pre-tax present worth values of such reserves or the estimated monthly production volumes therefrom.

(x) Absence of Undisclosed Liabilities: Alexander does not have any material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

(i) those set forth or adequately provided for in the most recent balance sheet and associated notes thereto included in the Alexander Financial Statements (for the purposes of this Section, the "**Alexander Balance Sheet**");

(ii) those incurred subsequent to the date of the Alexander Balance sheet in the ordinary course of business; and

(iii) those incurred in connection with the execution of this Agreement.

(y) Absence of Undisclosed Changes: There has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Alexander on a consolidated basis from the position set forth in the Alexander Financial Statements and Alexander has not incurred or suffered a Material Adverse Change since December 31, 2013 and since that date there have been no material facts, transactions, events or occurrences which would have a Material Adverse Effect on the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of the operations of Alexander which have not been disclosed in the Alexander Public Record.

(z) No Defaults: Alexander is not in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under, any contract, agreement or licence to which it is a party or by which it is bound which would, if terminated or upon exercise of a right made available to a third party solely by a reason of such a default due to such default, individually or in the aggregate, be material to Alexander. Alexander is not in violation of any Applicable Laws which violation could be material to Alexander.

(aa) Pre-emptive Rights: There are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the material rights, title, interests, property, licenses or assets of Alexander that will be triggered or accelerated by the Arrangement.

(bb) Environmental: Except to the extent that violations or other matters referred to in this subparagraph would not, individually or in the aggregate, have a Material Adverse Effect on Alexander:

(i) Alexander is not in violation of any applicable Environmental Laws;

(ii) Alexander has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances in compliance with Environmental Laws;

(iii) there have been no spills, releases, deposits or discharges of Hazardous Substances, or wastes into the earth, subsoil, underground waters, air or into any body of water or any municipal or other sewer or drain water systems by Alexander, or on or underneath any location which is or was currently or formerly owned, leased or otherwise operated by Alexander, that have not been fully remediated;

(iv) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of Alexander which Alexander has notice;

(v) Alexander has not failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law;

(vi) Alexander holds all Environmental Approvals required in connection with the operation of its business and the ownership and use of such assets, all Environmental Approvals are in full force and effect, and Alexander has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws or Environmental Approvals, or that any Environmental Approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;

(vii) there are no pending or, to the knowledge of Alexander, threatened claims, liens or encumbrances resulting from Environmental Laws with respect to any of the properties of Alexander currently or formerly owned, leased, operated or otherwise used; and

(viii) Alexander has not assumed or retained by contract or operation of law any losses, expenses, claims, damages or liabilities of any third-party pursuant to applicable Environmental Laws.

(cc) Material Contracts: There are no material contracts or agreements to which Alexander is a party or by which it is bound.

(dd) Employee Benefit Plans: Alexander has made available to Renegade true, complete and correct copies of each employee benefits plan (collectively, the "**Alexander Plans**") covering active, former or retired employees of Alexander, any related trust agreement, annuity or insurance contract or other funding vehicle, and:

(i) each Alexander Plan has been maintained and administered in material compliance with its terms and is, to the extent required by Applicable Law or contract, fully funded without having any deficit or unfunded actuarial liability or adequate provision has been made therefor;

(ii) all required employer contributions under any such plans have been made and the applicable funds have been funded in accordance with the terms thereof;

(iii) each Alexander Plan that is required or intended to be qualified under Applicable Law or registered or approved by a Governmental Authority has been so qualified, registered or approved by the appropriate Governmental Authority, and to the knowledge of Alexander, nothing has occurred since the date of the last qualification, registration or approval that would reasonably be expected to adversely affect, or cause, the appropriate Governmental Authority to revoke such qualification, registration or approval;

(iv) to the knowledge of Alexander, there are no pending or anticipated claims against or otherwise involving any of the Alexander Plans and no suit, action or other litigation (excluding claims for benefits incurred in the ordinary course of Alexander Plan activities) has been brought against or with respect to any Alexander Plan;

(v) all contributions, reserves or premium payments required to be made to the Alexander Plans have been made or provided for; and

(vi) Alexander does not have any obligations for retiree health and life benefits under any Alexander Plan.

(ee) Employees:

(i) Alexander confirms that there are no severance, termination, change of control, bonus or retention payments payable to such employees, directors and consultants as a result of the transactions contemplated by this Agreement.

(ii) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any employees of Alexander by way of certification, interim certification, voluntary recognition, designation or successor rights or has applied to have Alexander declared a related employer or successor employer pursuant to applicable labour legislation. Alexander has not engaged in any unfair labour practices and, no strike, lock-out, work stoppage, or other labour dispute is occurring. There are no threatened or pending strikes, work stoppages, picketing, lock-outs, hand-billings, boycotts, slowdowns or similar labour related disputes pertaining to Alexander. Alexander has not engaged in any closing or lay-off activities within the past two years that would violate or in any way subject Alexander to the group termination or lay-off requirements of the Applicable Laws.

(iii) Alexander has not recognized any trade union or has any staff association, staff council, works council or other organisation formed for or arrangements having a similar purpose and no notification to any trade union, staff association, staff council, works council or other organisation formed for or in respect of any arrangements having a similar purpose is required by Alexander for the purpose of consummating the transactions contemplated by this Agreement.

(ff) Rights Plans: Alexander does not have a shareholder rights plan or any other form of plan, agreement, contract or instrument that will trigger any rights to acquire Alexander Shares or other securities of Alexander or rights, entitlements or privileges in favour of any Person upon the entering into of this Agreement or in connection with the Arrangement.

(gg) Insurance: Policies of insurance that are in force as of the date hereof naming Alexander as an insured adequately and reasonably cover all risks as are customarily covered by oil and gas producers in the industry in which the Alexander operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance to protect Alexander's interests. All such policies shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.

(hh) Board Approval: The Alexander Board of Directors has unanimously (other than directors who are not eligible to vote on such matters in accordance with the ABCA) made the determinations and recommendations as set forth in Section 2.10.

(ii) Proceeds of Crime: Alexander has not, directly or indirectly: (a) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (b) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to Alexander and its operations and Alexander has instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with such legislation.

(jj) Swaps: Except as disclosed in the Alexander Disclosure Letter, Alexander does not currently have any outstanding swaps.

(kk) Arrangements in Respect of Outstanding Securities: Neither Alexander nor (to the knowledge of Alexander) any of its shareholders is a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of Alexander.

(ll) Insiders: To the knowledge of Alexander, no insider of Alexander has a present intention to sell any securities of Alexander.

(mm) Auditors: There has not been reportable disagreement (within the meaning of Section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators) with Alexander 's auditors.

(nn) Operational Matters: Except to the extent that any matter referenced to in this Section 4.2(nn) does not, and would not, reasonably be expected to have a Material Adverse Effect on Alexander, all rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of Alexander have been, in all material respects: (i) duly paid; (ii) duly performed; or (iii) provided for prior to the date hereof and all costs, expenses and liabilities payable on or prior to the date hereof under the terms of any contracts and agreements to which Alexander is directly or indirectly bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.

(oo) Good Oilfield Practices: Any and all operations of Alexander, and to the knowledge of Alexander, any and all operations by third parties, on or in respect of the assets and properties of Alexander, have been conducted in compliance with good oilfield practices.

(pp) Place of Principal Offices: Alexander is not incorporated in the United States, is not organized under the laws of the United States and does not have its principal office within the United States.

(qq) Location of Assets and U.S. Sales: All of the assets and property of Alexander, including all entities "controlled by" Alexander for purposes of the *Hart-Scott-Rodino Antitrust Improvements Act* of 1976, as amended, are located outside the United States and did not generate sales in or into the United States exceeding US$68.2 million during Alexander 's most recent completed fiscal year.

(rr) Foreign Private Issuer: Alexander is a "foreign private issuer" within the meaning of Rule 405 of Regulation C under the U.S. Securities Act.

(ss) Investment Company: Alexander is not registered or, assuming it was incorporated in the United States, required to be registered as an "investment company" pursuant to the *United States Investment Company Act* of 1940, as amended.

(tt) Exchange Act: No class of securities of Alexander is registered or required to be registered pursuant to Section 12 of the *United States Securities Exchange Act* of 1934, as amended, nor does Alexander or any of its subsidiaries have a reporting obligation pursuant to Section 15(d) of the U.S. Securities Act.

(uu) No Guarantees: Alexander has not guaranteed, endorsed, assumed, indemnified (other than pursuant to indemnity agreements with its directors and officers and as contemplated by the by-laws of Alexander and Applicable Laws, standard indemnity agreements in financial services (including credit facilities) and underwriting and agency agreements and indemnities provided in the ordinary course to industry partners and service providers) or accepted any responsibility for, and does not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any indebtedness or the performance of any obligation of Alexander's directors, officers, employees, consultants or Alexander Shareholders.

(vv) Payments to Employees Etc.: Alexander has withheld from each payment made to any of its present or former employees, officers or directors, or to other persons, all amounts required by law or administrative practice to be withheld by it on account of income taxes, pension plan contributions, employment insurance premiums, employer health taxes and similar taxes and levies, and has remitted such withheld amounts within the required time to the appropriate governmental entity. Alexander has charged, collected and remitted on a timely basis all sales, goods and services, value-added and other commodity taxes as required under applicable legislation on any sale, supply or delivery made by them.

(ww) Debt Service Reserve Account: Alexander does not maintain a debt service reserve account or account of a similar nature.

(xx) Alexander Working Capital: As at the date hereof, the Alexander Working Capital is not less than $60 million.

(yy) Alexander Tax Pools: Alexander's Tax Pools at December 31, 2013 were as set forth in the Alexander Disclosure Letter.

(zz) Production: Alexander's average production for the month ended January 31, 2014 was not less than 950 BOE/D.

(aaa) Land Position: Alexander's net undeveloped land position as at the date hereof is not less than 40,483 net acres.

(bbb) Standstill Provisions: Alexander has not waived any standstill or similar provisions contained in a confidentiality agreement or otherwise for any Person.

(ccc) No Withholding: Alexander has not withheld from Renegade any material information or documents concerning Alexander or Alexander's assets or liabilities during the course of the review by Renegade of Alexander and its assets. No representation or warranty contained herein and no statement contained in any schedule or other disclosure document, including the Alexander Disclosure Letter, provided or to be provided to Renegade by Alexander pursuant hereto contains or will contain any untrue statement of a material fact which is necessary in order to make the statements herein or therein not misleading.

(ddd) Areas of Mutual Interest and Exclusion: Alexander is not subject to any areas of mutual interest or areas of exclusion.

4.3 Privacy Issues

(a) For the purposes of this Section 4.3, the following definitions shall apply:

(i) "**applicable law**" means, in relation to any Person, transaction or event, all applicable provisions of Applicable Laws by which such Person is bound or having application to the transaction or event in question, including applicable privacy laws;

(ii) "**applicable privacy laws**" means any and all applicable laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) or any comparable provincial law including the *Personal Information Protection Act* (Alberta) or both;

(iii) "**authorized authority**" means, in relation to any Person, transaction or event, any (a) federal, provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign, (b) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, and (d) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event; and

(i) "**Personal Information**" means information (other than business contact information when used or disclosed for the purpose of contacting such individual in that individual's capacity as an employee or an official of an organization and for no other purpose) about an identifiable individual disclosed or transferred by one Party to another Party in accordance with this Agreement and/or as a condition of the Arrangement.

(b) The Parties hereto acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use or disclosure of Personal Information disclosed to either of the Parties pursuant to or in connection with this Agreement (the "**Disclosed Personal Information**").

(c) Prior to the completion of the Arrangement, neither Party shall use or disclose the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Arrangement. After the completion of the transactions contemplated herein, a Party may only collect, use and disclose the Disclosed Personal Information for the purposes for which the Disclosed Personal Information was initially collected from or in respect of the individual to which such Disclosed Personal Information relates or for the completion of the transactions contemplated herein, unless (a) either Party shall have first notified such individual of such additional purpose, and where required by applicable law, obtained the consent of such individual to such additional purpose, or (b) such use or disclosure is permitted or authorized by applicable law, without notice to, or consent from, such individual.

(d) Each of the Parties acknowledges and confirms that the disclosure of the Disclosed Personal Information is necessary for the purposes of determining if the Parties shall proceed with the Arrangement, and that the Disclosed Personal Information relates solely to the carrying on of the business or the completion of the Arrangement.

(e) Each of the Parties acknowledge and confirm that it has taken and shall continue to take reasonable steps to, in accordance with applicable law, prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.

(f) Subject to the following provisions, each of the Parties shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties' obligations hereunder. Prior to the completion of the Arrangement, each of the Parties shall take reasonable steps to ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective Party who have a *bona fide* need to access such information in order to complete the Arrangement.

(g) Where authorized by applicable law, each of the Parties shall promptly notify the Other Party to this Agreement of all inquiries, complaints, requests for access, variations or withdrawals of consent and claims of which the Party is made aware in connection with the Disclosed Personal Information. To the extent permitted by applicable law, the Parties shall fully co-operate with one another, with the persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, variations or withdrawals of consent and claims.

(h) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of either Party, the Other Party shall forthwith cease all use of the Disclosed Personal Information acquired by it in connection with this Agreement and will return to the requesting Party or, at the requesting Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies thereof) in its possession.

ARTICLE 5
CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the Arrangement, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

(a) <u>Interim Order</u>: The Interim Order shall have been granted on or before February 28, 2014 in form and substance satisfactory to each of Renegade and Alexander, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Renegade and Alexander, each acting reasonably, on appeal or otherwise.

(b) <u>Renegade Arrangement Resolution</u>: The Renegade Arrangement Resolution shall have been passed by the Renegade Shareholders on or prior to the Outside Date.

(c) Alexander Resolution: The Alexander Resolution, if required pursuant to Applicable Laws, shall have been passed by the Alexander Shareholders on or prior to the Outside Date.

(d) Final Order: The Final Order shall have been granted in form and substance satisfactory to Renegade and Alexander, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Renegade and Alexander, acting reasonably, on appeal or otherwise.

(e) Consolidation: The Consolidation shall have been completed.

(f) Alexander Shares: The TSXV shall have conditionally approved for listing all of the Alexander Shares issuable to the Renegade Shareholders pursuant to the Arrangement.

(g) Renegade Articles of Arrangement: The Renegade Articles of Arrangement to be filed with the Registrar in accordance with the Arrangement shall be in form and substance satisfactory to each of Alexander and Renegade, acting reasonably.

(h) Third Party Approvals: Each of Renegade and Alexander shall have obtained all consents, waivers, permissions and approvals necessary to complete the Arrangement by or from relevant Governmental Authorities, on terms and conditions satisfactory to the Parties, acting reasonably, including without limitation:

(i) the approval of the Renegade Shareholders and any other securityholders of Renegade as may be required for the Arrangement pursuant to the ABCA, Applicable Canadian Securities Laws or as required by the Court;

(ii) the approval of the Alexander Shareholders may be required for the Arrangement pursuant to TSXV policies, the ABCA or Applicable Canadian Securities Laws; and

(iii) the Competition Act Approval;

(collectively, the "**Third Party Approvals**").

(i) No Actions: There shall be no action taken under any existing Applicable Law, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority, that:

(i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement or any other transactions contemplated herein; or

(ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein.

The foregoing conditions are for the mutual benefit of Renegade and Alexander and may be waived, in whole or in part, by the Parties at any time. If any of the foregoing conditions are not satisfied or waived on or before the Outside Date, then a Party may terminate this Agreement as provided in Section 8.1(a)(ii) (save and except for Article 6 and Section 4.3 hereof which shall survive such termination and remain in full force and effect) by written notice to the Other Party in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of such terminating Party's breach of this Agreement.

5.2 Additional Conditions to Obligations of Renegade

The obligation of Renegade to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the following conditions:

(a) Representations and Warranties: The representations and warranties of Alexander set forth herein shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date or, with respect to all representations and warranties, except as affected by transactions contemplated or permitted by this Agreement), except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not result, or would not reasonably be expected to result, in a Material Adverse Change or have a Material Adverse Effect on Alexander or would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the Arrangement, and Alexander shall have provided to Renegade a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date; provided that Alexander shall be entitled to cure any breach of a representation and warranty within five Business Days after receipt of written notice thereof from Renegade (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date).

(b) Covenants: Alexander shall have complied in all respects with its covenants herein, except where the failure to comply in all respects with such covenants, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Alexander or would not reasonably be expected to significantly impede the ability of the Parties to complete the Arrangement, and Alexander shall have provided to Renegade a certificate of a senior officer certifying compliance with such covenants; provided that Alexander shall be entitled to cure any breach of a covenant within five Business Days after receipt of written notice thereof from Renegade (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date).

(c) No Actions: No act, action, suit, proceeding, objection or opposition shall have been threatened or taken before or by any Governmental Authority or by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law, and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been proposed, enacted, promulgated, amended or applied, which in the sole judgment of Renegade, acting reasonably, in either case has had or, if the Arrangement was consummated, would result in a Material Adverse Effect on

Alexander or would materially impede the ability of the Parties to complete the Arrangement.

(d) Mailing Date: The Parties shall use best efforts to cause the Mailing Date to occur by March 3, 2014, but in any event the Mailing Date shall occur not later than March 10, 2014, provided that the failure to mail by such date is not caused by a material breach of Renegade's covenants under this Agreement.

(e) Effective Date: The Effective Date shall occur on or before the Outside Date, provided that the failure to close by such date is not caused by a material breach of Renegade's covenants under this Agreement.

(f) Alexander Board and Shareholder Authorization: Alexander shall have furnished Renegade with:

(i) certified copies of the resolutions duly passed by the Alexander Board of Directors approving the entering into of this Agreement and the consummation of the transactions contemplated hereby; and

(ii) a certified copy of the Alexander Resolution duly passed by Alexander Shareholders at the Alexander Meeting, if required pursuant to Applicable Laws.

(g) Board Nominee. The Board Nominee shall be appointed to the Alexander Board of Directors at or prior to the Effective Time.

(h) No Material Adverse Change. Between the date hereof and the Effective Time, there shall not have occurred any Material Adverse Change with respect to Alexander.

(i) Alexander Common Shares. Renegade shall be satisfied, acting reasonably, that immediately prior to the Effective Time the aggregate number of Alexander Shares issued and outstanding on a fully diluted basis does not exceed 560,000,000 Alexander Shares (excluding any Alexander Shares issued after the date hereof in connection with accretive transactions to Alexander) and Alexander shall have provided to Renegade a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(j) Lock-up Agreements: None of the Alexander Lock-up Agreements shall have been breached in any material respects.

(k) Alexander Working Capital: As at the date of the Arrangement Agreement, the Alexander Working Capital shall not be less than $60 million and Alexander shall have provided to Renegade a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(l) Agreements: Alexander shall have tabled duly executed copies of all agreements, documents and instruments required to be tabled by such Parties pursuant to the Plan of Arrangement.

The conditions in this Section 5.2 are for the exclusive benefit of Renegade and may be asserted by Renegade regardless of the circumstances or may be waived by Renegade in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Renegade may have. If any of the foregoing conditions are not satisfied or waived, Renegade may, in addition to any other remedies it may have at law or equity, terminate this Agreement as provided in Section 8.1(a)(ii) (save and except for Article 6 and Section 4.3 hereof which shall survive such termination and remain in full force and effect).

5.3 Additional Conditions to Obligations of Alexander

The obligation of Alexander to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the following conditions:

(a) Representations and Warranties: The representations and warranties of Renegade set forth herein shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date or, with respect to all representations and warranties, except as affected by transactions contemplated or permitted by this Agreement), except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not result, or would not reasonably be expected to result, in a Material Adverse Change or have a Material Adverse Effect on Renegade or would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the Arrangement, and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date; provided that Renegade shall be entitled to cure any breach of a representation and warranty within five Business Days after receipt of written notice thereof from Alexander (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date).

(b) Covenants: The Renegade Parties shall have complied in all respects with their covenants herein, except where the failure to comply in all respects with such covenants, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Renegade or would not reasonably be expected to significantly impede the ability of the Parties to complete the Arrangement, and Renegade shall have provided to Alexander a certificate of a senior officer certifying compliance with such covenants; provided that Renegade shall be entitled to cure any breach of a covenant within five Business Days after receipt of written notice thereof from Alexander (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date).

(c) No Actions: No act, action, suit, proceeding, objection or opposition shall have been threatened or taken before or by any Governmental Authority or by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law, and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been proposed, enacted, promulgated, amended or applied, which in the sole judgment of Alexander, acting reasonably, in either case has had or, if the Arrangement was consummated, would result in a Material Adverse Effect on

Renegade or would materially impede the ability of the Parties to complete the Arrangement.

(d) Mailing Date: The Parties shall use best efforts to cause the Mailing Date to occur by March 3, 2014, but in any event the Mailing Date shall occur not later than March 10, 2014, provided that the failure to mail by such date is not caused by a material breach of Alexander's covenants under this Agreement.

(e) Effective Date: The Effective Date shall occur on or before the Outside Date, provided that the failure to close by such date is not caused by a material breach of **Alexander**'s covenants under this Agreement.

(f) Board and Shareholder Authorization: Renegade shall have furnished Alexander with:

(i) certified copies of the resolutions duly passed by the Renegade Board of Directors approving the entering into of this Agreement and the consummation of the transactions contemplated hereby; and

(ii) a certified copy of the Renegade Arrangement Resolution duly passed by Renegade Shareholders and any other securityholders of Renegade who may be required to approve the Arrangement Resolution at the Renegade Meeting.

(g) Dissent Rights: Renegade Shareholders holding not more than 5% of the Renegade Shares then outstanding shall have validly exercised, and not withdrawn, Dissent Rights, and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date with respect to Renegade.

(h) Renegade Options: Alexander shall be satisfied, acting reasonably, that all Renegade Options have either been exercised in accordance with their terms by the holders thereof in exchange for Renegade Shares or terminated for nil consideration, or Alexander shall be otherwise satisfied, acting reasonably, that the Renegade Options will no longer represent any right to acquire Renegade Shares after giving effect to the Arrangement and that there are no other outstanding claims or rights or securities which could become claims or rights to Renegade Shares, and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(i) Renegade Restricted Awards: Alexander shall be satisfied, acting reasonably, that all Renegade Restricted Awards have either been satisfied in accordance with their terms or terminated for nil consideration, or Alexander shall be otherwise satisfied, acting reasonably, that the Renegade Restricted Awards will no longer represent any right to receive payment or Renegade Shares after giving effect to the Arrangement and that there are no other outstanding payments, claims or rights or securities which could become claims or rights to payment or Renegade Shares, and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(j) <u>No Material Adverse Change.</u> Between the date hereof and the Effective Time, there shall not have occurred any Material Adverse Change with respect to Renegade.

(k) <u>Renegade Common Shares</u>: Alexander shall be satisfied, acting reasonably, that immediately prior to the Effective Time the aggregate number of Renegade Shares issued and outstanding on a fully diluted basis does not exceed 211,000,000 Renegade Shares and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(l) <u>Releases</u>: Executed mutual resignations and releases in a form acceptable to Alexander, acting reasonably, shall have been received by Alexander on or prior to the Effective Date from each Person who is a director or officer of Renegade or an employee or consultant of Renegade (provided such employee or consultant is entitled to receive a severance amount as a consequence of the Arrangement).

(m) <u>Lock-up Agreements</u>: None of the Renegade Lock-up Agreements shall have been breached in any material respects.

(n) <u>PubCo Acquisition</u>: The PubCo Acquisition shall have been completed in accordance with the terms of the PubCo Acquisition Agreement, without amendment or waiver of any of the material terms thereof and the purchase price in respect of the PubCo Acquisition shall have been applied by Renegade to the repayment of outstanding indebtedness under the Renegade Credit Facility.

(o) <u>Renegade Net Debt</u>: As of the date of the Arrangement Agreement, the Renegade Net Debt shall not exceed $262 million and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(p) <u>Renegade Transactions Costs</u>: The Renegade Transaction Costs shall not have exceeded $5.8 million plus the Renegade Financial Advisory Fees and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(q) <u>Renegade Tax Pools</u>: The Renegade Tax Pools at December 31, 2013 shall be as set forth in the Renegade Disclosure Letter and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date.

(r) <u>Production</u>: Renegade's average production for the month ended January 31, 2014 shall not have been less than 5,200 BOE/D and Renegade shall have provided to Alexander a certificate of a senior officer certifying (without personal liability) such facts on the Effective Date (both parties agree that such officer's certificate may be based on field estimates of Renegade's production).

(s) <u>Agreements</u>: Renegade shall have tabled duly executed copies of all agreements, documents and instruments required to be tabled by such Parties pursuant to the Plan of Arrangement.

The conditions in this Section 5.3 are for the exclusive benefit of Alexander and may be asserted by Alexander regardless of the circumstances or may be waived by Alexander in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Alexander may have. If any of the foregoing conditions are not satisfied or waived, Alexander may, in addition to any other remedies it may have at law or equity, terminate this Agreement as provided in Section 8.1(a)(ii) (save and except for Article 6 and Section 4.3 hereof which shall survive such termination and remain in full force and effect).

5.4 Notice and Effect of Failure to Comply with Conditions

Each of Renegade and Alexander shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to: (a) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

5.5 Satisfaction of Conditions

The conditions set out in this Article 5 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, the Renegade Articles of Arrangement are filed under the ABCA to give effect to the Arrangement.

ARTICLE 6
AGREEMENT AS TO DAMAGES AND OTHER ARRANGEMENTS

6.1 Renegade Damages

If at any time after the execution of this Agreement and prior to its termination:

(a) the Alexander Board of Directors withdraws, amends, changes or qualifies, or proposes publicly to withdraw, amend, change or qualify, in any manner adverse to Renegade, any of its recommendations, approvals or determinations referred to in Section 2.10;

(b) the Alexander Board of Directors shall have failed to publicly reaffirm any of its recommendations, approvals or determinations referred to in Section 2.10 within 120 hours of any written request to do so by Renegade (or, in the event that the Alexander Meeting to approve the Arrangement is scheduled to occur within such 120 hour period, prior to the scheduled date of such meeting);

(c) Alexander is in breach of any of its covenants made in this Agreement which breach individually or in the aggregate causes or would reasonably be expected to cause a Material Adverse Change with respect to, or Material Adverse Effect on, Alexander or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and Alexander fails to cure such breach within 72 hours after receipt of written notice thereof from Renegade (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date); or

(d) Alexander is in breach of any of its representations or warranties made in this Agreement (without giving effect to any materiality qualifiers contained therein) which breach individually or in the aggregate causes or would reasonably be expected to cause a Material Adverse Change with respect to, or have a Material Adverse Effect on, Alexander or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and Alexander fails to cure such breach within 72 hours after receipt of written notice thereof from Renegade (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date),

each of the above being a "**Alexander Damages Event**", then in the event of the termination of this Agreement pursuant to Article 8, Alexander shall pay to Renegade (or to whom Renegade may direct in writing) $17 million (the "**Renegade Termination Fee**") as liquidated damages in immediately available funds to an account designated by Renegade within one Business Day after the occurrence of the Renegade Damages Event. After a Renegade Damages Event but prior to payment of such amount, Alexander shall be deemed to hold such funds in trust for Renegade. For greater certainty, Renegade is not entitled to more than one payment of the Renegade Termination Fee pursuant to this Section 6.1.

6.2 Alexander Damages

If at any time after the execution of this Agreement and prior to its termination:

(a) the Renegade Board of Directors withdraws, amends, changes or qualifies, or proposes publicly to withdraw, amend, change or qualify, in any manner adverse to Alexander, any of its recommendations, approvals or determinations referred to in Section 2.9;

(b) the Renegade Board of Directors shall have failed to publicly reaffirm any of its recommendations, approvals or determinations referred to in Section 2.9 in accordance with Section 3.4(e) or within 120 hours of any written request to do so by Alexander (or, in the event that the Renegade Meeting to approve the Arrangement is scheduled to occur within such 120 hour period, prior to the scheduled date of such meeting);

(c) the Renegade Board of Directors or any committee of the Renegade Board of Directors accepts, recommends, approves or enters into an agreement, understanding or letter of intent to implement a Superior Proposal;

(d) Renegade is in breach of any of its covenants or obligations in Section 3.4 in any material respect; or

(e) Renegade is in breach of any of its covenants made in this Agreement which breach individually or in the aggregate causes or would reasonably be expected to cause a Material Adverse Change with respect to, or Material Adverse Effect on, Renegade or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and Renegade fails to cure such breach within 72 hours after receipt of written notice thereof from Alexander (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date),

(f) Renegade is in breach of any of its representations or warranties made in this Agreement (without giving effect to any materiality qualifiers contained therein) which breach individually or in the aggregate causes or would reasonably be expected to cause a Material Adverse Change with respect to, or have a Material Adverse Effect on, Renegade or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and Renegade fails to cure such breach within 72 hours after receipt of written notice thereof from Alexander (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date),

each of the above being a "**Renegade Damages Event**", then in the event of the termination of this Agreement pursuant to Article 8, Renegade shall pay to Alexander (or to whom Alexander may direct in writing) $17 million (the "**Alexander Termination Fee**") as liquidated damages in immediately available funds to an account designated by Alexander within one Business Day after the first to occur of the events described above. After an Alexander Damages Event, but prior to payment of the Alexander Termination Fee, Renegade shall be deemed to hold such applicable payment in trust for Alexander. For greater certainty, Alexander is not entitled to more than one payment of the Alexander Termination Fee pursuant to this Section 6.2.

6.3 Liquidated Damages

Each Party acknowledges that the Renegade Termination Fee and the Alexander Termination Fee set out in Sections 6.1 and 6.2, respectively, are a payment of liquidated damages which are a genuine pre estimate of the damages which Renegade or Alexander, as the case may be, will suffer or incur as a result of the event giving rise to such damages and the resultant termination of this Agreement and is not a penalty. Each of the Parties irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, the Parties agree that the payment of the amounts pursuant to Sections 6.1 and 6.2 is the sole monetary remedy of the respective Party receiving such payment; provided, however, that this limitation shall not apply in the event of fraud or intentional breach of this Agreement by either of the Parties. Nothing herein shall preclude a Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement, the Confidentiality Agreement or otherwise to obtain specific performance of any of such act, covenants or agreements, without the necessity of posting bond or security in connection therewith.

ARTICLE 7
AMENDMENT

7.1 Amendment

This Agreement may at any time and from time to time before or after the holding of the later of the Renegade Meeting or the Alexander Meeting, if required pursuant to Applicable Laws, be amended by written agreement of all of the Parties hereto without, subject to Applicable Law, further notice to or authorization on the part of their respective securityholders and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; or

(d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by a Renegade Shareholder without approval by the affected securityholders given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

7.2 Amendment of Plan of Arrangement

(a) Alexander and Renegade may by mutual agreement amend the Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment must be: (i) set out in writing; (ii) filed with the Court and, if made following the Renegade Meeting approved by the Court; and (iii) communicated to holders of Renegade Shares, if and as required by the Court.

(b) Other than as may be required under the Interim Order, any amendment to the Plan of Arrangement may be proposed by Renegade or Alexander at any time prior to or at the Renegade Meeting (provided that the other Party shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Renegade Meeting, shall become part of the Plan of Arrangement for all purposes.

(c) Any amendment to the Plan of Arrangement that is approved by the Court following the Renegade Meeting shall be effective only if it is consented to by each of Alexander and Renegade.

ARTICLE 8
TERMINATION

8.1 Termination

(a) This Agreement may be terminated at any time prior to the Effective Date:

   (i) by mutual written consent of Renegade and Alexander;

   (ii) as provided in Sections 5.1, 5.2 and 5.3;

(iii) by Renegade upon the occurrence of a Renegade Damages Event as provided in Section 6.1;

(iv) by Alexander upon the occurrence of a Alexander Damages Event as provided in Section 6.2; and

(v) by Renegade upon the occurrence of a Alexander Damages Event as provided in Section 6.2(d) (in accordance with Section 3.4(b)(vii) and provided Renegade has complied with its obligations set forth in Section 3.4(d)) and the payment by Renegade to Alexander of the amount required by Section 6.2 has been made.

(b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 8.1, this Agreement shall forthwith become void and neither Party shall have any liability or further obligation to and of the Other Party hereunder except as provided in Article 6 and Section 4.3 and each Party's obligations under the Confidentiality Agreement, which shall survive such termination, and provided that neither the termination of this Agreement nor anything contained in this Section 8.1(b) shall relieve either Party from any liability for any breach by it of this Agreement, including from any inaccuracy in any of its representations and warranties and any non-performance by it of its covenants made herein, prior to the date of such termination.

ARTICLE 9
NOTICES

9.1 Notices

All notices that may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally, delivered by overnight courier or sent by email or facsimile transmission:

(a) in the case of Renegade, to:

Renegade Petroleum Ltd.
500, 850 – 2nd Street SW
Calgary, AB T2P 0R8

Facsimile Number: 403-355-2779
Attention: Andrew Greenslade

with a copy to:

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 – 8th Avenue SW
Calgary, AB T2P 5G1

Facsimile Number: (403) 260-0332
Attention: Jay P. Reid

(b) in the case of Alexander, to:

Alexander Energy Ltd.
Suite 1520, 521 3rd Avenue SW
Calgary, AB T2P 3T3

Facsimile Number: 403-264-1348
Attention: Richard F. McHardy

with a copy to:

McCarthy Tetrault LLP
3300, 421 – 7th Avenue SW
Calgary, AB T2P 4K9

Facsimile Number: (403) 260-3501
Attention: Sony Gill

or such other address as the Parties may, from time to time, advise the Other Party hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or facsimile transmission is received or a confirmation of receipt of email is received.

ARTICLE 10
GENERAL

10.1 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

10.2 Assignment

Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either Party hereto without the prior written consent of the Other Party hereto.

10.3 Public Communications

Each of the Parties agree to consult with the Other Party prior to issuing any press releases or otherwise making public statements with respect to this Agreement or the Arrangement or making any filing with any Governmental Authority with respect thereto. Without limiting the generality of the foregoing, no Party shall issue any press release regarding the Arrangement, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the Other Party and reasonable opportunity for comment; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the Other Party has not reviewed or commented on the disclosure, the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the Other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

10.4 Costs

Except as otherwise expressly provided for in Article 6 or in Section 3.3(e)(iv), all fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such cost or expense, whether or not the Arrangement is completed.

10.5 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be severable therefrom and the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

10.6 Further Assurances

Each of the Parties hereto shall, from time to time and at all times hereafter, at the request of the Other Party hereto, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

10.7 Time of Essence

Time shall be of the essence of this Agreement.

10.8 Applicable Law and Enforcement

This Agreement shall be governed, including as to validity, interpretation and effect, by the Applicable Laws of the Province of Alberta and the Applicable Laws of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the exclusive jurisdiction of the courts of the Province of Alberta in respect of all matters arising out of this Agreement. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is, accordingly, agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the Province of Alberta having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity, subject to the provisions of this Agreement.

10.9 Waiver

Either Party may, on its own behalf only, (i) extend the time for the performance of any of the obligations or acts of the Other Party, (ii) waive compliance with the Other Party's agreements or the fulfillment of any conditions to its own obligations contained herein, or (iii) waive inaccuracies in the Other Party's representations or warranties contained herein or in any document delivered by the Other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of the Other Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

10.10 Third Party Beneficiaries

The provisions of Section 2.6(a) and 2.6(b) are: (i) intended for the benefit of all such present directors and officers of Renegade and shall be enforceable by each of such persons and his or her heirs, executors, administrators and other legal representatives (collectively, the "**Renegade Third Party Beneficiaries**") and Renegade shall hold the rights and benefits of such section in trust for and on behalf of the Renegade Third Party Beneficiaries and Alexander hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Renegade Third Party Beneficiaries; and (ii) are in addition to, and not in substitution for, any other rights that the Renegade Third Party Beneficiaries may have by contract or otherwise.

[Remainder of page left blank intentionally – signatures follow]

10.11 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument.

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

RENEGADE PETROLEUM LTD.

By: (signed) "*Andrew Greenslade*"

ALEXANDER ENERGY LTD.

By: (signed) "*Richard F. McHardy*"

EXHIBIT "A"
PLAN OF ARRANGEMENT

See attached.

PLAN OF ARRANGEMENT UNDER SECTION 193

OF THE

***BUSINESS CORPORATION ACT* (ALBERTA)**

ARTICLE 1
INTERPRETATION

1.1 In this Plan of Arrangement, the following defined terms have the meanings hereinafter set forth:

(a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

(b) "**Alexander**" means Alexander, a corporation amalgamated pursuant to ABCA;

(c) "**Alexander Shares**" means the common shares in the capital of Alexander;

(d) "**AmalCo**" means the corporation resulting from the amalgamation of Renegade and Alexander pursuant to the Arrangement;

(e) "**Arrangement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to the arrangement pursuant to Section 193 of the ABCA set forth in this Plan of Arrangement as supplemented, modified or amended, and not to any particular article, section or other portion hereof;

(f) "**Arrangement Agreement**" means the arrangement agreement dated effective as of February 10, 2014 between Renegade and Alexander with respect to the Arrangement and all amendments thereto and amendments and restatements thereof;

(g) "**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under Section 193(10) of the ABCA to be filed with the Registrar after the Final Order has been made to give effect to the Arrangement;

(h) "**Business Day**" means a day other than a Saturday, Sunday or other day when banks in the city of Calgary, Alberta are not generally open for business;

(i) "**Certificate**" means the certificate or certificates or other confirmation of filing to be issued by the Registrar pursuant to Section 193(11) of the ABCA giving effect to the Arrangement;

(j) "**Court**" means the Court of Queen's Bench of Alberta;

(k) "**Depositary**" means Alliance Trust Company or such other trust company as may be designated by Renegade and Alexander;

(l) "**Effective Date**" means the date that the Arrangement is effective under the ABCA;

(m) "**Effective Time**" means the first moment in time on the Effective Date;

(n) “**Final Order**” means the final order of the Court approving the Arrangement under Section 193(9) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(o) “**Information Circular**” means the notice of Renegade Meeting and the accompanying management information circular and proxy statement of Renegade, together with all appendices thereto, to be mailed or otherwise distributed by Renegade to the Renegade Shareholders or such other securityholders of Renegade as may be required pursuant to the Interim Order in connection with the Renegade Meeting;

(p) “**Interim Order**” means the interim order of the Court under Section 193(4) of the ABCA containing declarations and directions with respect to the Arrangement, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(q) “**ITA**” means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5^{th} Supp.), as amended, including the regulations promulgated thereunder, as amended;

(r) “**Letter of Transmittal**” means the letter of transmittal accompanying the Information Circular sent to the Renegade Shareholders;

(s) “**Person**” includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, government (including any governmental entity), syndicate or other entity, whether or not having legal status;

(t) “**Registrar**” means the Registrar of Corporations or a Deputy Registrar of Corporations appointed under Section 263 of the ABCA;

(u) “**Renegade**” means Renegade, a corporation amalgamated pursuant to the ABCA;

(v) “**Renegade Dissent Rights**” mean the rights of dissent granted in Article 4 hereof to the registered Renegade Shareholders in respect of the Arrangement and the Interim Order;

(w) “**Renegade Dissenting Shareholders**” mean registered Renegade Shareholders who validly exercise the Renegade Dissent Rights with respect to the Arrangement provided to them under this Plan of Arrangement and the Interim Order;

(x) “**Renegade Meeting**” means the special meeting of Renegade Shareholders to be held to consider the Arrangement and related matters, and any adjournment(s) thereof;

(y) “**Renegade Shares**” means the common shares in the capital of Renegade;

(z) “**Renegade Shareholders**” means holders of Renegade Shares; and (aa) "**Shareholder Rights Plan**" means the shareholder rights plan agreement between Renegade and Olympia Trust Company dated April 26, 2013.

1.2 The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.

1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles, sections and subsections are to articles, sections and subsections of this Plan of Arrangement.

1.4 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa, and words importing any gender shall include all genders.

1.5 In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.6 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.7 Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 This Plan of Arrangement is made pursuant to the Arrangement Agreement.

2.2 This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issue of the Certificate, shall become effective at the Effective Time, and shall be binding at and after the Effective Time on: (a) the Renegade Shareholders; (b) Renegade; and (c) Alexander.

2.3 The Articles of Arrangement and Certificate shall be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein.

ARTICLE 3
ARRANGEMENT

3.1 Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur on the Effective Date in the following order without any further act or formality, except as otherwise provided herein:

(a) Notwithstanding the terms of the Shareholder Rights Plan, the Shareholder Rights Plan shall be terminated and all rights issued pursuant to the Shareholder Rights Plan shall be cancelled without any payment in respect thereof;

(b) the Renegade Shares held by Renegade Dissenting Shareholders shall be transferred to Alexander and shall continue to be outstanding, and such Renegade Dissenting Shareholders shall cease to have any rights as Renegade Shareholders, other than the right to be paid the fair value of their Renegade Shares by Alexander in accordance with the Renegade Dissent Rights;

(c) all Renegade Shareholders (other than Alexander) shall transfer to Alexander all of the Renegade Shares held by them in exchange for 0.5625 of an Alexander Share for each 1.0 Renegade Share so transferred;

(d) the stated capital accounts maintained by Renegade for the issued and outstanding shares in the capital of Renegade will be reduced to $1.00 without payment of any amount in respect of those shares;

(e) Renegade and Alexander shall be amalgamated under the ABCA to form AmalCo and:

   (i) all of the property of each of Renegade and Alexander shall continue to be the property of AmalCo;

   (ii) AmalCo shall continue to be liable for all of the obligations of each of Renegade and Alexander;

   (iii) any existing cause of action, claim or liability to prosecution of Renegade or Alexander shall be unaffected;

   (iv) any civil, criminal or administrative action or proceeding pending by or against Renegade or Alexander may be continued to be prosecuted by or against AmalCo;

   (v) a conviction against, or ruling, order or judgment in favour of or against, Renegade or Alexander may be enforced by or against AmalCo;

   (vi) the Articles of Amalgamation of Alexander shall be deemed to be the Articles of Incorporation of AmalCo and the Certificate of Amalgamation of Alexander shall be deemed to be the Certificate of Incorporation of AmalCo;

   (vii) the name of AmalCo shall be "Spartan Energy Corp.";

(viii) the by-laws of AmalCo shall be the by-laws of Alexander;

(ix) the first directors of AmalCo shall be the directors of Alexander;

(x) the first officers of AmalCo shall be the officers of Alexander; and

(xi) the registered office of AmalCo shall be the registered office of Alexander; and

(f) on the amalgamation referred to in Section 3.1(e) above:

(i) no securities shall be issued by AmalCo and, for greater certainty, the shares of Alexander shall survive and continue to be shares of AmalCo without amendment; and

(ii) all of the Renegade Shares held by Alexander immediately prior to the amalgamation shall be cancelled without any payment in respect of such shares.

3.2 In accordance with Section 28(3) of the ABCA, contemporaneously with Section 3.1(c), Alexander shall add to the stated capital account maintained in respect of the Alexander Shares an amount equal to the stated capital of the Renegade Shares transferred to Alexander under Section 3.1(c).

3.3 With respect to each Renegade Shareholder, other than Renegade Dissenting Shareholders, at the Effective Time, upon the exchange of Renegade Shares for Alexander Shares pursuant to Section 3.1(c):

(a) each holder of such Renegade Shares shall cease to be a holder of the Renegade Shares so exchanged and the name of such holder shall be removed from the register of holders of Renegade Shares as it relates to the Renegade Shares so exchanged;

(b) Alexander shall become the holder of the Renegade Shares so exchanged and shall be added to the register of holders of Renegade Shares; and

(c) Alexander shall allot and issue to such holder the number of Alexander Shares issuable to such holder on the basis set forth in Section 3.1(c) and the name of such holder shall be added to the register of holders of Alexander Shares.

ARTICLE 4
DISSENTING RENEGADE SHAREHOLDERS

4.1 Each registered Renegade Shareholder shall have the right to dissent with respect to the Arrangement, in the same manner as provided for in Section 191 of the ABCA, but as modified by the terms of this Plan of Arrangement and the Interim Order. A Renegade Dissenting Shareholder shall, immediately after the step contemplated in Section 3.1(a), cease to have any rights as a Renegade Shareholder and shall only be entitled to be paid by Alexander the fair value of such Renegade Dissenting Shareholder's Renegade Shares under the Arrangement. The fair value of the Renegade Shares shall be determined as of the close of business on the last Business Day before the day on which the Arrangement is approved by the Renegade Shareholders at the Renegade Meeting. A Renegade Dissenting Shareholder who is entitled to be paid the fair value of its Renegade Shares shall be deemed to have transferred its Renegade Shares to Alexander and such Renegade Shares so transferred shall continue to be outstanding in accordance with this Plan of Arrangement. A Renegade Dissenting Shareholder who for any reason is not entitled to be paid the fair value of its Renegade Shares shall be treated as if such Renegade Dissenting Shareholder had participated in the Arrangement on the same basis as a non-dissenting Renegade Shareholder, in which case Alexander shall transfer the Alexander Shares to which the Renegade Dissenting Shareholder is entitled under the Arrangement to the Renegade Dissenting Shareholder. In no event shall Renegade, Alexander or any other Person be required to recognize a Renegade Dissenting Shareholder as a Renegade Shareholder after the transfer of the Renegade Shares to Alexander pursuant to Section 3.1(a). For greater certainty, in addition to any other restrictions in Section 191 of the ABCA, no Person who has voted in favour of the Arrangement shall be entitled to dissent with respect to the Arrangement.

ARTICLE 5
OUTSTANDING CERTIFICATES AND FRACTIONAL SECURITIES

5.1 At or promptly after the Effective Time, Alexander shall issue to the Depositary an irrevocable treasury order authorizing the Depositary, as the registrar and transfer agent of Alexander, to issue certificates representing the aggregate number of Alexander Shares to which the Renegade Shareholders are entitled in accordance with the terms of the Arrangement.

5.2 After the Effective Time, each certificate formerly representing Renegade Shares shall represent only the right to receive:

(a) in the case of certificates held by Renegade Dissenting Shareholders, other than those Renegade Dissenting Shareholders deemed to have participated in the Arrangement pursuant to Section 4.1, the fair value of the Renegade Shares represented by such certificates from Alexander as provided for in the Interim Order and Section 4.1; and

(b) in the case of certificates held by all other Renegade Shareholders, the consideration that such Renegade Shareholders are entitled to in accordance with the terms the Arrangement.

5.3 If any certificate which immediately prior to the Effective Time represented outstanding Renegade Shares has been lost, stolen or destroyed, upon satisfying such reasonable requirements as may be imposed by Alexander and the Depositary in relation to the issuance of replacement share certificates, the Depositary will issue and deliver in exchange for such lost, stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any dividends or distributions with respect thereto) as determined in accordance with the Arrangement.

5.4 All dividends and distributions, if any, made with respect to any Alexander Shares allotted and issued pursuant to this Arrangement but for which a certificate has not been issued shall be paid or delivered to the Depositary to be held by the Depositary in trust for the registered holder thereof. The Depositary shall pay and deliver to any such registered holder, as soon as reasonably practicable after application therefor is made by the registered holder to the Depositary in such form as the Depositary may reasonably require, such dividends and distributions to which such holder is entitled, net of applicable withholding and other taxes (and no interest shall be payable by Alexander, Renegade or the Depositary in respect thereof).

5.5 Any certificate formerly representing Renegade Shares that is not deposited with all other documents as required by this Plan of Arrangement and the Letter of Transmittal on or before the last Business Day prior to the third anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature, and the right of the holder of such Renegade Shares to receive certificates representing Alexander Shares to which such holder is entitled pursuant to the Arrangement (together with all dividends, distributions or other payments thereon held for such holder) shall be deemed to be surrendered to Amalco.

5.6 No certificates representing fractional Alexander Shares shall be issued pursuant to the Arrangement. In lieu of any fractional Alexander Shares, each registered Renegade Shareholder otherwise entitled to a fractional interest in a Alexander Share will receive the nearest whole number of Alexander Shares. For greater certainty, where such fractional interest is greater than or equal to 0.5, the number of Alexander Shares to be issued will be rounded up to the nearest whole number, and where such fractional interest is less than 0.5, the number of Alexander Shares to be issued will be rounded down to the nearest whole number.

5.7 Alexander, Renegade and the Depositary shall be entitled to deduct and withhold from any consideration, dividend or distribution otherwise payable to any former holder of Renegade Shares, such amounts as either Alexander, Renegade or the Depositary are required to deduct and withhold with respect to such payment under the ITA or any provision of federal, provincial, territorial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the securities in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Alexander, Renegade and the Depositary are hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to Alexander, Renegade and the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement, and Alexander, Renegade and the Depositary shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale to such holder.

5.8 After the Effective Time, the Renegade Shareholders (other than Alexander) shall not be entitled to any interest, dividend, premium or other payment on or with respect to the Renegade Shares other than the Alexander Shares which they are entitled to receive pursuant to this Plan.

ARTICLE 6
AMENDMENTS

6.1 Alexander and Renegade may by mutual agreement amend this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment must be: (i) set out in writing; (ii) filed with the Court and, if made following the Renegade Meeting approved by the Court; and (iii) communicated to holders of Renegade Shares, if and as required by the Court.

6.2 Other than as may be required under the Interim Order, any amendment to this Plan of Arrangement may be proposed by Renegade or Alexander at any time prior to or at the Renegade Meeting (provided that the other party shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Renegade Meeting, shall become part of this Plan of Arrangement for all purposes.

6.3 Any amendment to this Plan of Arrangement that is approved by the Court following the Renegade Meeting shall be effective only if it is consented to by each of Alexander and Renegade.

EXHIBIT “B”
RENEGADE ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF COMMON SHARES OF RENEGADE PETROLEUM LTD. ("**RENEGADE**") THAT:

1. the arrangement under Section 193 of the *Business Corporations Act* (Alberta) (the "**Arrangement**") substantially as set forth in the plan of arrangement (the "**Plan of Arrangement**") attached as Appendix ● to the Joint Information Circular of Renegade and Alexander dated ●, 2014 (the "**Information Circular**") accompanying the notice of meeting is hereby authorized, approved, ratified and confirmed;

2. the arrangement agreement between Renegade and Alexander dated February 10, 2014 (the "**Arrangement Agreement**"), a copy of which is attached as Appendix ● to the Information Circular accompanying the notice of meeting, with such amendments or variations thereto made in accordance with the terms of the Arrangement Agreement as may be approved by the persons referred to in paragraph 3 hereof, such approval to be evidenced conclusively by their execution and delivery of any such amendments or variations, is hereby authorized, approved, ratified and confirmed;

3. notwithstanding that this resolution has been duly passed and/or has received the approval of the Court of Queen’s Bench of Alberta, the board of directors of Renegade may, without further notice to or approval of the securityholders of Renegade, subject to the terms of the arrangement agreement between Renegade and Alexander (the "**Arrangement Agreement**") and the Arrangement, (i) amend or terminate the Arrangement Agreement or the Plan of Arrangement, or (ii) revoke this resolution at any time prior to the filing of articles of arrangement giving effect to the Arrangement;

4. any director or officer of Renegade is hereby authorized, for and on behalf of Renegade, to execute and deliver articles of arrangement and to execute, with or without the corporate seal, and, if appropriate, deliver all other documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action; and

5. all actions heretofore taken by or on behalf of Renegade in connection with any matter referred to in any of the foregoing resolutions which were in furtherance of the Arrangement are hereby approved, ratified and confirmed in all respects.

EXHIBIT "C"
ALEXANDER RESOLUTION

BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE HOLDERS OF COMMON SHARES OF ALEXANDER ENERGY LTD. ("**ALEXANDER**") THAT:

1. the issuance of such number of common shares of Alexander as are required in connection with the arrangement under Section 193 of the *Business Corporations Act* (Alberta) (the "**Arrangement**") substantially as set forth in the plan of arrangement (the "**Plan of Arrangement"**) attached as Appendix ● to the Joint Information Circular of Alexander and Renegade dated ●, 2014 (the "**Information Circular**") accompanying the notice of meeting is hereby authorized, approved, ratified and confirmed;

2. notwithstanding that this resolution has been duly passed, the board of directors of Alexander may, without further notice to or approval of the securityholders of Alexander, subject to the terms of the Arrangement, (i) amend or terminate the Arrangement, or (ii) revoke this resolution at any time prior to the filing of articles of arrangement giving effect to the Arrangement;

3. any director or officer of Alexander is hereby authorized, for and on behalf of Alexander, to execute and deliver articles of arrangement and to execute, with or without the corporate seal, and, if appropriate, deliver all other documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action; and

4. all actions heretofore taken by or on behalf of Alexander in connection with any matter referred to in any of the foregoing resolutions which were in furtherance of the Arrangement are hereby approved, ratified and confirmed in all respects.